

041606T4SCM

SUPPLY CHAIN MANAGEMENT LEVEL 6.

BUS/OS/SC/CR/06/6

Dispose Organizational Assets.

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. Answer **ALL** questions in section A.
3. Answer question **FIFTEEN** (15) 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 Answer booklet
6. Do not write on the question paper

This paper consists of FOUR (4) 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 questions in this section

1. Ethical conduct ensures fairness and transparency in asset disposal. State TWO reasons why adhering to ethics is important during disposal. (2 Marks)
2. Organizations must follow laws and procedures when disposing assets. Give THREE reasons for observing SOPs and legal requirements. (3 Marks)
3. Some assets become costly and lose usefulness over time. Identify THREE situations when assets should be disposed of immediately. (3 Marks)
4. At the end of year, institutions prepare schedules for asset disposal. List THREE principles that should guide preparation of these schedules. (3 Marks)
5. Correct asset classification ensures appropriate disposal. Mention THREE factors to consider when classifying assets. (3 Marks)
6. Tendering is often used to dispose of public assets competitively. State THREE benefits of using a tendering approach for disposal. (3 Marks)
7. Accurate records support accountability in procurement. Identify TWO considerations when maintaining procurement documentation. (2 Marks)
8. Competent officers ensure procurement systems work effectively. State THREE qualities required by officers managing procurement systems. (3 Marks)
9. The National Treasury oversees transparency in procurement. State THREE roles it plays to promote accountability. (3 Marks)
10. Asset valuation is a critical step before disposal decisions are made. State THREE reasons why valuation of assets is necessary prior to disposal. (3 Marks)
11. Obsolete ICT equipment can pose security and operational risks. State THREE reasons why organizations should dispose of obsolete ICT assets promptly. (3 Marks)
12. Disposal of assets can involve financial transactions with buyers. Identify THREE precautions that should be taken when receiving payment for disposed assets. (3 Marks)
13. Audits require well-maintained records of disposed assets. State THREE ways in which asset disposal records support auditing and accountability. (3 Marks)
14. Environmental and legal compliance is important when disposing of assets. Mention THREE factors organizations should consider to ensure compliant disposal of assets. (3 Marks)

SECTION B (60 MARKS)

Answer question FIFTEEN (15) and any other TWO (2) questions in this section.

Alena Tech is a medium-sized technology organization that recently launched an internal modernization program aimed at improving workplace efficiency. As part of the initiative, management resolved to replace aging ICT equipment that had surpassed its useful life and no longer met operational requirements.

To initiate the disposal process, the Finance Manager confirmed the asset details by reviewing the fixed asset register, including acquisition dates, original costs and accumulated depreciation. Following approval by the Asset Disposal Committee, the assets were categorized as obsolete and the company invited quotations from qualified buyers.

After evaluation, Eco-IT Recyclers submitted the most responsive offer for the entire batch of equipment. Disposal documentation was duly completed, payment received and the transaction recorded in the accounting records, resulting in a disposal loss. The assets were removed from the register and all related documents were securely retained for audit and accountability purposes.

Required:

15.

- a) Explain FIVE stages involved in the disposal of assets at Alena Tech Ltd. (10 Marks)
- b) Analyze FIVE reasons why organizations should maintain comprehensive documentation during asset disposal activities. (10 Marks)

16.

- a) Following your appointment as an Asset Disposal Officer, you are expected to coordinate and oversee all disposal activities. Explain FIVE duties associated with this role. (10 Marks)
- b) Inspection and Acceptance Committees play a key role in procurement and asset management. Describe FIVE criteria that such a committee may apply when carrying out inspection and acceptance activities. (10 Marks)

17.

- a) Public sector organizations periodically review their assets to determine those that are surplus, obsolete or unserviceable. Explain FIVE challenges that organizations may face when disposing of such assets. (10 Marks)
- b) To ensure fairness and efficiency, organizations often establish a disposal committee. Explain FIVE factors that should be considered when appointing members to a disposal team. (10 Marks)

18.

- a) Effective monitoring of procurement activities relies on well-structured assessment reports. Describe FIVE attributes of high-quality procurement and supply chain assessment reports. (10 Marks)
- b) Motor vehicle firms apply different approaches when disposing used or obsolete vehicles. Analyze FIVE suitable methods that may be adopted to dispose of motor vehicle assets. (10 Marks)