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KIBABII UNIVERSITY
UNIVERSITY EXAMINATIONS
2017/2018 ACADEMIC YEAR

FOURTH YEAR SECOND SEMESTER
SPECIAL/SUPPLIMENTARY EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCA 412

COURSE TITLE: ASSET MANAGEMENT

DATE: 15/10/2018 **TIME:** 9:00 A.M

INSTRUCTIONS TO CANDIDATES

Answer Question One in Section A and Any other TWO (2) Questions in Section B

TIME: 2 Hours

KIBUCO observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over. ►

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SECTION A (COMPULSORY)

QUESTION ONE

- a) Define asset Management (3mks)
- b) Distinguish between mutual fund and pension fund (3mrks)
- c) What do you understand by the term trust (4mrks)
- d) In Real Estates Investment what do you understand by a syndicate (4mrks)
- e) Highlight the role and purpose of the asset management(4mrks)
- f) Highlight the duties of a trustee

SECTION B

QUESTION TWO

- a) Highlight the history of mutual funds (6mrks)
- b) With help of a cyclic diagram explain the organization flow of mutual funds (5mrks)
- c) Highlight the advantages of mutual funds (5mrks)
- d) State functions of investment companies (4mrks)

QUESTION THREE

- a) Outline types of investment companies (3mrks)
- b) Give the advantages of real estate investments (5mrks)
- c) What are the duties of pension committee (5mrks)
- d) Discuss the Law suit and personal liability insurance of committee members(7mrks)

QUESTION FOUR

- a) Highlight the guidelines for pension funds governance (10mrks)
- b) How can a company improve liquidity (10mrks)

QUESTIN FIVE

- a) What is REIT (3mrks)
- b) What are the requirements of REIT (7mrks)
- c) What is a mortgage (2mrks)
- d) Consider a 15 year (180 months) sterling pounds 200,000 mortgage an annual interest of 9% Develop an amortization schedule for this mortgage. Show the first three payments .The monthly mortgage payment is 2028.539 (8mrks)