



FACULTY OF BUSINESS

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **FIN2113 FINANCIAL PLANNING & WEALTH MANAGEMENT**
Semester & Year : MAY – AUGUST 2020
Lecturer/Examiner : MR.RAVINDRAN RAMAN
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (25 marks) : Answer all THREE (3) short answer questions. Answers are to be written in the Answer Booklet provided.
PART B (75 marks) : Answers only THREE (3) structure answer questions. Answer are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 3 (Including the cover page)

PART A : SHORT ANSWER QUESTIONS (25 MARKS)

INSTRUCTION (S) : Answer **ALL** questions. Write your answers in the answer booklet(s) provided.

Question 1

Briefly define the following terms in the perspective of financial planning and wealth management:

(a) Time value of money (3 marks)

(b) Tax planning (3 marks)

(c) Goal setting (3 marks)

(Total 9 marks)

Question 2

Briefly explain **FOUR (4)** reasons for using a budget process.

(Total 8 marks)

Question 3

Explain **FOUR (4)** objectives of performing a financial analysis in relation to financial planning.

(Total 8 marks)

(Total 25 marks)

END OF PART A

PART B : STRUCTURED QUESTIONS (75 MARKS)

INSTRUCTION (S) : Answer only **THREE (3)** questions. Write your answers in the answer booklet(s) provided.

Question 1

Each individual or firm does financial planning and wealth management. Discuss **FIVE (5)** purposes of exercising a financial planning and wealth management in an individual or firm.

(Total 25 marks)

Question 2

Due to life style changes, each family's living expenses has tremendously grown on the high side. Therefore having a life insurance policy is a beneficial to each family during rainy days. Draw a diagram and elaborate **THREE (3)** steps on how much of life insurance does a family needs.

(Total 25 marks)

Question 3

(a) Distinguish the differences between a mortgage and hire purchase. Provide an example of an asset which is purchased under each type of the loan.

(15 marks)

(b) Discuss what capital gain is in the context of disposing of an asset.

(10 marks)

(Total 25 marks)

END OF QUESTION PAPER