

**ENTREPRENEURSHIP**  
**Date: 24<sup>th</sup> June 2024**  
**Period: 14:00 -17:00**



**END OF TERM III EXAMINATION**  
**QUESTION PAPER**

**GRADE: SENIOR FOUR (S4)**  
**LEVEL: ADVANCED**  
**OPTION GENERAL EDUCATION(GE)**

**DURATION: 3HOURS**

**MARKS:**

...../100

**CAMIS:**

...../30

**INSTRUCTIONS**

- 1) Do not open this question paper until you are told to do so.
- 2) This paper consists of **THREE** sections: **A, B** and **C**  
**SECTION A:** Attempt **ALL** questions (40marks)  
**SECTION B:** Attempt all questions in this section (30marks)
- 3) **SECTION C:** Attempt only **TWO** questions of your choice (30marks)
- 4) Avoid any rubbing
- 5) Use only a **blue** or **black** pen

**Section A: Answer ALL questions (40 marks)**

1. Choose the correct answer among four alternatives: **(4 marks)**

a) Here are the types of innovation, except: **(1 mark)**

- i) Radical innovation
- ii) Vertical innovation
- iii) Lateral innovation
- iv) Service innovation

b). Rephrasing: Out of the following options, which one does not represent a type of creativity? **(1 mark)**

- i) Convergent creativity
- ii) Divergent creativity
- iii) Systems creativity
- iv) Building creativity

c) Rephrasing: Among the following options, which one does not represent a process of entrepreneurship. **(1 mark)**

- i) Idea generation
- ii) Concept development
- iii) Resourcing
- iv) Decision making
- v) Actualisation

d) Here are the qualities of an entrepreneur, except: **(1 mark)**

- i) Risk taking
- ii) Hardworking
- iii) Making noise
- iv) Planning

**2. Answer by True or False. (4 marks)**

a) **Career:** is a job or profession that you do for a short period of your life for survival

which enables you to achieve your goals.

b) **Career choice:** is the process of choosing a career path which involve choice regarding education.

c) **Self- employment:** This is where one goes privately by way of utilizing other resources to start his/her business enterprise.

d) **Entrepreneurship career path:** refers to all the steps that someone undergoes to become successful in entrepreneurship activities.

**3. Match the following definitions with the following terms correctively.**

**(4 marks)**

<b>TERMS</b>	<b>DEFINITIONS</b>
<b>i. Personal goal</b>	<b>a)</b> These are the characteristics, attributes or personality traits that make up and reflect who you are. Examples include honesty, dependability or having a good sense of humor or being dependable.
<b>ii. Personal values</b>	<b>b)</b> This is an objective that someone sets for a specific reason within a specific timeframe
<b>iii. Personal skills</b>	<b>c)</b> These are those beliefs we hold most dear. They can be desirable goals that motivate our actions and guide us through our lives
<b>iv. Personal qualities</b>	<b>d)</b> This is called interpersonal or people skills, are a type of soft skills related to how a person interacts with other people and the surrounding environment.

**4. Answer by True or False.**

**(3 marks)**

a) **Business laws** are rules regulating business operations. That are set to protect consumers, producers and environment.

b) **Law is a** system of rules that a particular country or community recognizes as regulating the actions of its members and which it may not enforce by the imposition of penalties.

c) **The land Act.** This is a law that provides for the tenure, ownership and management of buildings.

**5. Fill the missing appropriate terms in the empty spaces below: (4 marks)**

a) .....it is a government department that monitors and controls services and goods.

b) ..... these are courts specialized in the handling of cases relating to business conflicts in Rwanda.

c)..... is a body/institution that is responsible for assessing, collecting, and enforcing tax laws.

d)..... this is a government institution that is charged with the responsibility of registering new businesses in the country.

**6. Re-arrange the steps in the process of standards below in their correct chronological order. (4 marks)**

a) Collection of reference materials and drafting.

b) Approval

c) Incorporation of comments in the draft, if any

d) Publication

e) Proposal for acceptance for the development of the new standard.

g) Discussion of the draft standard by the Technical Committee Experts.

h) Identification of the need.

i) Public review (including other entrepreneurs who did not attend the technical committee meeting).

**7. The all functions of production department are correct, except? (2 marks)**

a) Planning and designing production facilities.

b) Purchasing raw materials and supplies.

- c) Scheduling processes to meet demands as well as ensuring that business products meet quality standards.
- d) Making appropriate payments to suppliers, contractors, employees and service providers.

