

# In Search

aat  
SRI LANKA

1st Issue - 2014 (Volume 03)  
ISSN 2279-2260



**Effective Listening**  
and presenting: critical success factors for a manager

**The effect and importance of**  
a business model for bancassurance success

**25th Anniversary**

Celebration and Conference 2013 – AAT Sri Lanka



**Syllabus  
2015**

CHANGE THAT CREATES CHAMPIONS

**CA**

THE INSTITUTE OF  
CHARTERED ACCOUNTANTS OF SRI LANKA



# A CHANGE THAT CREATES CHAMPIONS

Success is a matter of the choices you make and the courage to accept nothing but the best. With our new curriculum, we have embarked on a journey that creates champions of the corporate world. Developed based on the emerging business needs and in line with the international educational standards, the new CA Syllabus will create Chartered Accountants with the right combination of technical knowledge, skills and attitudes; who will be poised to partner businesses.

For more information call our hotline – 011 2352033 or visit [www.casrilanka.com](http://www.casrilanka.com)

## Contents

02 **Chairman** of Membership Committee, AAT Sri Lanka

**President** of AAT Sri Lanka 03

05 **Effective Listening** and presenting: critical success factors for a manager

**Internal Audit: Challenges Ahead, Changing Perspectives** 11

15 **SME** Focussed Tax Concessions

**The effect and importance of** a business model for bancassurance success 16

19 **Career development** Soft Skills

**CRIB** to Increase Access to Finance through STR 21

### AAT SRI LANKA EVENTS & NEWS

25 **25th Anniversary** Celebration and Conference 2013 – AAT Sri Lanka

**IFAC** President's Visit to Sri Lanka 26

27 **Annual Convocation 2013**

**Gold Winner** at National Business Excellence Awards 2013 28

29 **Induction of 8th President**

**Members' Day** 32

**AAT Sri Lanka Passed Finalists Certificate Awards** 33  
Ceremony - 2014 January Examination

34 **AAT Sri Lanka expands services to Hambantota, Trincomalee and Batticaloa**

**Seminar - Year Plan – 2014** 35



**Chairman**  
Membership Committee

We are pleased to present the 1st Issue - 2014 of the members' journal In-Search, in line with previous publications maintaining the same glamour and quality. This journal contains articles and publications which are immensely useful to our members and others in the industry in their professional, academic and social endeavors. In addition, some of the important activities that have taken place during the recent past, are also included for the information of members.

It is with enthusiasm we launch this issue, because members have shown a keen interest in educational and professional interaction directing us to edit this publication with a totally different outlook. Further, in order to ensure that the next issue of In-Search would be more fruitful and effective, we need a feedback from the end-users - members and other readers. Our expectations are to gradually evolve a journal preferred by the accounting profession which will include innovative research articles relating to the industry encouraging development and growth.

Gathering knowledge would definitely help to acquire prosperity and lead a life with happiness. Let's therefore be a partner of a knowledge based society, and create a culture through education and commitment for the purpose of fulfilling Sri Lanka's expectations of establishing a knowledge hub in the region.

I firmly believe that the strength of the members is the strength of the Association. Hence, I would like to invite members who possess knowledge and ability to participate with the journal activity, and to share their knowledge with us by providing write-ups to our "Article Bank" which has been setup to ensure un-interpreted publication of the journal. I also take this opportunity to express our sincere gratitude whole heartedly to the Authors of Articles and Organizations that provided advertisements, and all others who contributed towards finalizing this journal to be on par with the passion and glamour of the previous issues.

Indraka Liyanage

## The Governing Council 2014/2015

**President** - Lalith T. Fernando

**Vice President** - J.M.U.B. Jayasekera

**Secretary** - W.A Asoka Rupasinghe

**Immediate Past President** - Ganaka Amarasinghe

### Members

Lakshman Abeysekera

D.B.S. Chamara Bandara

(Ms.) Nishamani Ajitha De Silva

A. Naleen Dhammika De Silva

L.G.J.G. Gunathilaka

M.J. Magdon Ismail

Ruwan P. Jayaratne

H.M. Saman Siri Lal

Indraka P. Liyanage

Sunil Wanigabadu

S.M Dayaratne

(Ms.) M. Kamani Perera

## Editorial Board

Indraka Liyanage

(Ms.) Nilmini Dharmawardhana

Chamil Moragodaarachchi

### How to reach us

Articles, Advertisements for this journal should be sent to [aatslmem1@gmail.com](mailto:aatslmem1@gmail.com) / [aatslmem@slt.net.lk](mailto:aatslmem@slt.net.lk)

Contact : +(94) 11 2559669

Views, opinions and statements published in this journal are those of the respective authors / contributors. The AAT Sri Lanka is neither responsible nor does it necessarily concur with authors / contributors unless otherwise stated.

Copyright © 2012 by The Association of Accounting Technicians of Sri Lanka



President  
of AAT Sri Lanka

Sri Lanka is considered as one of the emerging nations in the world during the past few decades. Education plays a vital role in the development strategy. Thus, a favorable environment has been created for business and industries. Ending of war definitely resulted in harmonization all the communities within and outside the territorial boundaries. This created more opportunities for finance professionals in the regions. Being the leader in middle level accounting education in Sri Lanka, AAT Sri Lanka has been conscious about these developments and is determined to serve its stakeholders even better.

The regular activities of AAT Sri Lanka which include Annual Conference, monthly Seminars, Student and Member Promotions and Members' Welfare Programmes, are planned for the New Year under the direction of new Council appointed for the year 2014/2015. Whilst thanking our members who have shown greater interest and enthusiasm participating in AAT activities,

I seek your proposals for further improvements of member activities in the coming year. The journal would, no doubt, build up a communication link between the membership and the association, providing a forum for expression of views and suggestions.

I am indeed delighted to address you as the incumbent President via 'InSearch' the first issue of 2014. It is with gratitude that I devote this volume to the Founders members, the past Presidents, the Council members and the staff of AAT Sri Lanka whose tireless efforts made AAT Sri Lanka what it is today. I further congratulate the Chairman and the members of the committee for producing the members Journal with a new outlook.

Lalith T. Fernando



## Join a group of financial strategists who help lead businesses through value optimisation

If you are a qualified AAT member or a past finalist here is a great opportunity to increase your marketability by enrolling to CIMA, the next generation qualification.

**100% exemption waiver, Save Rs. 73,480\***

**Special price applicable for registrations before 31 July 2014**

Special discount for classes at Achievers Lanka Business School, Academy of Management Education (Pvt) Ltd Wisdom Business Academy and Imperial Business Academy.

\*Registration fee £75 applies.

CIMA Sri Lanka  
356, Elvitigala Mawatha  
Colombo 5.  
T. 2503880 F.2503881  
E. colombo@cimaglobal.com

CIMA Kandy  
229, Peradeniya Road  
Kandy  
T. 081 7393910  
E. kandy@cimaglobal.com

# EFFECTIVE LISTENING AND PRESENTING: CRITICAL SUCCESS FACTORS FOR A MANAGER



**Chaminda Bandara Herath**  
 Financial Accountant - Sierra Construction (Pvt) Ltd  
 ACA, MAAT, ACMA, B.Sc. Accounting (Sp.) - USJ,  
 Reading for MBA (PIM - USJ)

## 1.0 INTRODUCTION

With the rise in global business competition, it is becoming essential for managers to master the art of listening and presenting. The purpose of this article is to bring out the importance of effective listening and presenting, identify the barriers to those and explain the ways and means to improve listening and presenting skills which are vitally important for managers when performing their duties and responsibilities in an organization.

## 2.0 LISTENING

Listening is a vital communication tool in today's business world. Listening might be defined as the art of hearing and understanding what someone is saying and it is a process that includes attending, perceiving, interpreting, assessing and responding. (Raman & Singh, 2006) Listening is a skill which needs to be developed gradually by managers at all levels in order to become successful. Effective listening is important not only for managers but also for every employee

in an organization as it ensures the smooth flow of information and instructions at all levels of the organization. Therefore, listening inevitably becomes an essential part of all management functions. But it is not an exaggeration to say that most managers in organizations do not give due attention to listening and assume that it is basically the same as hearing. As a result, they unconsciously neglect this vital communication function.

