



TECHNICAL UNIVERSITY OF MOMBASA

UNIVERSITY EXAMINATIONS 2018/2019

**EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS
ADMINISTRATION AND BACHELOR OF COMMERCE**

BFI 4303: FINANCIAL MANAGEMENT IN THE PUBLIC SECTOR

PAPER B

END OF SEMESTER EXAMINATIONS

SERIES: SEPTEMBER 2018

INSTRUCTIONS

- This paper consists of section A and B
- Section A is compulsory and any TWO questions in section B.
- Mobile phones are not allowed in the examination room.
- Cheating leads to disqualification.

QUESTION ONE

Question ONE (Compulsory) (30 MARKS)

- 1(a) Discuss the challenges facing managers in dealing with public resources(10marks)
- (b) Explain weaknesses that undermine public sector controls (10marks)
- (c) Identify the advantages of benchmarking (10marks)

QUESTION TWO (20 MARKS)

2. Differentiate between imposed and participative budgets (20marks)

QUESTION THREE (20 Marks)

3(a) Discuss the role of central government (10marks)

(b) Explain the main objectives of the fiscal policy(10marks)

QUESTION FOUR (20 MARKS)

4(a) Discuss the pros and cons of payback period as a method of investment appraisal

(Total 10 Marks)

4(b) Identify the key causes of external debts by Africa (10marks)

QUESTION FIVE (20 MARKS)

5(a) Describe the problems facing cooperatives in Kenya today (10marks)

(b) Identify the objectives of civil service reform programme (10marks)