



(Knowledge for Development)

KIBABII UNIVERSITY

UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

FIRST YEAR SECOND SEMESTER

MAIN EXAMINATION

FOR THE DEGREE OF BED(ARTS)

COURSE CODE: KUC 125

COURSE TITLE: QUANTITATIVE SKILLS

DATE: 6/09/2022

TIME: 0900Hrs - 1100Hrs

INSTRUCTIONS TO CANDIDATES

Answer Question One and any other TWO Questions

TIME: 2 Hours

This Paper Consists of 4 Printed Pages. Please Turn Over. ►

QUESTION ONE

- i. Differentiate between taxable income and gross income (2marks)
- ii. List any **two** uses of matrices (2 marks)
- iii. Highlight any **four** monetary measures used to curb inflation (4marks)
- iv. List and explain any **four** types of taxes that are used to get revenue for government expenditure (8marks)
- v. Discuss any **four** principles of public expenditure (8 marks)
- vi. Determine the inverse T^{-1} of the matrix

$$\begin{pmatrix} 1 & 2 \\ 1 & -1 \end{pmatrix}$$

Hence find the coordinates to the point at which the two lines

- $x + 2y = 7$ and $x - y = 1$ intersect (4marks)
- vii. Compute the geometric mean of 1,2,3,4,5 (2marks)

QUESTION TWO

a) Given that $A = \begin{pmatrix} 0 & -1 \\ 3 & 2 \end{pmatrix}$ and $B = \begin{pmatrix} -1 & 0 \\ 2 & -4 \end{pmatrix}$

- I Find the value of x if
 - (i) $A - 2x = 2B$ (3 marks)
 - (ii) $3x - 2A = 3B$ (3 marks)
 - (iii) $2A - 3B = 2x$ (3 marks)
- II The transpose of A (2 marks)
- b) Use Cramer's rule to solve
 - $2x + y + z = 4$
 - $x - y - 2z = 0$
 - $5x - 2y - 4z = 3$ (9 marks)

QUESTION THREE

The following data was obtained from the heights in centimeters of students.

168,142,171,153,155,173,164,148,159,161,172,149,171,168,155,173,164,149,161,142,148,
164,159,164,173,164,152,153,164,155,148,164.

- a) Prepare a grouped frequency distribution table for this data using class size 5 starting with the class 142-146 (3 marks)
- b) Use the data to draw a graph of cumulative frequency and use it to estimate the median of the distribution. (7 marks)
- c) Use the data to calculate
 - i) The mean (3 marks)
 - ii) The median (3 marks)
 - iii) The standard deviation (4 marks)

QUESTION FOUR

- a) State and explain **four** categories of activities that your home county government spends its revenue on. (8 marks)
- b) The table below shows quantity and price of some cereals produced in 2020 and 2021.

| Items | 2020 | | 2021 | |
|-------|---------------|---------------|---------------|---------------|
| | Price(ksh)@kg | Quantity(kgs) | Price(ksh)@kg | Quantity(kgs) |
| M | 70 | 700 | 50 | 490 |
| B | 50 | 270 | 70 | 280 |
| C | 100 | 350 | 90 | 290 |
| W | 90 | 500 | 40 | 420 |
| M | 30 | 160 | 100 | 250 |

Using 2020 as the base year, calculate and interpret

- i. Laspeyre's index (3 marks)
- ii. Paache's index (3 marks)
- iii. Fisher's ideal index (3 marks)
- iv. Marshall-edge worth index (3 marks)

QUESTION FIVE

- a) Explain any **five** shortfalls in the tax system (10 marks)
- b) The following table shows income tax rates for a certain year.

| Monthly income in kshs | % tax rate per shilling |
|------------------------|-------------------------|
| 1 – 9400 | 10 |
| 9401 – 18000 | 15 |
| 18001 – 26600 | 20 |
| 26601 – 35600 | 25 |
| 35601 and above | 30 |

A monthly tax relief of shs.1172 was allowed. Onex's taxable income in the last band was kshs.3200 in a month.

- I. Calculate;
- i. His taxable income (2 marks)
 - ii. The amount of tax he paid in a month (5 marks)
- II. Onex's salary included a medical allowance of shs.6000 and a commuter allowance of shs.8000. He contributed 6% of his basic salary to a cooperative for shares. Calculate his monthly net salary. (3 marks)