In fact, what makes listening different from hearing? In hearing you use your ears only. It does not attach a meaning and simply perceive the sound. But when you listen, you consciously attach a meaning to what you hear. Hearing is a passive occurrence that requires no effort. But listening is a conscious choice that demands attention and concentration. Therefore, listening goes far beyond natural hearing process and paying attention to words or sounds with the intention of understanding. Accordingly, in order to improve listening skills we must know the difference

between listening and hearing. Figure 2.1, summarizes the main differences between listening and hearing.

Figure 2.1: Listening Vs Hearing

Listening	Hearing
Active process	Passive process
Objective	Subjective
Focused	Unfocused

Source: Author

## 2.1 WHY IS EFFECTIVE LISTENING IMPORTANT FOR MANAGERS

Though listening has become more important in today's high stressed world, it seems that most managers devote less and less time to really listen to one another. Effective listening requires much effort in order to understand what another person is trying to communicate. Therefore, proper connection between two ears and brain must be prevailed always to get the message clearly. If the process of listening does not take place properly, we might be misunderstood or confused. Listening, as a part of every manager's day to day work life is important in several aspects. The importance of listening can be identified as follows:-

# EFFECTIVE LISTENING AND PRESENTING: CRITICAL SUCCESS FACTORS FOR A MANAGER

## (a) To earn employees' respect and loyalty

Most subordinates of managers just want a manager to listen to them. Because, it ensures that individual subordinate is important and they will be aware that the manager is there for them to discuss problems or concerns as and when required. In fact, people are happiest when they are listened to. Bryant McGill, an author, speaker and activist in the fields of self-development, personal freedom and human rights, says "One of the most sincere forms of respect is actually listening to what another has to say".

## (b) Understand the organization properly

Conscious listening to staff allows managers to know what the staff thinks about the organization, its policies, procedures and processes. It helps managers to get a better understanding about the organization in various aspects and enables to get the information of the areas where he or she has limited access.

## (c) To make effective policies and procedures

Listening to subordinates and customers allow managers to understand their perception about the organization's policies and procedures. Viewpoints of those can be considered when making or revising organization's policies and procedures. Therefore, it helps managers to make better policies and procedures which will improve the organization's processes.

## (d) Reduce errors and delays in decision making

Better listening helps to get the message clearly and allow managers to attend to matters properly and swiftly. As a result,

the actions or steps taken by managers will deliver the intended results within the intended time period. Consequently, it leads to fewer errors and avoid delays in decision making.

## (e) To solve problems swiftly

Listening itself is a good solution for lots of problems. Listening to teammates and subordinates will help managers to identify their problems in advance and solutions can be provided before the problem becomes a crisis. It helps calm down employees and leads to sound working relationships.

## (f) To get a big picture or main idea

Active listening analyzes the ideas, facts and evidence of what the speaker talks about paying attention to realize the main idea or the big picture. It helps managers to respond to the point or the main idea the speaker expects to convince.

## (g) To motivate employees

Listening makes employees feel better about themselves. Regular listening to employees will encourage them to share their ideas, problems and feel more comfortable in the working place. Consequently, this will result to motivate employees and lead to create a sound relationship with the management.

## (h) To increase the productivity

Productivity is one of the key concepts of every organization striving to achieve and maintain. It affects all parts of the organization. Better listening will minimize the errors and delays in decision making and motivates employees to give their maximum to the organization. As a result, productivity of the organization will increase.

## 2.2 KEY BARRIERS TO EFFECTIVE LISTENING

Listening sounds simple. Does it only require paying attention to the words that the other party is saying? Most of us perceive listening as paying attention. But effective listening is more than paying attention. In fact, effective listening is necessary for effective communication notwithstanding who you are, where you are from, or what you are doing. Is effective listening possible in every situation? No. There are so many barriers that prevent us from effective listening in various situations. Let us look at the barriers which prevent us from effective listening.

### (a) Emotions

When people are emotionally charged, positively or negatively, they might not be able to pay attention to what others say.

### (b) Prejudgments

Sometimes people prejudge what the other party is trying to say even before the words come out. Prejudgments either about the speaker or the content will impair the listener's interest to focus, and become a barrier to the open mind.

### (c) Distractions

External distractions like background sounds, odors, visual images, lights or moving objects as well as internal distractions like your own hunger, anxiety or fatigue will keep you away from effective listening.

### (d) Ambiguity in language

Ambiguity leads to confuse things. Listeners may not get the intended meaning of the speaker. This usually happens when listeners interpret words based on their personal definitions, experiences and knowledge.



# EFFECTIVE LISTENING AND PRESENTING: CRITICAL SUCCESS FACTORS FOR A MANAGER

## (e) Trying to be helpful

This usually occurs when people tell their problems or grievances. Interrupting the speaker in order to offer advice disrupts the flow of conversation, and may impair the listener's ability to understand the speaker's problem properly.

## (f) Filters

Sometimes people hear what they want to hear. The words that are spoken by the speaker may be filtered by the listener at his or her wish because sometimes people do not want to hear differences in opinion.

## (g) Age, race and gender biases

Trying to filter what other people are saying based on their age, race and gender will obviously prevent the listener's effectiveness in listening.

## 2.3 KEYS TO EFFECTIVE LISTENING

No doubt, one of the best single things managers should do to get working relationships to world class is to become alarmingly good at listening. It is evident that listening is not the same as hearing. Effective listening requires both discipline and commitment. There are five levels of listening. They are Ignoring, pretended listening, selective listening, attentive listening and empathic listening. (Covey, 1989)

First three levels of listening are considered as ineffective and must be avoided in all situations. Therefore, the attentive and empathic listening are the levels considered as effective, and managers must develop in order to perform their roles effectively. Attentive listening means thinking and acting in ways that connect you with the speaker. (Raman & Singh, 2006) In attentive listening you deliberately prepare yourself

to concentrate and give assurance to the speaker that you are listening with needed focus. Empathic (from empathy) listening gets inside another person's frame of reference. You look out through it, you see the world the way they see the world, you understand their paradigm and you understand how they feel. (Covey, 1989) Attentive and empathic listening are the levels to be used by managers in work places depending on the situation. Let us look at how managers can develop these effective listening skills.

## (a) Prepare to listen

The first thing a listener has to do is preparation. You should not pretend to listen while you do other things and should stop talking. This allows you to establish a proper mental attitude to listening.

## (b) Avoid distraction

In order to listen well, it is required to avoid distractive sounds, movements, visual images as well as your own distractive thoughts, feelings, or biases. Non distractive environment is always comfortable for both speaker and the listener.

## (c) Keep an open mind

This is another key to effective listening. You should not judge and criticize the speaker or the things he or she is telling. Further, listener should not jump into conclusions. If those happen you will compromise your effectiveness as a listener.

## (d) Face the speaker and maintain eye contact

Eye contact is considered a basic ingredient of effective communication. So, frequent eye contact and facing the speaker is really important to have a better conversation.

## (e) Be patient and do not interrupt

Interrupting sends several negative messages to the speaker. Those are:

- Listener does not take interest on what speaker is saying
- Listener does not have time to listen
- What listener has to say is more important and relevant than what speaker is saying.

When listening to someone's problem and if you come across the solution, a better way to tell your idea is to get the speaker's permission.

## (f) Ask questions, only to get clarification and ensure understanding

Asking questions is not as same as interrupting. Asking questions allows listeners to get things clarified and to understand the message properly. In turn, it implies the speaker that the listener is listening carefully. But it is suggested to ask questions only to understand the message and not to disturb or interrupt the speaker.

## (g) Show some empathy

To experience empathy, the listener has to get into the speaker's shoes and seeing the matter from the speaker's point of view. This is not an easy thing to do. It requires energy and concentration. But it is a kind and helpful thing to do and it facilitates communication like nothing else does.

## (h) Give regular feedback

It is important to give regular feedback to the speaker to ensure that you are actively listening. It may be nodding, appropriate facial expressions or occasional words. Words like 'I see', 'Right', 'I understand', 'Go on', 'Sure' or other indicators like 'Hmm', 'Oh?' encourage the speaker and ensure that you are listening.

# EFFECTIVE LISTENING AND PRESENTING: CRITICAL SUCCESS FACTORS FOR A MANAGER

## (i) Take notes

Taking down notes is also important. It helps to grab the main points of the message and keep you listening. Further it aids to get things clarified later.

## 3.0 PRESENTING

Presentations are speeches that are usually given in a business, technical, professional or scientific environment. The audience is likely to be more specialized than those attending in a typical speech event. (Mandel, 1993) Presentations convey a message across the listeners. It is an efficient way of giving a message to a group of people. Presentations are generally used to persuade people, convey information, give instructions, share experiences or to make decisions. Today all managers are required to make presentations in their day to day work life.

