



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
OCTOBER 2013 EXAMINATION**

**Course Code: BHM 302.**

**Credit Unit: 2.**

**Course Title: Business Finance II**

**Time Allowed: 2 Hours.**

**Instructions: 1. Attempt Question 1 and any other two (2) Questions.**

**2. Question 1 is compulsory and carries 30 marks while the other 2 Questions carry 20 marks each.**

**3. Present all your points in coherent and orderly manner.**

**Question 1 (Compulsory)**

- (a) Mention any five (5) objectives of financial management in any organization?
- (b) Mention 4 sources of medium term loans for financing business operations.

**Question 2**

- (a) What is financial planning
- b) Enumerate the functions that are inherent in financial planning.

**Question 3**

- (a) Explain the term Capital.
- (b) Mention and discuss the factors affecting working capital requirements in operations.

**Question 4**

- a) Identify and evaluate the main types of bank credit to business organisations.
- b) Discuss financial resources in relation to operations of business organisations.
- c) Give four (4) examples of financial resources available to business organizations.

**Question 5**

- (a) Enumerate and discuss traditional sources of funding business operations.
- (b) Identify and explain the 3 main types of managerial decisions in finance function.