MACHAKOS UNIVERSITY

University Examinations for 2024/2025 Academic Year

SCHOOL OF EDUCATION
DEPARTMENT OF EDUCATIONAL MANAGEMENT & CURRICULUM STUDIES

FIRST YEAR FIRST SEMESTER EXAMINATION FOR MASTER OF EDUCATION MANAGEMENT DEGREE

EMP804: EDUCATIONAL FINANCE

DATE: 17TH JANUARY, 2025 **TIME: 2.00 PM – 5.00 PM**

INSTRUCTIONS:
*Answer question **ONE (Compulsory)** and **any other THREE** questions*

QUESTION ONE (COMPULSORY) (15 MARKS)

a) Citing relevant examples, explain **four** reasons why a school should engage in financial accounting. (4 marks)

b) Discuss **four** challenges principals are facing due to delays by government in financing education in secondary schools. (8 marks)

c) Using relevant examples, discuss **three** ways in which technology can be used to improve financial accounting in schools. (3 marks)

QUESTION TWO (15 MARKS)

a) Define the term "financial accounting" (1 marks)

b) Explain the **five** classifications of financial data used in the financial accounting of a school

(10 marks)

c) Using relevant examples, distinguish between accrual and cash method of financial accounting. (4 marks)

QUESTION THREE (15 MARKS)

a) Citing relevant examples, explain **two** reasons why a principal would initiate a cost-benefit analysis before undertaking a project. (4 marks)

b) Using relevant examples, discuss **four** determinants of costs incurred in imparting education. (8 marks)

c) Explain **three** ways the government of Kenya would use to reduce unit cost of education. (3 marks)

QUESTION FOUR (15 MARKS)

a) Explain **four** internal measures that a secondary school Principal should institute to control expenditure. (4 marks)

b) With relevant examples, discuss **three** functions of a school budget. (3 marks)

c) You have been appointed as the chairperson of the preparation of prize giving day. Describe the **four** stages you would follow to budget for the occasion. (8 marks)

QUESTION FIVE (15 MARKS)

a) Explain **two** types of audit conducted in a school. (4 marks)

b) Discuss **four** ways in which an auditor may report his/her opinion on a school's financial position. (8 marks)

c) Using suitable examples, explain **three** compliance issues a school may face in financial accounting. (6 marks)