

DEPARTMENT OF PRODUCTION ENGINEERING

FACULTY OF ENGINEERING

UNIVERSITY OF BENIN

B.ENG (PRODUCTION ENGINEERING) 2018/2019 1ST SEMESTER EXAMINATIONS

PRE571: ENGINEERING ECONOMICS AND ADMINISTRATION (COMPUTER
ENGINEERING DEPARTMENT EXAMINATION)

TIME ALLOWED: 3 HOURS

DATE: FEBRUARY 7, 2020

INSTRUCTIONS

Answer question one and any other three questions (At Least one question from each section). All questions carry equal marks.

Section A

Question 1

The following trial balance was extracted from the books of A & B Holdings for the year ended 31st December 2019.

Particulars	Amount	Particulars	Amount
Rent	3,000	Stock of raw material, 31 st Dec 2018	32,000
Purchases of raw materials	100,000	Stock of finished goods, 31 st Dec 2018	45,000
Machinery	50,000	Sales of scrap	3,900
Stock of raw materials, 1 st Jan 2018	20,000	Sales commission (Dr.)	1,070
Stock of finished goods, 1 st Jan 2018	60,000	Commission (Cr.)	2,000
Carriage inwards – raw materials	3,000	Capital	20,000
Factory power	4,000	Drawings	110
Salaries	7,500	Loan	1,000
Outstanding salaries	1,000	Sundry creditors	15,500
Factory wages	40,000	Bill payable	13,000
Trade expenses	4,500	Land and building	2,000
Factory rent	2,000	Investments	19,100
Sales	300,000	Bills Receivable	4,520
Work in progress 1 st Jan 2018	20,000	Cash at bank	11,700
Work in progress, 31 st Dec 2018	15,000	Cash in hand	10,000
Advertisement	2,000	Prepaid insurance	9,000

- Provide depreciation on machinery at 18% and @ 10% on land and building per annum
 - Allow interest on capital @ 8% and @ 12% on loan per annum
- Prepare the Manufacturing Account, Trading Account, Profit and Loss Account and the Balance Sheet for A & B Holdings for the year ended 31st December 2019.

Question 2

- Discuss very briefly long-term and short-term sources of external finance as ways of mobilizing various terms of finance to the industrial concern.
- How does depreciation funds and retained earnings as internal sources of finance used in the industrial concern
- Why are demand deposits considered as money?
- How does banks mediate between those who have surplus money and does who needs money?

Section B

Question 3

- Distinguish between formal and informal organization
- Explain ten (10) principles of delegation as a principle of an organization
- Outline the steps involved in process of delegation?
- State three (3) advantages of delegation as a principle of organization

Question 4

- Explain ten (10) the significance of management in an organization
- Explain the process of Management by Objectives. Also bring out the relative merits of MBO
- Explain how you go about in installing the MBO program in a fast growing medium size organisation.

Section C

Question 5

- Briefly discuss the elements of personnel management.
- State the symptoms and causes of employee stress. What are the organisational strategies of managing employee stress?

Question 6

- What are the implications and limitation of Maslow's Hierarchy of Needs Theory for Managers?
- What are the implications of the two-factor theory for managers?

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