**8.** There are many business ventures in and around your school. Either using your school or a nearby community, look at one of the businesses and identify any two key stakeholders or people associated with it. **(2 marks)**

**9.** The following elements below are the components of Break-even point, except? **(2 marks)**

- a) Variable costs
- b) Fixed costs
- c) Purchases
- d) Contribution

**10.** Joana invested 90,000FRW into a business venture and spent an additional 10,000FRW researching the venture. The investor's total cost would be 100,000FRW. If that venture generated 300,000FRW in revenue but had 100,000FRW in personnel and regulatory costs, then the net profits would be 200,000FRW. **(5 marks)**

**11.** Kampire bought a motor vehicle from Akagera Motors. Kampire has a current account in Umwalimu SACCO. Kampire decides to pay Akagera Motors using a cheque. From the statement above, state the; **(6 marks)**

- a) Drawer.....
- b) Payee.....
- c) Drawee bank.....

**Section B. Choose any THREE questions (30 Marks)**

**12.** Analyse any five qualities an entrepreneur should possess in Rwanda.  
(10 marks)

**13.** Develop the Main questions you would ask the customer to help you properly evaluate his business ideas.  
(10 marks)

**14.** Examine five obstacles encountered by entrepreneurs, utilizing examples from local entrepreneurs in your area.  
(10 marks)

**15.** In Impuhwe village, there are two companies that produce Plant-based beverages, while others are engaged in bakery operations. The local authorities have emphasized and encouraged them to apply for certification S-Mark. However, most of the above company owners have limited or no awareness of how to do so.

Using the above scenario and your background knowledge about standardization, Show them four requirements for certification of the above projects?  
(10 marks)

**Section C. Choose any tw questions (30 Marks)**

**16.** Assess the factors that influence the choice of a business opportunity to invest in.  
(15 marks)

**17.** Each individual should establish both short- and long-term personal objectives in their life. Describe the steps you would take to set your goals.  
(15 marks)

**18.** Giving Two examples in each category, differentiate banking from non-banking institutions according to their functions in your community.  
(15 marks)

**END**

**ENTREPRENEURSHIP**  
**Date: 24<sup>th</sup> June 2024**  
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**END OF TERM III EXAMINATION**  
**MARKING GUIDES**

**GRADE: SENIOR FOUR (S4)**  
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**Section A: Answer ALL questions (40 marks)**

1. Choose the correct answer among four alternatives: **(4 marks)**

a) Here are the types of innovation, except: **(1 mark)**

- i) Radical innovation
- ii) Vertical innovation
- iii) Lateral innovation
- iv) Service innovation

b). Rephrasing: Out of the following options, which one does not represent a type of creativity? **(1 mark)**

- i) Convergent creativity
- ii) Divergent creativity
- iii) Systems creativity
- iv) Building creativity

c) Rephrasing: Among the following options, which one does not represent a process of entrepreneurship. **(1 mark)**

- i) Idea generation
- ii) Concept development
- iii) Resourcing
- iv) Decision making
- v) Actualisation

d) Here are the qualities of an entrepreneur, except: **(1 mark)**

- i) Risk taking
- ii) Hardworking
- iii) Making noise
- iv) Planning

**Answer**

**Choose the correct answer among four alternatives: (4marks)**

- a) iii) Lateral innovation
- b) iv) Building creativity



- c) iv) Decision making
- d) iii) Making noise

**Each correct answer= 1 mark**

**4answers: 1x4= 4marks**

**2. Answer by True or False. (4 marks)**

a) **Career:** is a job or profession that you do for a short period of your life for survival

which enables you to achieve your goals.

b) **Career choice:** is the process of choosing a career path which involve choice regarding education.

c) **Self- employment:** This is where one goes privately by way of utilizing other resources to start his/her business enterprise.

d) **Entrepreneurship career path:** refers to all the steps that someone undergoes to become successful in entrepreneurship activities.

**Answer**

**Answer True or False. (4 marks)**

- a) False
- b) True
- c) False
- d) True

**1x4= 4 marks**

**3. Match the following definitions with the following terms correctively. (4 marks)**

<b>i. Personal goal</b>	<b>a)</b> These are the characteristics, attributes or personality traits that make up and reflect who you are. Examples include honesty, dependability or having a good sense of humor or being dependable.
<b>ii. Personal values</b>	<b>b)</b> This is an objective that someone sets for a specific reason within a specific timeframe

<b>iii. Personal skills</b>	<b>c)</b> These are those beliefs we hold most dear. They can be desirable goals that motivate our actions and guide us through our lives
<b>iv. Personal qualities</b>	<b>d)</b> This is called interpersonal or people skills, are a type of soft skills related to how a person interacts with other people and the surrounding environment.

