



PAN AFRICA CHRISTIAN UNIVERSITY

**END OF SESSION EXAMINATION FOR THE DEGREE OF
BACHELOR OF ARTS IN TRANSFORMATIONAL CHURCH
LEADERSHIP**

SEPTEMBER - DECEMBER 2019

CAMPUS: ROYSAMBU

**DEPARTMENT: TRANSFORMATIONAL CHURCH AND YOUTH
LEADERSHIP**

COURSE CODE: BTCL3313

**COURSE TITLE: FINANCIAL AND ADMINISTRATION
MANAGEMENT FOR NON-PROFIT ORGANIZATIONS**

EXAM DATE: TUESDAY 1ST OCTOBER 2019

DURATION: 3HRS

TIME: 9:00AM-12:00PM

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- Answer question ONE and any other THREE Questions
- You are allowed to use the Bible.

SECTION A: Answer ALL Questions (30 Marks)**QUESTION ONE: COMPULSORY**

- a) Discuss the importance of establishing a financial and administrative process within an organization. (10 Marks)
- b) The Trial balance for Gospel Assembly disclosed the following information for the year that ended on January 31 2017.

PARTICULARS	Debit	Credit
Currency	Kes	Kes
Tithes and Offering		200,000
Cash at Bank	40,000	
Gifts and donations in cash		170,000
Debtors	130,000	
Creditors		70,000
Furniture & Fittings	150,000	
Buildings	1,000,000	
Equipment	280,000	
Salaries	75,000	
Utilities	70,000	
Other Administrative expenses	20,000	
Security	15,000	
Fellowships and visitation costs	60,000	
Bad debts	20,000	
Other catering Expenses	40,000	
Long-term loan		260,000
Capital Fund		1,200,000
TOTALS	1,900,000	1,900,000

Using the information given in the books of Gospel Assembly:

- i. a) Prepare the Income statement for the year ended January 31 2017
(12 Marks)
- ii. b) Based on the performance of the organizational net income, identify
Four ways that the management could improve its net operational income
(8 Marks)

SECTION B: Answer ANY THREE Questions. (10 Mark Each)

QUESTION TWO

An organization must establish and maintain proper financial and administrative systems that support the smooth running of its operations to enhance efficiency. Discuss the following administrative controls, giving an example to support your discussion for each of the controls.

- a. Segregation of duties in financial management. (5 Marks)
- b. Approval and authorization of expenditure. (5 Marks)

QUESTION THREE

Some people have described money as the life-blood of any social organization.

- a) Explain the importance of budgeting for a non-governmental organization. (6 Marks)
- b) Define financial Audit and its importance for a non-Profit/non-governmental organization. (4 Marks)

QUESTION FOUR

Critical thinking is a process that involves careful reasoning, problem solving and decision making in order for a manager to make well thought through judgments.

- a. Explain the seven steps that are involved in problem solving. (7 Marks)
- b. Discuss three decision making styles that are important in critical thinking. (3 Marks)

QUESTION FIVE

Recently, Grace Assembly, a new ministry in town appointed you to lead a team in establishing and implementation of performance management measures in the Ministry. Explain the following elements which would form part of your introduction to this exercise.

- a) Definition of Employee Performance Evaluation. (3 marks)
- b) The Objectives of performance evaluation in the Church. (3 marks)
- c) Four common stages that would be followed in evaluation exercise. (4 marks)

QUESTION SIX

Discuss the importance of the Working Capital Management in a growing Christian establishment. Use practical examples to support your discussion. (10 marks)