**Marking guide s3**

1. **(a) Relating personal qualities, skills and values**

**Personal qualities:** are characteristics of an individual.

eg. Flexibility,hardworking,honesty, friendliness, caring etc.

**Skills:** ability to do something or activity well. Eg: problem solving, management, decision making skills, etc

**Values:** these are positive behaviors and attitudes towards the society or public. Eg: respect, honesty, cooperation, etc.

**Explanation with example: 2marks in each (2x3=6marks)**

(a) **Person qualities which define a good friend:**

- Independent

- Reliability

- Honesty

- Loyalty

- Persistence

- Commitment

- Open minded

- Respect

- etc

(Any 4 well stated: 4x1=4marks)

2.

a)Umugwaneza potrayed poor customer service

b)No it was poor customer service,Umugwaneza was rude and hung up the phone on acustomer.

c)she would have shown a good customer care.she would have been polite and kind to the customer.

d)you should be polite, never high up on a customer, speak your name and company first.

3**. Constraints /reasons why business did not grow :**

- Misuse of business finance

- Poor handling of customers

- Poor proper record keeping

- Lack of market/small market

- Poor management of the business stock

- Lack of adequate finance

- Lack of the business support services (banks,insurance,…)

- Nature of competitiveness

- Lack of clear business objectives

- Poor technology

- Poor management skills

- Bad business location

- Social problems

- Insecurity (political )

- Cancellation of the business

- Closure of the business

- Decrease of customers

- Imprisonment of the business owner

- Penalties (heavy penalties and fines )

- Lack of business planning /clear objectives

- Low quality of products

**4. Importance of paying taxes**

- Raise of the government revenues

- Redistribution of government revenues

- Enabling economic development

- Helps in paying of government workers

- Infrastructure development

- Reduce inflation

- Protection of local firms /infant industries

- Helps to finance social projects (health, education…)

- It helps to regulate economic situation of the state

- It discourages the consumption of harmful products

- Taxes raise the standard of living in the country

- Creation of the employment opportunities

- Reduce regional economic inequality and control of rural urban migration

- Control dumping ,reduce dependency

- It encourages people from working hard (to get tax)

- Pays government debts

- Regulation of balance of payment and terms of trade

**5. Roles of INYANGE industry in socio-economic development**

 Improved standard of living

 Provide market to other business eg: agriculture

 Provide goods in the society

 Reduce income inequality /redistribution of income

 Pay tax to the government

 Development of infrastructures /urbanization

 Improve BOP & TOT position in Rwanda

 Source of foreign exchange earning

 Attracting investors

 Promoting good image to the country in terms of development

 Employment opportunities

6. Reasons for proper utilization of natural resources and sustainability

 Poverty reduction

 Contribute towards fiscal revenue

 They are a part of real wealth of the nation

 They provide employment

 Sources of income to the both people and the country

 They are basis of livelihood in poor community

 They attract investors

 They contribute to the long term economic development

 To achieve sustainable future for future generations

 Attract tourists (parks)

 Resources are public goods

 Resources act as medicines

 They are sources of food

 They are raw materials for industries

 Use to generate electricity

 Some help in rainfall formation(forests, mountains)

 Make the transportation possible

 Prevent climate change (global warming )

 To reduce erosion and pollution…

**7. Factors that lead to kadubiri’s business grow:**

- location of the business

- Good entrepreneurial skills

- availability of business support

- clear business objective

- availability of market

- good customer care

- good and favorable government policy

- proper business planning

- improved in technology

- proper record keeping **(Any 5 well stated: 5x1=5marks)**

**Factors that lead the business failure**

- poor handling of customers

- lack of market

- poor management of business stock

- lack or inadequate finance

- misuse of business finance

- the nature of the competition

- lack of clear business objectives and plans

- low or poor technology

- poor location of the business

- insecurity **(Any 5 well stated: 5x1=5marks)**

**8.a)** **Differentiate tax avoidance from tax evasion**.

……………………………………………………………..

**b. The importance of paying taxes**

- Government revenue

- Redistribution of wealth

- Reducing regional inequality and control of rura-urban migration

- Provisional of goods and services

- Paying government workers

- Enabling economic development

- Infrastructure development

**(Any 5 well stated: 5x1=5marks)**

**Penalties/sanctions of not paying taxes**

- Monetary fines

- Imprisonment

- Closure of the business

- Cancellation of the registration certificate and denial of public tender

- Interest on late repayment of tax

- Etc **(Any 5 well stated: 5x1=5marks)**

**9. (a)Ways of using money/proper management of finance**

- Proper record keeping

- Budgeting

- Reduce expenses

- Reuse the items that are still in good conditions

- Separate personal finance from business finance

- Set your debt limit

- Repair

- Recycle

- Etc

**Any 3 outlined: 3x1=3marks**

**(b) Source of business capital/business finance:**

- personal or own savings

- retained profits

- loan from banks and other commercial lenders

- sale of shares

- family’s and friends’ contribution

- grants

- trade credit

- lease

**Any 4 outlined: 4x1=4marks**

**10. Different sectors of production**

- **Primary sector** eg: agriculture or farming, mining and quarrying, forestry, hunting, fishing, etc **(3marks)**

- **Secondary sector eg:** manufacturing industries, agro-based industries, handicraft industry etc **(3marks)**

- **Tertiary sector** eg: education service, medical service, transport, communication, banking, insurance, etc **(4marks)**

**12. Ways of treating customers well**

- Listen carefully/ Attentiveness

- Respond quickly

- Be patient

- Exercise courtesy

- Team player

- Give them discount

- Care about the customers and their project

- Use of positive language

- To handle surprises

- Etc

(Any 5x2=10marks)

**11. (a)Distinction between income and expenses.**

**Income:** is the amount of money that an individual expect to earn or receive in a given period **while expenses** is something that an individual or a business spends money on in a given period**. (2marks)**

(b) Key steps of preparing a budget

- Recording all sources of income

- Recording all expenses

- Subtracting expenses from income

- Reviewing the budget

- Make adjustment. **(Any 4x2=8marks)**

-END-