**Answer**

**Match the following definitions with the following terms correctively. (4 marks)**

- i. Personal goal**                      b) This is an objective that someone sets for a specific reason within a specific timeframe.
- ii. Personal values**                      c) These are those beliefs we hold most dear. They can be desirable goals that motivate our actions and guide us through our lives.
- iii. Personal skills**                      d) This is called interpersonal or people skills, are a type of soft skills related to how a person interacts with other people and the surrounding environment.
- iv. Personal qualities**                      a) These are the characteristics, attributes or personality traits that make up and reflect who you are.

**or**

- i) b
- ii) c
- iii) d
- iv) a

**Well matched point: 1mark**

**1x4= 4marks**

**4. Answer true or false.**

**(3 marks)**

- a) **Business laws** are rules regulating business operations. That are set to protect consumers, producers and environment.
- b) **Law is a** system of rules that a particular country or community recognizes as regulating the actions of its members and which it may not enforce by the imposition of penalties.
- c) **The land Act.** This is a law that provides for the tenure, ownership and management of buildings.

**Answer**

**Answer true or false (3 marks)**

- a) True
- b) False
- c) False

**5. Fill the missing appropriate terms in the empty spaces below: (4 marks)**

- a) .....it is a government department that monitors and controls services and goods.
- b) ..... these are courts specialized in the handling of cases relating to business conflicts in Rwanda.
- c)..... is a body/institution that is responsible for assessing, collecting, and enforcing tax laws.
- d)..... this is a government institution that is charged with the responsibility of registering new businesses in the country.

**Answer**

**Fill the missing appropriate terms in the empty spaces below:(4 marks)**

- a) Rwanda Utility Regulatory Agency (RURA)
- b) Commercial Courts
- c) Rwanda Revenue Authority (RRA)

d) Rwanda Development Board (RDB)

**6.** Re-arrange the steps in the process of standards below in their correct chronological order. **(4 marks)**

a) Collection of reference materials and drafting.

b) Approval

c) Incorporation of comments in the draft, if any

d) Publication

e) Proposal for acceptance for the development of the new standard.

g) Discussion of the draft standard by the Technical Committee Experts.

h) Identification of the need.

i) Public review (including other entrepreneurs who did not attend the technical committee meeting).

**Answer**

**Re-arrange the steps in process of standards below in their chronological order correctly.**

**Right answer by order (4 marks)**

- Identification of need.
- Proposal for acceptance for the development of the new standard.
- Collection of reference materials and drafting.
- Discussion of the draft standard by the Technical Committee (TC) Experts.
- Public Review.
- Incorporation of comments in the draft, if any.
- Approval.
- Publication.

**7. The all functions of production department are correct, except? (2 marks)**

- a) Planning and designing production facilities.
- b) Purchasing raw materials and supplies.
- c) Scheduling processes to meet demands as well as ensuring that business products meet quality standards.
- d) Making appropriate payments to suppliers, contractors, employees and service providers.

**Answer**

**The all functions of production department are correct, except? (2 marks)**

**Answer:** d) Making appropriate payments to suppliers, contractors, employees and service providers.

**8. There are many business ventures in and around your school. Either using your school or a nearby community, look at one of the businesses and identify any two key stakeholders or people associated with it. (2 marks)**

**Answer**

**Identify the key stakeholders or people in the business. (2 marks)**

- a) Owners
- b) Employees
- c) Shareholders
- d) Customers
- e) Suppliers
- f) Government
- g) Communities

**9. The following elements below are the components of Break-even point, except?**

**(2 marks)**

- a) Variable costs**
- b) Fixed costs**
- c) Purchases**
- d) Contribution**

**Answer**

**The following elements below are the components of Break-even point, except? (2 marks)**

Answer:

c)Purchases

**10.** Joana invested 90,000FRW into a business venture and spent an additional 10,000FRW researching the venture. The investor's total cost would be 100,000FRW. If that venture generated 300,000FRW in revenue but had 100,000FRW in personnel and regulatory costs, then the net profits would be 200,000FRW. **(5 marks)**

**Answer (5 marks)**

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Total Investment}} \times 100 \%$$

**Total cost investment** = 90,000FRW+10,000 = 100,000FRW

$$\text{ROI} = \frac{200,000}{100,000} \times 100 \%$$

**ROI = 200 %**

**11.** Kampire bought a motor vehicle from Akagera Motors. Kampire has a current account in Umwalimu SACCO. Kampire decides to pay Akagera Motors using a cheque. From the statement above, state the; **(6 marks)**

- a) Drawer.....
- b) Payee.....
- c) Drawee bank.....

