

2nd SEM. 2014/15



UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

**PROGRAMMES : BACHELOR OF SCIENCE IN
CONSUMER SCIENCE AND
CONSUMER SCIENCE EDUCATION
YEAR IV**

COURSE CODE : FRHD 406

TITLE OF PAPER : FAMILY FINANCE MANAGEMENT

TIME ALLOWED : TWO (2) HOURS

**INSTRUCTIONS : ANSWER QUESTION ONE (1) AND
ANY OTHER TWO (2) QUESTIONS**

**DO NOT OPEN THIS PAPER UNTIL PERMISSION HAS BEEN
GRANTED BY THE CHIEF INVIGILATOR**

QUESTION 1 (COMPULSORY)

Discuss the following as used in Family Finance Management. Support your answers with examples.

- | | | |
|-----|--|------------|
| (a) | Financial situation of retired person in Southern Africa | (10 Marks) |
| (b) | Problems of dying intestate | (6 Marks) |
| (c) | Debt consolidation | (4 Marks) |
| (d) | The risk and yield relationship in investment | (6 Marks) |
| (e) | Ways of handling risk in risk management | (8 Marks) |
| (f) | Using the balance sheet in decision making | (6 Marks) |

[TOTAL MARKS = 40]

QUESTION 2

Identify and discuss any five (5) types of investment risks

[TOTAL MARKS: 30]

QUESTION 3

You have been asked to address a group of workers on retirement and estate planning. Explain what you would say on the following:

- | | | |
|-----|--|------------|
| (a) | Estimating retirement expenses | (9 Marks) |
| (b) | Questions to ask when assessing a pension plan | (15 Marks) |
| (c) | Investment strategies at retirement | (6 Marks) |

[TOTAL MARKS = 30]

QUESTION 4

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|-----|--|------------|
| (a) | Discuss how you would explain the concept of human capital investment to a group of young people about to finish high school. | (15 Marks) |
| (b) | Identify a source of consumer credit in Swaziland and explain how it applies the five (5) "Cs of credit" on credit applications. | (15 Marks) |

[TOTAL MARKS = 30]