MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BANKING, ACCOUNTING & FINANCE

FOURTH YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF COMMERCE

BAC 412: ENTREPRENEURIAL FINANCE

DATE: **TIME:**

INSTRUCTIONS: Attempt Question One and any other Two Questions

QUESTION ONE (COMPULSORY) (30 MARKS)

a) Discuss measure set in place by government to enhance the status of Small and Medium Enterprises (SMEs). (10 marks)

b) Elaborate on five problems encountered by business startups in Kenya. (10 marks)

c) Describe five (5) characteristics of an entrepreneur. (10 marks)

QUESTION TWO

a) Compare and contrast between entrepreneurial finance and corporate finance. (10 marks)

b) Describe the four major types of entrepreneurship. (10 marks)

QUESTION THREE

a) Define the term venture capital. (4 marks)

b) Discuss Eight (8) factors that influence development of venture capital segment in Kenya. (16 marks)

QUESTION FOUR

a) Enumerate five (5) benefits of starting ventures in rural areas. (10 marks)

b) Identification and analyze of entrepreneurial opportunities are key to success of ventures sustainability. In light of this fact list and explain at least five sources of entrepreneurial opportunities. (10 marks)

QUESTION FIVE

a) Explain the term "Initial Public Offer" (IPO). (5 marks)

b) Enumerate five benefits of using IPO as source of venture finance in Kenya. (15 marks)