**Answer**

Kampire bought a motor vehicle from Akagera Motors. Kampire has a current account in Umwalimu SACCO. Kampire decides to pay Akagera Motors using a cheque. From the statement above, state the;

**Answer:**

- a) Drawer .....KAMPIRE
- b) Payee...AKAGERA MOTORS
- c) Drawee bank...Umwalimu SACCO

**Section B. Choose any THREE questions (30 Marks)**

**12.** Analyse any five qualities an entrepreneur should possess in Rwanda.

**(10 marks)**

**Answer**

The various qualities an entrepreneur should possess. (10 marks)

Meaning of a term" quality of an entrepreneur" refers to the characteristics, traits, skills, and attributes possessed by individuals engaged in entrepreneurial activities.

- **Financial discipline:** It takes time to get to profitability for any entrepreneurial venture (enterprise). Till then, capital is limited and needs to be used well. Successful entrepreneurs realise this money management requirement and plan for present and future financial obligations. He/she does not over spend money on things that are not needed.
- **Persuasive and networking:** What do successful entrepreneurs do? They reach out to mentors with more experience and extensive networks to seek valuable advice.
- **Goal setting and planning:** Successful entrepreneurs are driven to achieve ambitious targets. They tend to perceive money as a measure of their success and not as their end goal. When they have made their first million, they do not retire.
- **Hardworking:** Entrepreneurs are hardworking people who always focus their minds on their work. In fact, they work even on public holidays, weekends, including day and night.
- **Creativity and innovation:** An entrepreneur must be good at coming up with new ideas, identifying new opportunities, new markets for his/her goods and services, new production techniques, new products and also able to improve on already existing products so that they are produced in a new style to meet the ever changing tastes and preferences of customers.
- **Information seeker:** An entrepreneur must be updated on any business opportunities, problems and challenges. He/she must look for information from various sources such media (newspapers, magazines, Internet, television, radios) so that he/she gets new business tips and new ideas that help in improving his/ her business.
- **Self-confidence:** An entrepreneur should be confident that he/ she is able to achieve what he/she sets himself or herself to achieve.



- **Risk taking:** an entrepreneur should be able to take over moderate risks in business, these include risk of starting a business, risk of losses, risk of selling on credit. This does not mean that they are reckless.

- **Opportunity seeking:** An entrepreneur is a person who is able to spot business opportunities even where other people cannot see. He/she takes a challenge/problem as luck for business creation.

- **Persistence:** An entrepreneur has a passion for what he/she does. It is said that “winners never quit and quitters never win” so amidst all problems and setbacks met in life and in business, an entrepreneur should not give up.

**5 qualities stated and explained: 2x5=10 marks**

**13.** Develop the Main questions you would ask the customer to help you properly evaluate his business ideas.  
**(10 marks)**

**Answer**

**Questions you would ask your customer. (10 marks)**

- Is my business legal?
- What are the entry barriers?
- What problem is going to be solved?
- how much capital to start with?
- What are my strengths and weaknesses?
- Who are my competitors?
- Are there any opportunities and threats?
- What percentage of the market share will I possess?
- What are the requirements to start?
- What is your Unique Selling Proposition (USP)?
- What is your exit strategy?

- Is the idea profitable?
- What is the expected Return On Investment (ROI)? Etc

**10 questions well structured: 1x10 = 10 marks**

**14.** Examine five obstacles encountered by entrepreneurs, utilizing examples from local entrepreneurs in your area. **(10 marks)**

