



**Riara School of Business**  
*Nurturing business innovators*

**JANUARY APRIL 2023 TRIMESTER**  
**EXAMINATION FOR BACHELOR OF BUSINESS ADMINISTRATION**

**DAY PROGRAMME**

**RFN 203: PERSONAL FINANCE**

**DATE: APRIL 2023**

**TIME: 2 HOURS**

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**GENERAL INSTRUCTIONS:**

Students are NOT permitted to write on the examination paper during reading time.

This is a closed book examination. Text book/Reference books/notes are not permitted.

**SPECIAL INSTRUCTIONS:**

- 1 Write your REGISTRATION NO. Clearly on the answer booklet(s).
- 2 Answer Question One and ANY other TWO questions.
- 3 Questions in all sections should be answered in answer booklet(s).
- 4 Marks allocated to each question are shown at the end of the question.
- 5 PLEASE start the answer to EACH question on a NEW PAGE.
- 6 For the questions, write the number of the question on the answer booklet(s) in the order you answered them.
- 7 Write your answers in paragraph form unless stated otherwise.
- 8 Keep your phone(s) SWITCHED OFF at the front of the examination room.
- 9 Keep ALL bags and caps at the front of the examination room and do not refer to any unauthorized material before or during the course of the examination.
- 10 You are only allowed to leave the examination room 30minutes to the end of the Examination.

### QUESTION ONE: COMPULSORY (30 MARKS)

- a) Explain **five** reasons why a personal budget is an important tool of money management. **(10 marks)**
- b) Evaluate **five** factors to consider when buying motor vehicle insurance. **(10 marks)**
- c) Describe **five** types of investments that you can use for your personal investment planning. **(10 marks)**

### QUESTION TWO

- a) Discuss **five** types of personal budgets **(10 marks)**
- b) Insurance is an important personal financial risk management tool. Discuss **five** benefits of acquiring an insurance cover. **(10 marks)**

### QUESTION THREE

- a) Discuss **five** factors to consider when choosing your personal investments. **(10 marks)**
- b) Explain **five** factors that influence the choice of a savings plan. **(10 marks)**

### QUESTION FOUR

- a) Outline **five merits** and **five demerits** of ownership as a housing alternative. **(10 marks)**
- b) Discuss **five advantages** and **five disadvantages** of using credit for consumption spending. **(10 marks)**

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