Presentation skill is the ability to communicate effectively at all levels of the organization as well as the outsiders of the organization. Effective presentation skill is highly demanded in the current business environment as it now has become a key to the success of one's career life. Manager's career growth necessitates presenting their ideas to others and now it has become a way of doing businesses. Ability to present well is one of the most common skills among widely successful people in every field.

## 3.1 WHY PRESENTATION SKILLS ARE IMPORTANT FOR MANAGERS

Managers who want to progress in their career must sharpen presentation skills. Because it is the way that he or she can express ideas in a way that others can understand. It is one of the best ways that managers can convince their talents to the top management. It provides an opportunity to make a good impression

towards you. It proves that all great leaders who changed the world are good presenters. It is one of the best paths to get the attention towards you and also to influence the people around you. But, it is like a double edge sword. Because, ineffective or poor presentations can give a negative impression towards the presenter. Therefore, managers as leaders or as potential leaders must develop and sharpen this vital skill in order to reach the top of the career ladder.

## 3.2 KEY BARRIERS TO EFFECTIVE PRESENTING

Most business presentations do not achieve their intended purpose. Worse still, they frequently achieve nothing of any value. (Bradbury,1996) Though, most of the organizations use presentations to fulfill various objectives, the questions arise at the end how far they have achieved the intended objective and how effective it is. There are so many barriers which prevent the presenter from delivering an effective presentation. This will include the following:-

### (a) Lack of knowledge of the topic

The audience can sense when the presenter is bluffing. Inadequate knowledge of the topic leads to unanswerable questions from the audience and the audience will not be benefited by listening. Further it impairs the presenter's confidence and lead to create stress.

### (b) Not knowing the audience

Knowing the audience is vital before the presentation. Profiling of the audience will allow the presenter to organize the presentation properly and to decide the intended response. Preparing for the presentation without knowing the audience is merely like hunting in the dark.

### (c) Poor use of visual aids

Visual aids convey the message easily

and powerfully. It also triggers emotional responses. Therefore, it has a greater impact on the audience. Hence using visuals that do not relate or unsuitable to the message impair the audience interest to hear the presentation.

### (d) Lack of rehearsing

Rehearsing is of utmost importance in every type of presentation. Lack of rehearsing may deteriorate the ability to present confidently. Mistakes can happen in front of the audience due to lack of rehearsal. Rehearsing allows you to identify shortfalls of the presentation, before making it in front of the audience and enhance the confidence.

### (e) Ignoring time constraints

Time is the key determinant of everything. Therefore, the presenter must be fully aware of the time taken for the presentation. It should neither exceed nor be less than the allocated time. However, a slight deviation from the allocated time can be permitted.

### (f) Stress and anxiety

Stress and anxiety are other barriers for effective presentation. This can happen due to various reasons like believing that the audience knows more than you, stage fright, not knowing the settings of the place or inadequate preparation.

## 3.3 KEYS TO EFFECTIVE PRESENTING

Presentation skill has now become a critical factor of a manager's career. Therefore, the importance of presentation skills is growing at a higher level. Every manager requires developing this vital skill to perform his or her role successfully. But it demands both hard work and concentration. Presentation skills can be developed or improved in various ways. Keys to effective presentation skills can be listed as follows:-

# EFFECTIVE LISTENING AND PRESENTING: CRITICAL SUCCESS FACTORS FOR A MANAGER

## (a) Identify the purpose of your presentation

The purpose of the presentation must be clearly understood because it gives the answer to why you present and what to present. The purpose of the presentation may motivate employees, give instructions or information, persuade customers or share experiences. So identifying the purpose helps to gather information relating to the topic of the presentation. Further, you must develop the theme sentence, which sets what you want listeners to remember.

## (b) Knowing the audience

Knowing your audience is another important matter in delivering an effective presentation, because they are the focus of your presentation. Profile of audience is vital to decide the way in which you are going to deliver the presentation. Level of knowledge of the audience relating to the topic, age groups, and perception of the topic must be carefully analyzed. Talking to a few people who will be in the audience may be very useful. The audience may not be homogeneous always. In that situation identifying key groups is really important.

## (c) Organizing the presentation

Identifying the purpose and knowing the audience will enable the presenter to decide the desired response at the end of the presentation. In order to achieve it presenter must organize the presentation in a proper way. There are eight steps to better organization of presentations. (Mandel,1993) Those steps are as follows:-

### 1. Brain storm main idea

Identifying the main point is extremely important. This can be the theme of the presentation or part of the theme. This is the big idea of the presentation.

## 2. State the sub points

This refers to developing supporting ideas to the main point. These may consist of relevant data, statistics or explanations. However, it is important to ensure that there is a clear connection between sub points and the main point.

## 3. State the benefits

If it is a persuasive presentation, it is required to state the benefits audience will receive if they do what you ask them to do. Benefits are generally stated in the body of the presentation.

## 4. Develop handouts

Handouts can be developed either to reinforce important information or to summarize the actions for the audience to follow up on or to provide supporting data that are not included in visual aids. These handouts can be distributed either before the presentation or during the presentation or after the presentation depending on the content of the handouts.

## 5. Develop visual aids

Visual aids may include computer projected slides, black or white boards, flip charts or videos. But due attention must be given to select the correct visual aid.

## 6. Main idea preview/review sentence

Preview and review of the main point of the presentation is vital to deliver an effective presentation. This can be achieved by using a main idea preview sentence and main idea review sentence. However, these sentences must be separated from the introduction and conclusion.

## 7. Develop the introduction

The introduction must make a good first impression as it is the head of the presentation. It consists of two major functions; providing necessary information and getting attention. There are various ways you can gain attention. They are shocking statement, involving question, question with an obvious answer, quotation, humor or short story illustrating a point. However, opening statement or the point must be positive and presented slowly giving a good first impression. Further, this must touch the main point of the presentation and disclose what the main point is about.

## 8. Develop the conclusion

The conclusion is the tail of the presentation. Good conclusions always return to the material in the introduction. The conclusion must be clear, specific and summarize the main points presented in the body of the presentation.

## (d) Timing

Timing is extremely important for every kind of presentation. It is a prerequisite to know how long you are expected to talk. Based on the allocated time you can structure the presentation. Further the given time can be allocated effectively among each section of the presentation.

## (e) Rehearsing the presentation

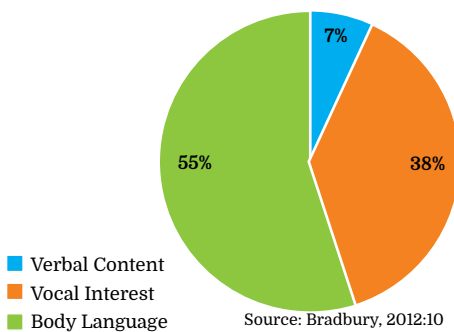
Rehearsing is extremely important notwithstanding what you are going to present. The topic you are going to present may be a subject or a field where you have thorough knowledge or may be a new topic. But rehearsal has to be done in order to deliver the content more effectively. Rehearsing helps to keep nerves under control.

## EFFECTIVE LISTENING AND PRESENTING: CRITICAL SUCCESS FACTORS FOR A MANAGER

### (f) Body language

Body language or non verbal communication is another key to effective presentations. Eye contact, gestures and postures and proximity are important in this context. Eye contact helps to maintain the positive relationship with the audience. Facial expressions like smiling, shows the friendliness towards the audience and encourage them to listen actively. Gestures or movements of hands can be used when emphasizing something and postures help to get the attention of the audience. Further, body position should be adjusted in a non distractive way. The figure 3.1 shows the results of a study done in both America and Britain, how people judge other people in terms of the three characteristics of verbal content, vocal interest and body language.

Figure 3.1: Contribution of body language for judging the speaker



It is evident that body language can give a greater influence on other parties compared to verbal content and vocal interest.

### (g) Speaking clearly

Clear speaking is important for making the message alive. In order to speak clearly voice modulation, rate of speed and pace have to be properly controlled. Voice modulation refers to the adjustment of the tone to become enough to be clearly heard and understood by the audience. It helps to prevent monotonous nature of the

speech and makes it more interesting. The speaker must adjust the pace according to the listener's and the speaker's interest. Further, rate of speed must fit the purpose, content and listeners.