**Answer**

**The challenges of being an entrepreneur.(10 marks)**

- **Risk of losing invested resources:** Entrepreneurs bear risks by investing their resources in ventures whose success is not guaranteed and bear full responsibility in case of failure or losses.
- **Adequate skills and knowledge:** Any business enterprise requires skills and knowledge to manage and supervise its functions. For instance; finance, marketing, production, public relations etc. This requires a person with adequate knowledge in almost every field mentioned above. It becomes a challenge if you employ skilled personnel in all the business departments and you have no skills to supervise them. The business may collapse due to mismanagement.
- **Raising capital for the business:** Starting and expanding a business requires capital. It is characterised by unlimited liability because the owner's responsibility towards business debt goes beyond his capital contribution. It is a challenge because business owners risk losing their private property in case of failure to pay the business debts from the business assets.
- **Uncertain income:** The income of entrepreneurs is uncertain as it varies with the business performance. High income is not guaranteed, it depends on the business performance i.e. more growth and profitability means more income, and less profits means less income. Sometimes they may not get any income at all.
- **Long and irregular hours:** They have to devote as much time as possible to see the business enterprise succeed. This may result into overworking.
- **Lack of capital.**
- **Limited level of technology.**
- **Poor entrepreneurial skill.**
- **Lack of business and technical skills,** etc.
- **Hard work:** Leisure is foregone at the expense of business success, because of the broad responsibilities undertaken in the struggle to serve

the business for its growth. Self-employed persons work for long hence less leisure time.

**Any 5 challenges well explained: 2x5= 10 marks**

**15.** In Impuhwe village, there are two companies that produce Plant-based beverages, while others are engaged in bakery operations. The local authorities have emphasized and encouraged them to apply for certification S-Mark. However, most of the above company owners have limited or no awareness of how to do so.

Using the above scenario and your background knowledge about standardization, Show them four requirements for certification of the above projects? **(10 marks)**

**Answer**

**The following are the requirements for certification: (10 marks)**

- The business should be registered by a competent authority such as RCA (Rwanda Cooperatives Agency), RDB (companies) Rwanda Food Drug Authority (Rwanda FDA), Rwanda Inspectorate, Competition and Consumer Protection Authority (RICA), and others.
- The business should be operational with competent Staff (Business ideas are neither standardized nor certified) Suitability of equipment Adequacy of premises.
- Operational documents (Documentation): Under this, all the documents related to the Staff competencies, reception of raw materials, and production, be prepared and well-filed. These include but are not limited to standards.
- Readiness of the organization to pay the certificate fees
- Calibration of measuring equipment.

**Section C. Choose any tw questions (30 Marks)**

16. Assess the factors that influence the choice of a business opportunity to invest in. (15 marks)

**Answer**

**Factors influencing the choice of a business opportunity are the following: (15marks)**

**Meaning of business opportunity:** A business opportunity refers to a favourable set of circumstances or a situation that presents the potential for creating or enhancing a business venture.

- **Identified market need or gap:** The nature of the identified need or challenge in the market or customer need will influence an entrepreneur's choice of a business idea. A person is likely to choose an opportunity which he/she thinks will solve the identified market needs.
- **Growing market:** Most people want to avoid the hustles of starting a new business. So, they will choose ideas or opportunities that are easy for them to start their businesses while others may choose ideas that give them a chance to be creative.
- **Low funding requirements:** The amount of funding required to implement a business opportunity may influence one's choice of a business idea. Most people will choose opportunities that do not involve a lot of funding in relation to profits.
- **Vision or goals:** The choice of a business opportunity will greatly depend on the vision or goals of the entrepreneur. These could be short term or long-term goals.
- **High profit margins:** of course, on every entrepreneur's mind is profit. The profit margin expected from the opportunity will greatly influence one's choice.
- **Not easily copied:** every entrepreneur of course wants to protect their ideas, protect intellectual property and develop a brand reputation. So

entrepreneurs are likely to choose ideas/ opportunities that cannot be easily duplicated in the market at least in the short run.

- **Inheritance:** Inheritance is the practice of passing on properties, rights, and obligations upon the death of an individual. Most people would prefer continuing in the line of family business than going for new business opportunities.
- **Discovery vs Purposeful:** Some entrepreneurs absolutely believe that choosing viable business ideas must be through a purposeful search for opportunities while others believe that a viable business idea is something that had been readily available and overlooked but now discovered accidentally.

**5 factors stated and explained: 3x5= 15 marks**

**17.** Each individual should establish both short- and long-term personal objectives in their life. Describe the steps you would take to set your goals. **(15 marks)**

**Answer**

**The following are steps in setting SMART goals. (15marks)**

**Setting a goal** refers to the process of identifying a specific objective or desired outcome that an individual or organization aims to achieve within a defined period. It involves clarifying what one wants to accomplish, establishing measurable targets or milestones, and creating a plan of action to work towards achieving the desired result.

