

2nd SEM. 2008/2009



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UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

**PROGRAMME : BACHELOR OF SCIENCE IN HOME
ECONOMICS AND HOME
ECONOMICS 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 (2) QUESTIONS**

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GRANTED BY THE CHIEF INVIGILATOR**

QUESTION 1 (COMPULSORY)

- a) Research has shown a disturbing financial situation for retired persons in Southern Africa. Describe the financial position of retired people in the region and explain the reasons behind this situation.

(15)

- b) Discuss the recommended investment strategies for retirement

(15)

- c) Identify and discuss any five Provisions of a will

(10)

[40]

QUESTION 2

Discuss Housing Expenditure under the following headings:

- a) Factors to consider when deciding where to live (5)
b) The economic and social advantages and disadvantages of owning a home (10)
c) Deciding how much you can afford to spend on housing (5)
d) Financing a home (10)

[30]

QUESTION 3

- a) Identify and describe in detail the three (3) methods of setting debt limits in family/personal finance. Give examples where appropriate (20)
- b) In evaluating a credit application, lenders normally consider five main factors, usually referred to as the 'five Cs' of credit. Identify and explain these factors.

(10)

[30]

QUESTION 4

- a) Identify and describe the three (3) steps in the risk management process.

(21)

- b) Explain how you would use the risk management process to determine your health insurance needs. Give examples where necessary.

(9)

[30]