### (h) Answering questions

Giving time for asking questions and answering them straightforward as far as possible is an important part of a presentation. Anticipation of the types of questions that might come up during the presentation will allow you to prepare for appropriate answers and enhance the confidence.

## 4.0 CONCLUSION

Listening is not the same as hearing. So listening is the basis for good conversation. Effective listening is a key skill for managers. Therefore, managers must strive to develop attentive and empathic listening and avoid barriers to effective listening at all times. Prepare to listen, avoid distractions, open mind, correct body language, patient listening are the keys to effective listening. Listening, being the most powerful form of acknowledgement leads to build strong relationship between managers and employees in organizations and create acceptance and openness. At work, effective listening means fewer errors and less wasted time. Being a skilled listener manager can develop other skills like leadership, communication, people's management and time management.

Presentation skill is another key which helps managers to move forward in their career ladder. Demand for presentation skills is growing day by day in every organization. Preparation is the most vital factor that decides the effectiveness of the presentation. Preparation is stressful but it aids to avoid lots of barriers which prevent managers from delivering an effective presentation. Managers can enhance the effectiveness

of their presentations by doing three things. Firstly, they should take control of the materials by identifying the objective of the presentation, structuring the presentation properly and using the prime time, which is the starting point perfectly. Secondly, they should take control of the audience by properly understanding them. Thirdly, controlling themselves by rehearsing properly. Continuous practice will enable managers to build their own strategies for presenting.

Listening and presenting as essential parts of business communication are extremely important skills for managers at every level of any organization. One's listening and presenting skills have to be improved gradually through hard work both in the short term as well as in the long term. Those skills continue to improve as those are practised. The ability to do listening and presenting well is absolutely critical for managers' effectiveness. Controlling non verbal behavior is also important for both listening and presenting. Effective Listening and presenting are not only skills but also arts which are vital and crucial for managers to perform their roles in today's vibrant, competitive and dynamic business culture. Therefore, no wonder listening and presentation skills have now become critical success factors of managers work life.

## 5.0 LIST OF REFERENCES

- Bradbury, A.J. (1996). Successful Presentation Skills, New Delhi: Kogan Page India Private Limited.
- Covey, S.R. (1989). The seven habits of highly effective people, New York: Simon and Schuster.
- Mandel S. (1993). Effective Presentation Skills, Menlo Park: Crisp Publications.
- Raman, M. & Singh, P. (2006). Business Communication, New Delhi: Oxford University Press, pp. 87 –119.

# Internal Audit:

## Challenges Ahead, Changing Perspectives...

We all know that we live in a highly dynamic environment where companies are faced with tough competition amidst a sea of change. What we should be aware of is that in the coming decade, the pace of change may be even more rapid. Price increase will not be a viable option for companies running on thin margins as the competitors are waiting to grab a chunk of market share from the other. Thus, the only viable option for companies would be to manage their costs by having a relook at their processes and striving to achieve process excellence. In this context, the role of today's internal auditors is challenging while at the same time much is expected from them to add value to business processes.



**Vindya Cooray**  
Asst. Manager - Group Business Process Review,  
John Keells Holdings PLC  
ACA, MAAT, BBA (Sp. Business Economics), Reading for MBA (Col)

### Internal Auditors as Business Partners

Much time is spent in corporate boardrooms on aligning business functions to meet organizational goals. Yet, how many companies in Sri Lanka consider how the internal audit function can be aligned to achieve organizational goals? In most instances, internal audit is viewed as a post-mortem activity rather than a value adding function. Thus, the challenge ahead of internal auditors is to deliver a value adding service where management would view internal auditors as 'business partners' rather than 'policemen'.

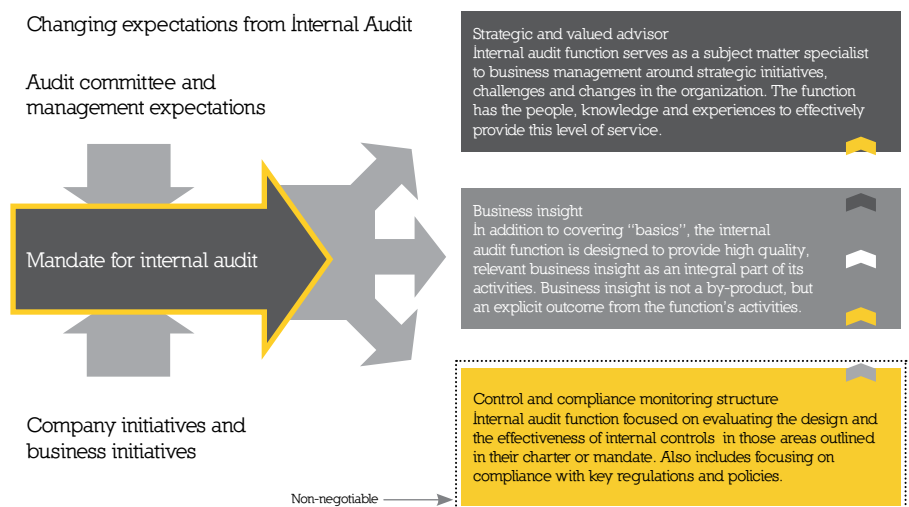
As mentioned above, in order to stay abreast of competition, companies should continuously improve their processes. In this engagement, internal auditors can play a vital role. Nowadays management looks forward to an internal audit function that fully aligns with company needs and expectations. Thus, there's a clear shift from traditional cycle based audits to ad hoc audits or special projects. In addition to the traditional role of evaluation of effectiveness of internal controls, internal

auditors are now expected to become strategic advisors. However, one should understand that becoming strategic, valued advisors does not mean that traditional role can be compromised; what is expected from internal auditors is to provide high quality, relevant business insight in addition to covering the 'basics'.

On the one hand chief executives, boards and audit committees have increased

expectations of the depth and quality of work that internal auditors perform, while on the other hand, regulators and other stake holders place more reliance on internal audit to ensure compliance, adequacy of risk management and governance.

The chart below summarizes the changing perspectives of stakeholders with regard to an internal audit.



Source: Annual Audit Planning, Perspectives from Chief Audit Executives  
How can internal auditors keep up with this challenge of changing perspectives?

# Internal Audit:

## *Challenges Ahead, Changing Perspectives...*

- **Having the right mind set from the start**

What distinguishes a value adding internal auditor from the rest would be the perspective that is taken for the internal audit. Moving from a reactive to proactive role requires auditor to think and work differently. Internal auditors need to wear the hats of management, which is to shift the focus from their own (audit) perspective to the business perspective. This would enable them to think beyond the existing policies, procedures and processes of a company. Internal auditors should ask ‘What should go right?’ to achieve business objectives rather than the classical ‘What could go wrong?’ question. The latter will limit internal auditors only to check adherence to the existing policies & procedures; but the first question would enable them to come up with process enhancements/ value adding recommendations.

This would also persuade management to be more cooperative with internal auditors as they will feel connected while experiencing a more valuable discussion which will provide input for his business success. Instead of fearing the internal auditors, management would seek more support from them as the auditors suggest practical recommendations with business sense rather than theoretical recommendations.

- **Keeping abreast of business environment**

Another challenge for the internal auditors would be to keep up with the dynamic changes in the business

environment and be fully equipped to respond to these changes. A frequent complaint which is made by management is that internal auditors do not understand the business. Although in any audit, step No. 1 is for the auditor to obtain an understanding on the business and its environment, it is more often forgotten.

Prior to commencing internal audit process it is important that auditors understand the business objectives, strategies, key business risks and processes. Further, it is important to obtain input from key stakeholders. Studies have shown that in the audit planning process, statistical models which consider risk factors, materiality, duration since last audit, degree of change etc. are no longer the main driver for audit planning. Instead, internal audit planning should be driven by business sense and continuous monitoring which will provide immensely useful information for the planning process. Thus, auditors are called to change their role from making traditional quantitative assessments towards qualitative assessments.

In most companies, internal audit is not the only risk function within a company. Thus, most internal audit functions now opt to liaise with other functions within the company so that the increased stakeholder expectations are met. Some of the current practices which are practiced in this regard are to use risk assessments from specialized departments (e.g. tax) to obtain in-depth understanding of particular risks, perform joint audits with other risk functions to enhance the quality of audits and use guest auditors from

the business to add business knowledge to the audit team increasing credibility and acceptance of findings. However, some express concern with regard to potential conflict of interest in this case.