**Step1: Identifying priorities,**

The term **priority** is a goal ranked first among other goals appearing in the order of their importance. One should list his/her goals in the order in which he/she plans to implement them. After prioritizing your goals, organize and plan your activities. Write down your activities.

**Step 2: identify the start and end points:**

This involves analyzing the current position you are at and where you want to be in regard to setting a SMART goal. It helps in baseline assessment

### **Step3: Analyzing one's skills and interest**

In this step, one thinks about what he/she enjoys and what he/she is good at. The skills set that one possess determines whether individual has the ability to work towards the attainment of the set goals. If your goal does not match with your skills, then shelve/cancel it and set one that match with your skill.

### **Step 4: Checking on the available opportunity**

The term **opportunity** is situation, condition or circumstance favourable for the attainment of a goal. Once the goal has been set, matching it with the available opportunities is the next logical step to take. This makes the goal realistic and achievable.

### **Step 5: Setting strategies to achieve the set goals.**

**Strategy** is planned method and action to achieve a particular goal usually over long period of time. Once an individual has made up the goal he/she wants to achieve, he/she must develop a plan of action. A plan of action is aimed at completing each objective and reaching a goal.

### **Step 6: Identify possible obstacles:**

**Obstacle** is thing that blocks way, prevents, hinders progress and makes it difficult to do something. At this stage, one need to make a list of anticipated obstacles and note down how you plan to overcome these obstacles.

Or

In order to set smart goals, the following steps in question form should be observed. **(15marks)**

**1.Where do I want to be** in the next period of time say 4 months, 6 months, one year etc.? Consider the example of a goal, I want to start a big business project after my secondary studies i.e. after two years. This shows exactly what the person wants to be in the next two years.

**2.What must I know to get there?** Example to start my business, I will need to discover which type of business to get involved in, I have to know how many are doing it, how they do it, for whom they produce for (market), prepare my Weaknesses, Strength, Opportunities available and Threats (SWOT analysis) and where to do the business from.

**3.What steps must I take in order to know and be able to do these things?**

Example I have to prepare a business plan i.e. production, marketing, organization, financial, action plans etc. Obtain a trading license and a business registration among others.

**4.What abilities and experience do I already have that are going to help me take these steps?** Refer to the qualities of an entrepreneur. Do you possess any?

**5.What obstacles might be on my way and how can I deal with them?**

You have to list the challenges that you may meet on the way to achieving your goal. This is because you don't expect everything to go on smoothly.

Many of your responses may be: Inadequate funding (capital), Small market size, may be because of strong competition, Strategic business location. Etc.

**6. What should I do first, second and so on?** In setting goals, one has to specify short term goals first then the long-term goals, a person can suggest short term goals stating when it should be achieved and resources needed to achieve them.

**Meaning of a goal setting: 3marks**

**Any 6 steps well explained: 2x6= 12marks**

**18.** Giving Two examples in each category, differentiate banking from non-banking institutions according to their functions in your community. **(15 marks)**

**Answer**

**Differentiate banking from non-banking institutions according to their functions in your community. (15marks)**

**a) Functions of banking institutions. (10marks)**

- To establish as an institution for maximising profits and to conduct overall economic activities.
- To collect savings or idle money from the public at a lower rate of interest and lend these public monies at a higher rate of interest.
- To create a propensity of savings amongst the people.
- To motivate people for investing money with a view to bringing solvency in them.
- To create money against money as an alternative for enhancing supply of money.
- To build up capital through savings.
- To expedite investments.
- To extend services to the customers.
- To maintain economic stability by means of controlling the money market.
- To extend co-operation and advice to the Govt. on economic issues.
- To assist the Govt. for trade & business and socio-economic development.



- To issue and control notes and currency as a central bank.
- To maintain and control exchange rates as a central bank

Examples of banking institutions include:

**Commercial banks, central banks, development banks and Micro finance institutions**

**Functions of non-banking institutions in Rwanda(5marks)**

- They assist in the establishment and development of various sectors especially transport and infrastructure in the country.
- Non-banking financial institutions extend specialised credit facilities to various entities, especially those engaged in mega projects.
- The non-banking financial institutions aim at the creation of wealth and economic development in the country.
- The weaker sectors or sections of society need to be strengthened and fully supported, and this is one of the functions of non-banking financial institutions.

Examples include: Insurance companies, Pension fun.

**END**