



## MURANG'A UNIVERSITY COLLEGE

*(A constituent college of Jomo Kenyatta University of Agriculture and*

ORDINARY UNIVERSITY EXAMINATIONS 2015/2016  
EXAMINATION FOR Y2 S1

PROGRAMME : MASTER OF PUBLIC ADMINISTRATION

COURSE CODE: BCP 4111

COURSE TITLE: PUBLIC FINANCE

DATE:

TIME: 3 HOURS

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### **INSTRUCTION TO CANDIDATES**

Answer Question one and any other two

**BCP 4111 Public Finance**

### **QUESTION ONE**

Write short notes on the following

**(5 Marks each)**

- a. Scope of Public Finance
- b. Different types of tax
- c. Financial Administration

### **QUESTION TWO**

The Government of Kenya has reported a steady Public Expenditure increase trend over the last 10 years.

- a) Explain why growth in public expenditure in Kenya trend may be justified.

**(8marks)**

- b) Discuss the similarities and differences between Public Finance and Private Finance

**(7 Marks)**

### **QUESTION THREE**

“Taxation is the powerful instrument in the hands of the government for transferring purchasing power from individuals to government”.

- a. Explain the main characteristics of a tax
- b. Discuss the main Objectives and functions of Tax.
- c. Cannons of taxation

**(5 Marks)**

**(5 marks)**

**(5 marks)**

### **QUESTION FOUR**

You have been appointed and advisor of the Government of Kenya specifically on matters of fiscal policy.

#### **Required**

- a) “Deficit financing has both positive and negative effects in the economy”. Discuss

**(5 Marks)**

- b) There are four techniques through which the Government may finance its budgetary deficits. Discuss

**(5 marks)**

- c) Explain the objectives of deficit financing

**(5 Marks)**

## **QUESTION FIVE**

- a) Explain the objectives of a fiscal policy **(5 Marks)**
- b) Explain the administrative and accounting controls used to achieve the budgeted level of expenditure by the Government Ministries. **(5 marks)**
- c) Discuss the main reasons for the growth in public expenditure in Kenya. **(5 marks)**