### *Internal Auditors to have An Eye on Technology*

Further, internal auditors should be fully prepared to welcome rapid changes in technology. IBM’s 2012 Global CEO study report states, “Above any other external factor- even the economy- CEOs expect technology to drive the most change in their organizations over the next three to five years.” Technology poses new threats to organizations whether those are cloud computing, social media, mobile devices or BYOD (Bring Your Own Device) strategies. That is why we regularly hear news on hacking, cyber-attacks and IT policy breaches in companies. Auditors should be aware of these developments not only because they present risks to organizations which internal auditors should address, but because these new technologies will change the practice of internal auditing itself. Thus, technology poses both risks and opportunities to internal auditors.

Let’s take Social Media as an example. Social media poses many risks to an organization, but organizations cannot do away with it. How can social media be an opportunity for internal auditors? A bank in USA was

# Internal Audit:

## *Challenges Ahead, Changing Perspectives...*

concerned about the rate of loss of its experienced financial consultants. They not only lost expertise knowledge, but also the relationships that individual had established with bank customers, affecting the bottom line of the bank adversely. The bank used social media analytics software to identify accurately (reportedly about 66%) the financial consultants who were considering leaving. Management was able to address their concerns with the positive outcome of retaining most of them. Many organizations use social media analytics not only to monitor customer satisfaction, but also to assess their reputational risk. In some instances, social media analytics have also identified red flag for fraud or intrusion attempts.

Thus, it is very important that internal auditors not only must enhance their knowledge and understanding of new technologies and how they support the business, but also must leverage these technologies to perform their jobs more effectively. Technology developments call internal auditors not only to adapt continuously, but also to anticipate what new developments and technologies are around the corner so that there will be no 'surprises'. Yet, every year, numerous studies show that technology is internal audit's weakness. Proper education and training clearly play a significant role in overcoming these challenges. Organizations can also consult outside expert resources for assistance. Audit teams should be aware that the basic skill required in the field of auditing may not be sufficient, they should be willing to equip with IT skills and analytical thinking,

technological developments. Internal auditors are called today to shift from its mind set of a fault finding mission to provide a value adding service. At the same time they should be equipped with understanding of new technologies and their impact to business while making technology itself a tool to conduct an effective internal audit.

Our human nature is such that we prefer to stay in our comfort zones and continue work as it is. However, the dynamic business environment calls us to have a relook at the internal audit function itself to align it with organizational goals, if we have not yet done so. The potential for internal auditors to provide a value adding service to their organization is much. Any team which does not look at these possibilities will only provide an undervalued service to their organizations and the risk of the internal audit department itself failing would be high.

### **References**

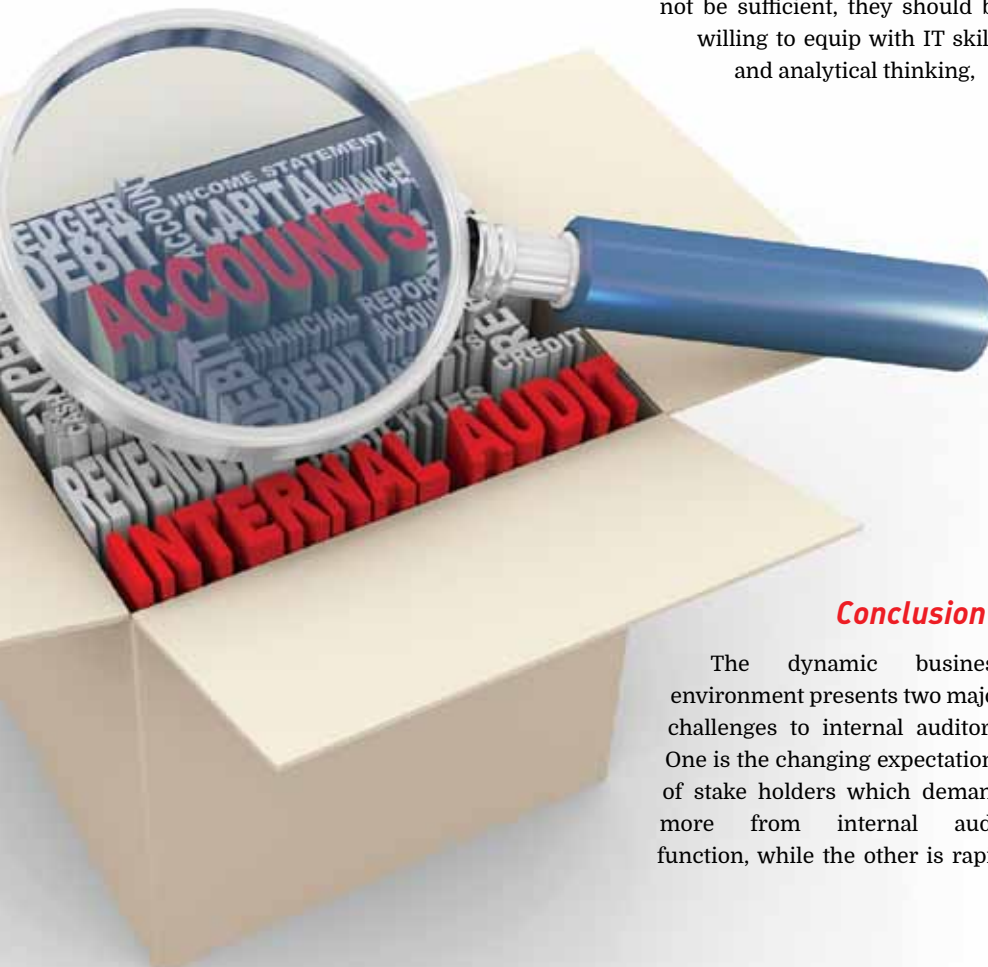
Ernst & Young (2012) Annual Audit Planning: Perspectives from Chief Audit Executives [online]. Available: [http://www.ey.com/Publication/vwLUAssets/Annual\\_Audit\\_Planning/\\$FILE/Internal%20Audit%20Roundtable%20-%20Annual%20Audit%20Planning.pdf](http://www.ey.com/Publication/vwLUAssets/Annual_Audit_Planning/$FILE/Internal%20Audit%20Roundtable%20-%20Annual%20Audit%20Planning.pdf) [Accessed 16 November 2013].

Guillot, C. (2013) A glimpse of the future. *Internal Auditor*.70(3): 51-55.

Marks, N. (2013) Technology for internal auditors. *Internal Auditor*.70(4): 31-34.

### **Conclusion**

The dynamic business environment presents two major challenges to internal auditors. One is the changing expectations of stake holders which demand more from internal audit function, while the other is rapid



# OBTAIN A PROFESSIONAL QUALIFICATION IN TAXATION



## **SRI LANKA INSTITUTE OF TAXATION**

(Founded in June 1992 & Incorporated by an Act of Parliament No. 21 of 2000)

85 - 1/3, GALLE ROAD, DEHIWALA NORTH, DEHIWALA  
(Opposite Commercial Bank)

Tele: 011 2718804/ 0770884927, Fax 011 2731262

E mail :[sltaxationinst@sltnet.lk](mailto:sltaxationinst@sltnet.lk) Web :[www.slitaxation.org](http://www.slitaxation.org)

*The premier body in Sri Lanka for tax professionals*



# SME FOCUSED TAX CONCESSIONS



Maduranga Kumara  
B.Sc (Bus.Adm)Sp, MAAT

Small and medium sized enterprises (SMEs) contribute to local economy by bringing growth and innovation to the country in which business is established. Small businesses also help stimulate economic growth by providing employment opportunities to people who may not be employable by larger corporations. Small businesses tend to attract talent which invent new products or implement new solutions for existing ones. Larger businesses also often benefit from small businesses within the same local community, as many large corporations depend on small businesses for the completion of various business functions through outsourcing.

Having considered the importance of SMEs, in order to minimize the tax burden thereby enabling them to operate smoothly, the Government has granted many tax concessions through various means, some of which are summarized below.

The significant concession for income tax introduced recently is, allowing for SMEs to enjoy a lower rate of tax than the normal rates of twelve per centum or twenty eight per centum.

In accordance with the Inland Revenue (Amendment) Act No. 22 of 2011,

**“The profits and income of any person for any year of assessment commencing on or after 01st April, 2011, from any undertaking engaged in the manufacturing of any article or in the**

**provision of any service and the turnover of such undertaking (other than from the sale of any capital asset) for that year of assessment does not exceed Rs. 300 Mn, shall be chargeable with income tax at ten per centum.”**

However, the said concession was further extended by the Inland Revenue (Amendment) Act No. 18 of 2013 increasing the aforesaid turnover up to Rs. 500 Mn per annum.

