**05. ENTREPRENEURSHIP**

***The topic entails:***

* **Understanding the meaning and importance of entrepreneurship.**
* **Discussing the characteristics a successful entrepreneurs must have.**
* **Discussing the factors that inhibit enterpreneual development.**
* **Discussing the possible causes of business.**

1. What are the factors that have contributed to the growth of entrepreneurship in Kenya.

2. Outline **four** reasons for establishment of a business enterprise

3. Enter the following transactions in the ledger accounts of Onyango Traders for the month of

May, 2004

**May 1:** Started business with shs.150,000 cash

**2:** Bought goods on credit from Kamau for shs.40,000

**4**: Sold goods for cash shs.34,500

**5**: Returned some of the goods purchased from Kamau for Kshs.4,500

4. State **four** reasons to consider when evaluating a viable business opportunity

5 A surgeon set up a clinic in a distant rural centre. The business was closed after six months.

Identify **four** possible causes for the failure

6. State **four** reasons why the government of Kenya is encouraging entrepreneurial knowledge in

schools

Q. Identify **four** benefits of entrepreneurship to the developing economies such as Kenya

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1 The government of Kenya though the Ministry of Trade and Industry has developed

policies to promote entrepreneurship. Explain **five** importance of such initiative to the

economy of Kenya

2 Entrepreneurship is becoming the driving force behind most economies in the world and

most governments support it. Explain why entrepreneurship is important to these economies

3 Explain **five** factors that may hinder entrepreneurship development in Kenya

4 Discuss **five** causes of the persistent balance of payment disequilibrium in East African

countries

5 Explain any **five** reasons why a new business may fail