



1ST SEM. 2004/2005

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UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

**PROGRAMME: BACHELOR OF SCIENCE IN HOME
ECONOMICS & HOME ECONOMICS
EDUCATION YEAR V**

COURSE CODE: FRHD 501

TITLE OF PAPER: FAMILY FINANCE

TIME ALLOWED: TWO (2) HOURS

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

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GRANTED BY THE CHIEF INVIGILATOR**

Question 1

- a) Explain how the following can be used in family finance decision making:
1. Balance sheet
 2. Income and expenditure statement [2 x 10 = 20]
- b) With the help of flow diagram define standard of living and level of living from the family point of view and what is the point of this application needed. [20]

[Total marks = 40]

Question 2

Discuss the money income, real income, and psychic income:

1. Its definition [6]
2. Sources [12]
3. Components [12]

[Total marks = 30]

Question 3

- a) How will you calculate the cost of credit? [10]
- b) What are the components of family finance? [10]
- c) How inflation affects us? [10]

[Total marks = 30]

Question 4

Write short notes on the following:

- Analysis of income [6]
Wills [6]
Poverty cycle and implication [6]
Money management/ Budgeting [6]
Types of insurance [6]

[Total marks = 30]