Hence, an enterprise which is engaged in the business of manufacturing any article or providing any services of which the annual turnover does not exceed Rs. 500Mn, is liable for income tax at the rate of ten per centum, whereas other enterprises which do not satisfy above conditions are liable for income tax at the rates of twelve per centum or twenty eight per centum depending on their taxable income unless any other concession has been provided for.

Under the provision of Nation Building Tax Act No. 09 of 2009 and amendments thereto, upto the year ending 31st December, 2012 an enterprise except for certain specified undertakings, having a turnover exceeding the threshold of Rs. 500,000/- in a quarter, was required to pay Nation Building Tax. However, the liable threshold was increased to Rs. 3,000,000/- a quarter w.e.f. 01st January, 2013 by the Nation Building Tax (Amendment) Act No. 11 of 2013 in order that most of the SMEs would be exempted

from Nation Building Tax.

The same tax concession was introduced by increasing the liable threshold from Rs. 650,000/- per quarter to Rs. 3,000,000/- a quarter on account of Value Added by the Value Added Tax (Amendment) Act No. 12 of 2013 so that most of the SMEs would enjoy non-payment of Value Added Tax.

Another tax concession granted for SMEs, is the significantly relaxed provision of Economic Service Charge. Apart from the increase of liable threshold of turnover from Rs. 25Mn per quarter to Rs. 50Mn per quarter exemption has been granted for those persons and partnerships which had taxable income and pay income tax. As a result, even though a person or a partnership does not have taxable income due to losses or exemptions, it is not required to pay Economic Service Charges until such time its turnover exceeds the liable threshold of Rs. 50Mn a quarter.

From the tax concession to SMEs, both the Department of Inland Revenue and the tax payer would be benefited. On the one hand, SMEs could operate without tax burden and will have more resources, efforts and time to focus on its operations. On the other hand, the Department of Inland Revenue could reduce its administration costs significantly and save enough resources and time to concentrate on larger enterprises to collect higher amount of taxes.

## THE EFFECT AND IMPORTANCE OF A BUSINESS MODEL FOR BANCASSURANCE SUCCESS



### Roshan Collas

The writer is a Senior Manager of a composite insurance company and the Head of Bancassurance of a commercial bank

In my previous article where Bancassurance has been introduced as a synergetic approach in business management it was established that bancassurance can contribute strategically to bank's non-interest income, and to endorse this factual and strategic opportunity, there are enough local and global examples that are freely reachable through all public business communication channels. It is also important to remember that this strategy was evolved on the fact, that the people have a positive perception towards banking sector than towards the insurance sector in terms of financial reputation for long term investments. How and what made to create this perception is another long discussion one could come out with, and we will not touch upon same as it deviates the scope of this write-up.

**Many Banks operate bancassurance as a support service for their Credit Operation while its income is considered as a byproduct. However the fact remains, bancassurance always could be much better than that.**

What is important to realize is that business managers will always want to capitalize on this perceptual gap in customer's mindset with a creative and profitable business proposition. In this light, the effect of bancassurance model to the business operations success, in terms of its effectiveness to bancassurance core business will be the focus of this article.

Looking at the business models that are established both locally and internationally for bancassurance business, we could observe its characteristic bases as scope of business, operational strengths & other existing business models of the partners,

legal background of the industry and cultural backgrounds of the organization. In ideal conditions, Firms will always list their priorities to establish best business models in line with achieving the set business goals. But in practical terms, individual managers will always be comfortable working with available arrangements purely due to the fact that initiating change is challenging in any part of the world. However, a visionary direction in bancassurance will not only require to analyse these aspects deeply, but also need to act with strength to explore the full business potential in both non-interest income and penetration respectively for the bank and for insurance company.

**Firms will always list their priorities to establish best business models in line with achieving the set business goals. But in practical terms, individual managers will always be comfortable working with available arrangements purely due to the fact that initiating change is challenging in any part of the world**

#### **Bancassurance Business Scope :**

Bancassurance business scope is a simple concept to understand and it refers to business objectives of both insurance organization and the bank. But the fact remains that companies should define it with clear understanding of its background. For an insurance firm, bancassurance could be a key or an alternate

option in their distribution strategy. The market strategy of the insurance firm will reflect the bancassurance play in their overall business drive which will outline the bancassurance scope in such insurance firms. For a commercial bank, bancassurance play could vary from a level of support service to a key non-interest income generator in their corporate plan. Although scope is less complex to understand, the analysis that would need to shape the scope is quite complex and wide.

Considering an insurance firm, the effect of existing business stance to bancassurance strategy should be deeply analyzed before its strategic finalizations. The market penetration and its rate of growth will determine the rate of acceleration that insurance firms should express through their distribution strategies. But it is good to remember that in slow growth market conditions, bancassurance will not deliver miracles, unless the bancassurance is being driven to mitigate the aspects which have contributed to the slow growth in the market. However, bancassurance will remain same as an alternate distribution strategic option for any insurance organization around the world.

**In slow growth market conditions, bancassurance will not deliver miracles, unless the bancassurance is being driven to mitigate the aspects which have contributed to the slow growth in the market.**

## THE EFFECT AND IMPORTANCE OF A BUSINESS MODEL FOR BANCASSURANCE SUCCESS

On many occasions, the success of a firm's current distribution strategy, will determine its room for an alternate distribution. Firm's market position, organizational growth together with power of politics in the existing channels through culture will always act as influences to this distributional strategic change. Thus, we should expect that these influences could be both positive and negative towards establishment of 'Alternate Distribution' strategy. This understanding has made some professionals to advise certain insurance organizations to refrain from playing widely in bancassurance markets or rather in alternate distribution, as it could create an imbalance in their distribution harmony, which we also call as a 'channel conflict'. This will have many arguments, but the integrated leadership of handling, could always make the difference to a great level. Another fact is the service strength of the insurance firm. The customer oriented culture together with technological and network strength will tremendously influence towards outlining of bancassurance business scope which is a contributory factor in establishing strong bancassurance partnerships.

As members of the South Asian region, where bancassurance has not matured with increased penetration levels compared to other developed Asian markets (except for certain banks in India), the freedom to observe skyline scopes for bancassurance is quite exceptional. But we can always be proud of India as our neighboring country, especially when we can talk of SBI Life.

The framework of scope in a commercial bank will mainly influence upon the level of bancassurance strategic identification in its overall business planning. The level of bank's market reach, strength

within the financial markets in terms of its service levels along with the technological backing will continuously inspire to identify this business/revenue opportunity. Culturally, in bancassurance premature markets, we observe that the insurance services are arranged as a support service purely for sustenance of banks credit activities. In this level of scope, even if organizations are proceeding with corporate arrangements, it will have no emphasis to the fee-based income and to its potential. Further, these arrangements obviously have led to bring certain monetary benefits to individual as there are inbuilt commission provisions to every insurance product of this nature. In another point of view, banks may observe this situation as a resistance to the bancassurance strategic drive at its execution levels, which can occur directly or indirectly based on the opportunities available to resist within the organization. However, for them it's time to realize the potential is large. Once again it's the way of handling by the integrated leadership which can always curve the change.

**In bancassurance premature markets, we observe that the insurance services are arranged as a support service purely for sustenance of the banks credit activities. In this level of scope, even if organizations are proceeding with corporate arrangements, it will have no emphasis to the fee-based income and to its potential.**

**Operational strength, culture and existing business models of partners** – As discussed along with the business scope aspect, the operational strength of engaged firms, will always

decide the bancassurance success in terms of numbers. But the beauty of this concern is that, it acts as complimentary to each other in a partnership. When an insurance firm is not very strong in its geographical reachability, bank can act as a distribution partner through a bancassurance operation, while when bank is not very strong in technology, the insurance firm can uplift its standards through online insurance solutions with a telecommunication intermediary which finally maintains cost effectiveness in the overall operation. Also on the other hand, a bank which is highly equipped could drive upon a strong bancassurance product proposition, may be downplaying the presence of its insurance partner, for mutual benefits. This proves to us that, it is not always necessary to have two strong partners for a successful outcome. It's a world of complementaries as long as firm's willingness to compromise over the complimentary is available. However, the organizations that are in partnerships will anyway need to have corresponding characteristics, but not necessarily be similar which is more or like a successful marriage.

