

LEVEL 5

APPLY ENTREPRENEURIAL SKILLS

July/August 2025



AMREF INTERNATIONAL TRAINING CENTER

CANDIDATE WRITTEN ASSESSMENT

Time: 3 HOURS

INSTRUCTIONS TO CANDIDATE

1. Marks for each question are indicated in the brackets.
2. The paper consists of TWO sections: A and B.
3. Candidates are provided with a separate answer booklet
4. DO NOT write on this question paper.

This paper consists of Three (3) printed pages

Candidates should check the question paper to ascertain that all pages are printed as indicated and that no questions are missing.

SECTION A (40 MARKS)

Answer ALL the questions in this section.

1. Define the following terms as used in entrepreneurship. (4 Marks)
 - a) Business plan
 - b) Profitability
2. To achieve high productivity levels in the enterprise, the entrepreneurs need to acquire entrepreneurial competencies. Outline Four entrepreneurial competences. (4 Marks)
3. Creativity and innovation is associated with change. State Four ways an entrepreneur can manage barriers to creativity and innovation. (4 Marks)
4. A business plan is an important document for an entrepreneur. Highlight Four advantages of a good business plan. (4 Marks)
5. Entrepreneurs are known as risk takers. Justify Four reasons why entrepreneurs establish a business enterprise. (4 Marks)
6. Enumerate Four challenges that might be experienced by a new entrepreneur in Kenya. (4 Marks)
7. Propose Four ways in which you can cut unnecessary expenses in your organization. (4marks)
8. Business is required to operate under legal framework. Identify Four legal requirements a business is required to operate under. (4 marks)
9. Communication in a business is vital for the daily activities. State Four barriers to effective business communications. (4 marks)
10. As a young student willing to be an entrepreneur highlight Four sources of finance to raise capital to start a workshop. (4 marks)

SECTION B: (60 MARKS)

Answer Question 11 and any other two questions

11. A second-year university student pursuing a degree in Public Health, comes from a middle-income family and relies on her scholarship, a small allowance from parents, and a part-time job at a local café to cover her expenses. Despite her efforts to budget, Sarah struggles with unexpected costs and sometimes runs out of money before the end of the month. Her total income from her part-time job and parental allowance is Ksh.2800 per month. Recently, Sarah faced unexpected expenses, including a laptop repair costing ksh.2500 and medical bills of ksh.1500. She had to use money from her savings, leaving her account nearly empty.
- a) Explain FIVE advantages associated with budgeting. (10 Marks)
 - b) Discuss Five factors to consider when sourcing for business finance. (10 Marks)
12. A graduate from Amref university came into an inheritance, he came to you for advice on how to invest the money in a business.
- a) Recommend five ways in which an entrepreneur can keep a business running (10marks)
 - b) Explain Five sources from which entrepreneurs can generate business ideas. (10 marks)
13. As an entrepreneur it is important to grow your business. When a business is starting and growing it goes through various stages in its life cycle.
- a) Using a diagram discuss the last two stages of the business life cycle. (10marks)
 - b) Discuss five ways in which an entrepreneur can evaluate viability of a business opportunity. (10Marks)
14. Development of a business plan is highly recommended when starting a new business.
- a) Describe the five chapters that make up a standard business plan. (10 marks)
 - b) Discuss Importance of creativity and innovation in business. (10 marks)