



PAN AFRICA CHRISTIAN UNIVERSITY

**END OF SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF ARTS IN BIBLE AND THEOLOGY**

APRIL, 2022

CAMPUS: ROYSAMBU (ONLINE)

**DEPARTMENT: TRANSFORMATIONAL CHURCH AND YOUTH
LEADERSHIP**

COURSE CODE: BTCL3313

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

EXAM DATE: MAY 4, 2022

TIME ALLOWED: 3HRS

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- Write your **STUDENT NUMBER** in the Answer Booklet given
- Section A is compulsory.
- Answer any TWO questions in Section B.

SECTION A: THIS SECTION IS COMPULSORY. (20 MARKS)

- a) Explain the meaning of the following terms as they are used in financial management and administration:
- i. Assets (1 Marks)
 - ii. Working Capital (1 Marks)
 - iii. Reserves (1 Marks)
 - iv. Endowment Fund (1 Marks)
- b) The Trial balance for Child Support International disclosed the following information for the year that ended on December 31, 2021.

	Debit	Credit
Currency	USD	USD
Tithes and offering		150,000
Other Income		50,000
Cash at Bank	120,000	
Gifts and donations in cash		170,000
Debtors	50,000	
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	
Honorarium	20,000	
Other catering Expenses	40,000	
Long-term loan		460,000
Capital Fund		1,000,000
	1,900,000	1,900,000

Using the information given in the books of Child Support International:

- a) Prepare a statement of comprehensive income for the year ended December 31 2021 (8 Marks)
- b) Prepare the Statement of financial position (Balance Sheet) as of December 31 2021 (8 Marks)

SECTION B: ANSWER TWO QUESTIONS OUT OF THE FOUR PROVIDED (20 MARKS)

- c) Discuss four reasons why budgeting is important to the churches today. Using examples from your ministry, or another ministry that you are aware of, show how prudent budget management has contributed to the growth of the ministry (10 Marks)
- d) The working capital is an important factor in the financial management of the organization. Discuss the term Working Capital Management and using practical examples indicate its importance to the liquidity and profitability of an organization (10 Marks)
- e) An organization must establish and maintain proper financial and administrative possesses that support the smooth running of its operations and enhance efficiency. Explain the importance of internal controls to an organization. Using practical examples, discuss at least 3 internal controls that are set by your organization to safeguard the assets of that organization. (10 Marks)
- f) Critical thinking is a process that involves careful reasoning, problem solving and decision making for management of a well thought judgments. Explain the seven steps that are involved in problem solving (10 Marks)