The business models will have a tremendous effect in strengthening this partnership and one of the huge challenges is the business driving culture in each model. Inherently the banking products and insurance products are marketed in different platforms. Banking products are pushed through marketing strategies to increase the pull aspect which is more voluntarily happening in the financial sector, especially in this part of the world. Thus, it creates less cognitive dissonance (post purchase dissatisfaction) as the customers are feeling as 'they have bought'.

## THE EFFECT AND IMPORTANCE OF A BUSINESS MODEL FOR BANCASSURANCE SUCCESS

But in insurance, the pull aspect is given less priority comparatively to priorities given towards push aspect, which is mainly through 'personal selling'. Often in insurance sales, cognitive dissonance is highly observed as customers are feeling as 'they have been sold' where discontinuation of insurance schemes are at a high rate comparative to overall financial market. These changes are observed due to the differences in the nature of these two types of products. 'How the products should be prioritised and planned' by an individual, is another area to discuss separately along with personal wealth planning guidelines. However, due to these inherent differences, the perception of the bank employees towards insurance will obviously be negative at lower level in the operation. In bridging these gaps, various types of motivational programs are launched jointly as both monetary and non-monetary schemes to bank staff around the world. Understanding these gaps at early stages and being proactive to mitigate conflicts are the key to success and also very critical to consider.

**Industry legal background** – Another influencing aspect that defines the effectiveness of a bancassurance model is the domestic legal background for Banking & Insurance. These backgrounds which facilitate the bancassurance business vary in different countries and we observe that those differences are having a linkage to industry policies and other economic aspects in the country. In Sri Lanka, there is no clear guidance provided either through banking or insurance regulations to drive bancassurance operations and it is more often that the firms are shaping their bancassurance models to be more

complacent with the available provisions in law to operate in bancassurance. Definitions and determinations of the Insurance act in respective countries will have a direct influence on the bancassurance model and we understand that corporate agency model is made possible in India while in Sri Lanka there is no provision for banks to act as corporate agent for insurance. Also, in some countries the banks are allowed to directly undertake the selling of insurance through an agreement which is named as co-selling or bilateral model. These provisions are available in countries such as Taiwan where bancassurance has become the key distributor of insurance in the country with over 60% share in new life business.

Looking at developed and developing countries where the bancassurance penetrations are much higher in their insurance distribution, we could identify the need for establishing clear cut legal background for same. Devising a structure of authority and responsibility for this operation, will surely drive the bancassurance industry towards avoiding wrong-selling, misrepresentation of products, wrong interpretation of insurance policies, sales malpractices and many other negative contributory factors. Though we do not widely encounter them in our bancassurance markets, the leanings from developed markets will always remain with red warnings. But we also observe that the levels of regulatory inputs in a country are varied on the industry interest towards bancassurance engagements. However, firms then could focus on achieving their business objectives through strong compliance practices together with effective performance management systems.



## Career development: Soft Skills

Thamara Indika Ranasinghe

The author is a Member of AAT Sri Lanka and an associate member of the Institute of Chartered Accountants of Sri Lanka as well as Chartered Institute of management Accountants of UK. Further, he holds a Bachelors degree in Business Administration. He has served in a number of leading mercantile establishments in the sphere of finance.



### Standout from others and Make Sure Your Hard Skills Shine

If you are stuck in a level of your career for a long time, probably you are frustrated and demoralized, especially if you're a hard worker who have witnessed a string of other apparently less-qualified individuals being promoted ahead of you. Facts speak for themselves! What you may not have realized is that the problem lies with your soft skills. The lack of soft skills perhaps is what is holding you back from achieving the next level in your professional life.

### What are the Skills that you need to have?

Do not miss the point! There are two types of skills that you need to have in a successful career. They are Hard Skills

and Soft Skills. Hard skills are the technical expertise and the skill sets you need to

complete your tasks at work. Through certification bodies such as AAT you could obtain the required level of hard skills to perform your duties.

The phrase "soft skills" refers to everything else. Soft skills might include but not limited to your communication

# Career development: Soft Skills

and people skills, time management, ability to handle crises and even the way you carry yourself. If you do not possess strong soft skills, it could really hold you back professionally.

## Manage Yourself Before You Manage Others

In today's business world, when professionals intend to move into management roles, first, they have to demonstrate people or self-management skills. Simply a manager with poor soft skills, who lacks the ability to handle his employees with diplomacy, could create needless delays in submitting financial reports to regulatory bodies, leading to a series of negative consequences.

Managers with poor soft skills can also create an unfriendly work environment, which will typically direct de-motivated workers and thus costly employee turnovers. If you wish to move ahead in your career and one day become a manager, it is essential to start to develop soft skills and to practice them at work on a regular basis. Your supervisors will take note of your efforts, which ultimately means that your name is at the top of the list when time comes for promotions.

In the long run, having those soft skills is as important as having great technical hard skills. Hence, all busy professionals should find adequate time necessary to improve their soft skills in order to advance in their careers.

## Why Soft Skills Matter?

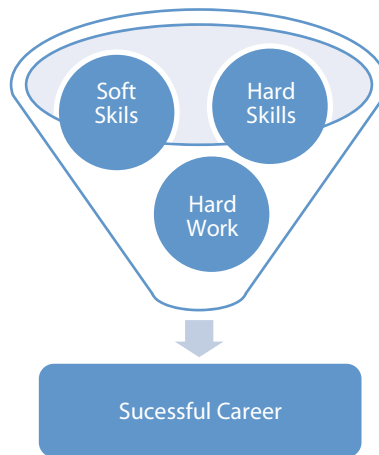
You have to hit the nail on the head! While your hard skills may get your foot to the door, your soft skills are the ones which open the door for you. Because when employers make assessments on candidates for their organizations they hunt for people with hard skills as well as soft skills.

As you advance in your career, the type of person you are and the personal qualities

you possess – that is your soft skills – will matter as much as your technical knowledge.

If you are a student accountant, probably you will be worried with passing your exams and gaining as much practical experience as you can – which is just as it should be. After all, your finance qualification and technical expertise will form the foundation on which you build your future. But if you want to improve your chances of long-term career success, you must harmonize your hard skills with some soft skills.

**“The best finance professionals are all-rounded individuals” - What exactly does this mean?**



All of these skills are important in business too. You will have to work with people from different disciplines on a daily basis and you must be able to communicate equally well with all of them whether you are doing this in writing or verbally. This means choosing your language carefully, particularly when you communicate with non-finance people. You may understand the principle of Going Concern Concept and know that IFRS means International Financial Reporting Standards, but they may not.

Every day, the role of finance is evolving and the conventional image of the

accountant just as number crunchers is changing. In practice, you will increasingly be expected to demonstrate commercial awareness, seeing finance in the wider business context. The finance function now is very customer-oriented, and needs to take a collaborative approach.

The finance team has to focus on its place in the business. During a period of economic crisis, this can mean being more concerned with customers because everyone is suffering some way or the other. Credit control as an example, needs strong people skills, such as negotiation, and the ability to see the wider business picture. Sometimes you will have to communicate with people and ask when they are going to pay; however, it shouldn't be a cowboy-type job.

It is really important you convey your soft skills in your CV precisely when applying for employment. As you specify qualifications and technical experience in your CV use your soft skill abilities to describe yourself and show how well rounded you are as a competent individual.

This is the first of a series of articles on Career Development. Going forward next article will explore details of essential soft skills that should be in the bag.

You can contact the writer, Thamara Indika Ranasinghe at

“thamaraindika@yahoo.com”

# CRIB to Increase Access to Finance through STR



**Mr. Gamini Karunaratne**

Director/General Manager of Credit Information Bureau of Sri Lanka

**A**ccess to finance is one of the biggest challenges faced by SMEs. Apparently more than 40% of SMEs have ceased to operate during the last 10 years. SMEs whilst making a significant contribution to the country's economy, face many constraints of which access to finance is the biggest. Developments in the financial market infrastructure promote financial stability and access to finance. It is well accepted that access to credit is crucial for economic growth. Removing barriers of a wide range of financial services can unleash private enterprise productivity and reduce the size of the informal sector. In Sri Lanka credit applications are rejected mostly due to insufficient collateral. Only the largest and best connected businesses can obtain unsecured Loans. The rest have to offer collateral. Many of the lending institutions such as Banks in most parts of the world request for collateral when considering credit. There are three types of assets – Fixed, Movable and Reputational.

