

**041605T4SCM**

**SUPPLY CHAIN MANAGEMENT LEVEL 5**

**BUS/OS/SC/CR/05/5**

**Participate in Organizational Assets Disposal**

**March/April 2026**



**TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION COUNCIL  
(TVET CDACC)**

**WRITTEN ASSESMENT**

**Time: 2 HOURS**

**INSTRUCTIONS TO CANDIDATE**

1. This paper consists of **TWO** sections: **A** and **B**.
2. Attempt **ALL** questions in section A.
3. Attempt question **ELEVEN** (11) and any other **TWO** (2) questions in section B.
4. Marks for each question are indicated in the brackets.
5. Candidates are provided with a separate attempt booklet
6. Do not write on the 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)**

*Attempt ALL the questions in this section.*

1. A store officer discovered that some assets had reached the end of their useful life. List FOUR conditions that determine that an asset is due for disposal. (4 Marks)
2. An internal audit revealed that certain assets were longer needed in an organization. State FOUR reasons why an organization may dispose of its assets. (4 marks)
3. The procurement department was instructed to categorize assets to be disposed. Name FOUR categories of assets that may be disposed. (4 marks)
4. Management decided that assets should be disposed using different methods. Identify FOUR methods of asset disposal in public institutions. (4 marks)
5. The procurement officer was advised to comply with all legal requirements for asset disposal when disposing assets. List FOUR legal framework that govern asset disposal in Kenya. (4 marks)
6. To ensure accountability, the disposal process required proper documentation at every stage. State FOUR documents prepared during the asset disposal process. (4 marks)
7. Complaints have risen due to unfair practices during disposal. Identify FOUR ethical principles that should be observed during asset disposal. (4 marks)
8. An organization once suffered financial loss due to poor disposal practices. State FOUR risks associated with improper asset disposal. (4 marks)
9. A disposal committee was appointed to supervise the disposal process. Lis FOUR roles of a disposal committee. (4 marks)
10. During disposal of obsolete assets, the organization recorded improvements. State FOUR benefits of proper asset disposal. State FOUR benefits of proper asset disposal. (4 Marks)

**SECTION B (60 MARKS)**

*Attempt question ELEVEN (11) and any other TWO (2) questions in this section.*

Simba Manufacturing Ltd. has accumulated obsolete machines in workshops, broken furniture in offices, and surplus office equipment from various departments. An internal audit recommended that these assets be disposed of according to the law. The Managing Director appointed a disposal committee and instructed the procurement officer to commence the disposal process.

11.

- a) Explain FIVE challenges faced by the disposal committee during assets disposal (12 marks)
- b) Discuss FIVE ways assets will be classified before disposal. (8 marks)

12. After identifying and classifying the assets, the Managing Director instructed the disposal committee to implement the disposal orders.

- a) Explain FIVE procedures followed when executing disposal orders. (10 marks)
- b) Discuss FIVE roles of authority and approvals in the disposal process. (10 marks)

13. The disposal committee observed that different assets (machinery, furniture, ICT equipment) required different disposal methods based on their condition, value, and regulatory requirements.

- a) Describe FOUR methods of asset disposal commonly used in public institutions (8 marks)
- b) Explain SIX factors to consider when selecting an appropriate disposal method. (12 marks)

14. After completing the disposal exercise, management required full accountability, proper documentation, and adherence to safety and environmental standards.

- a) Explain FIVE records and documents prepared during and after the disposal process. (10 marks)
- b) Discuss FIVE health, safety, and environmental considerations during asset disposal. (10 marks)