



***“Investing in Africa’s future”***

**COLLEGE OF BUSINESS PEACE LEADERSHIP GOVERNANCE (CBPLG)**

**NMAC204: BUSINESS FINANCE**

**END OF SECOND SEMESTER FINAL EXAMINATIONS**

**MAY 2021**

**LECTURER: MR. GABRIEL MUZAH**

**TIME: 7 HOURS**

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**INSTRUCTIONS**

- The paper contains only two (3) questions.
- Answer **ONE** question
- Africa University will check all submitted final exams for plagiarism, excessive referencing and for exams which are identical or in which evidence of copying is apparent.

**Question 1:**

Select any listed firm of your choice. With reference to this firm:

- a) Based on a stakeholder matrix illustration, identify and name the stakeholders of your firm. **[15 marks]**
- b) Using evidence from the media and/or any other source, discuss the problems faced within the identified stakeholder matrix. **[15 Marks]**
- c) With reference to the latest financial report of the firm, identify and discuss the effectiveness of any costs that the firm incurred in trying to solve the above-mentioned problems. **[20 Marks]**

**Question 2:**

Select any listed firm of your choice. With reference to this firm:

- a) Who are the top shareholders of your firm? **[10 Marks]**
- b) What are the potential conflicts of interest that you see emerging from this shareholding structure? **[15 Marks]**
- c) Discuss any external measures of the quality of corporate governance of the firm. **[15 Marks]**
- d) Discuss any tangible evidence that indicates that the board acts independently of management. **[10 Marks]**

**Question 3:**

- a) Select any listed firm of your choice. With reference to this particular firm can you analyze and discuss its long term sources of finance. **[26 Marks]**
- b) You have just taken a 30-year mortgage loan for \$200,000. The annual percentage rate on the loan is 8%, and payments will be made monthly. Estimate your monthly payments. **[12 Marks]**
- c) Suppose you want to accumulate \$450,000 over the next 6 years in order to buy a new building for your business. You plan to make monthly payments into an ordinary annuity that earns 4.5%. Calculate the regular payment. **[12 Marks]**

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**END OF EXAMINATION**

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