## Fixed Assets

In Sri Lanka access to secured bank lending is mainly possible by offering fixed assets such as Land and Buildings as collateral. Prior to disbursement of credit the ownership of the asset taken as collateral is verified by the lending institution through the Land Registry where such information is available. The asset is taken as collateral only when the Lending institution is satisfied beyond doubt that it belongs to the prospective borrower and not to any other lender who may have lent against it by taking same as collateral. The availability of a facility such as the land registry gives comfort to the lender and therefore preference is always given for fixed assets when collateral is considered for credit facilities.

## Movable Assets

Most financial institutions are reluctant to accept movable property such as machinery, equipment, receivables,

household objects etc as collateral. A sound legal and institutional infrastructure is critical to maximize the economic potential of movable assets, so that they can be used as collateral. There is no register available to give the lender the same type of comfort as a Land Registry to ascertain the ownership of the asset. Therefore the risk is there of a movable asset being offered to two or more lending institutions by the same borrower as collateral. This is the principal reason behind lending institutions giving preference for fixed assets when collateral is considered.

## Reputational Collateral

This type of collateral is built on the borrowers reputation for recognizing and honouring his/her financial obligations and responsibilities in a timely manner. Payments on utilities such as water, electricity, telephone, insurance etc are considered. If the Borrower has been paying his monthly bills on water,

# CRIB to Increase Access to Finance through STR

electricity, telephone and insurance promptly, he is regarded as a responsible person and therefore eligible for small advances. Reputational collateral provides access to small credit to all those who do not have any assets to offer as collateral for credit facilities.

## Movable Assets Register or Secured Transactions Register (STR)

The primary problem faced by the SMEs is the non availability of assets acceptable to lenders as collateral for credit. Access to secured bank lending is mainly possible by offering fixed assets. Sri Lanka, until August 2011 did not have a proper legal framework or mechanism to streamline the registration of security rights over movable assets which made it difficult for lenders to accept movable property as valued and viable collateral for advances. A well functioning secured transaction system will assist businesses to use their movable assets as security to generate capital – such as a farmer pledging his

cows as collateral for a tractor loan or the cash flow from customer sales as collateral for business expansion. The Secured Transactions Register was formed by Act No. 49 of 2009 to overcome such constraints. CRIB was empowered to maintain the Register by registering notices of security interests of movable assets taken in as collateral by lending institutions similar to the Land Registry. The Registry as its first phase gives access only to the licensed lending institutions who are also members of CRIB. In the second phase access to the registry will be extended to all other financial institutions who lend against movable assets. Interestingly the movable assets Register (STR) benefits both the Lenders and Borrowers. Borrowers such as SMEs have now a better opportunity to improve their ventures through easy access to credit and lenders have easy access to transparent information on the collateral offered by Borrowers. The STR is therefore the ideal framework to increase access to finance and promote private sector growth in the country. The STR will help







to widen the financial services market substantially by making credit available to a far wider range of Borrowers. It will also promote various economic activities in the country especially in equipment, receivables, agricultural and consumer financing and reduce the dependency of lending institutions on immovable's as security for credit facilities.

When a Borrower applies for credit from a Lending Institution by offering a movable asset as collateral, the lender will register the security interest over this particular movable asset in the Secured Transactions Register. A security interest is the right of a lender to seize and dispose a property (collateral) belonging to the Borrower in the event the Borrower fails to perform its primary obligation. A security interest can be created only when the Borrower has an alienable right in the collateral. The most common right here is ownership of or title to the collateral, but it may alternatively be a leasehold right or a license or right to use the collateral. Lenders can now avoid the risk that they faced earlier if the same borrower approaches another lender with the same asset as collateral. The Register will only provide notice of the existence of a relationship between a lender and a Borrower over a particular movable collateral. It will also assist to determine the priority of claims made by lenders over the same collateral in the event of liquidation.

Effective secured transaction laws are a crucial component of a healthy financial market and business climate. They make it

possible for lending institutions to provide the working capital to entrepreneurs so that they could in turn expand their business activities instead of relying on the slow accumulation of retained earnings. Economic analysts suggest that small and medium sized businesses in countries that have secured transaction Laws and Register have greater access to credit, lower rates of Nonperforming loans and a lower cost of credit. The end result is higher productivity and higher growth. There are a number of success stories of countries that have achieved increased access to credit and increased growth by introducing secured transaction registers.

Awareness amongst the people who need to know about the STR Law and Registry extend beyond secured creditors. It is also important to businesses and consumers who may make use of the law to gain access to credit that was earlier not available to them. It is also important to buyers of movables that may be encumbered by a security interest of another lender, for example, buyers of motor vehicles, equipment, receivables, farm products, livestock etc. The awareness program will include lawyers and creditors, judges and enforcement officers.

The STR Act No. 49 of 2009 is currently going through a reform process with the assistance of experts from the IFC, to address gaps in the current legal and regulatory framework that prevents optimal functioning of the Secured Transactions Registry in Sri Lanka.

# A PROVEN PLACE TO BECOME A PRIZE WINNER

## ACCA

## CA SRI LANKA

## aat SRI LANKA

## CIMA



**S. Thumilan**

Group Chairman

ACA, ACCA, ACMA (UK), ACMA,  
CGMA, CPA (Aus), MCSI (UK),  
FMAAT (SL), ACS

- **O/L & A/L students** can join with exemptions for **ACCA, CIMA & CA SL**
- Most qualified and experienced lecture panel from the industry
- Study materials provided
- Group classes to provide the highest pass success rates
- Upto 100% scholarship for outstanding students  
(\* Conditions Apply)



## KBBS CAMPUS

(TOP TUTORS WHICHEVER WAY YOU CHOOSE TO STUDY)

No: 75, Galle Road, Dehiwala Tel : 011 2717902

Email : ceo@kbbssl.com | www.kbbssl.com

Mr. Salman



P2

Final Level

Ms. Ayesha



May 2013  
TOP CA  
PRIZE WINNER

Mr. Mahesh



P3

Final Level

Mr. Promodh



F8

Skill Level

Mr. Nirushan



P2 F8

Skill & Final Level

Ms. Hashani



F4

Skill Level

Ms. Ama



F6

Skill Level

IT'S ALL ABOUT PASS RATES IT'S ALL ABOUT TUTORS



0777 554 557  
0773 157 465

AAT SRI LANKA EVENTS & NEWS

25th Anniversary Celebration



The Annual Conference-2013 of AAT Sri Lanka commenced on 9th October 2013 with the inauguration ceremony of the 25th Anniversary celebration with Hon. Chamal Rajapakshe, MP, Speaker of Parliament, as Chief Guest. Hon. Bandula Gunawardene, Minister of Education graced the occasion as Guest of Honour. Four lucrative sessions followed on 10th October 2013 on important current topics presented by learned resource personnel and discussed by eminent panelists. A live discussion with participants marked a fruitful deliberation on the topics benefiting all members.

Conference 2013 – AAT Sri Lanka



Panel discussion on 'Insights in Authentic Reporting'



Panel discussion on "IFRS' Role as a tool for bridging the gaps. How successfully has this been accomplished"



Panel discussion on 'Round Table of users of Financial Reports'



Panel discussion on 'Is Integrated Reporting the solution- if not, what is next'

## AAT SRI LANKA EVENTS & NEWS

### IFAC President's Visit to Sri Lanka



The President of the International Federation of Accountants (IFAC) the world's apex body of Accountants, Mr. Warren Allen's visit to Sri Lanka coincided with the ceremonial induction of the 22nd President of CA Sri Lanka, Mr. Arjuna Herath. Mr. Allen visited AAT Sri Lanka, Colombo 05 on 22nd January 2014 and officially declared open the Business School of AAT Sri Lanka and was pleased to address the staff of AAT Sri Lanka. Later, he met the president and the Governing Council.



## AAT BUSINESS SCHOOL

holds first convocation



Participants of "Course in Taxation"

AAT Business School holds first convocation in a professional manner on 2nd April 2014 at the Lakshman R. Watawala Auditorium, AAT Centre, Colombo 05. Nearly 250 participants were awarded certificates at this convocation in the distinguished presence, Mr. Dinesh Weerakkody, Chairman of Commercial Bank PLC as the Chief Guest.

Mr. Warren Allen, The President of the International Federation of Accountants (IFAC) officially declared open the Business School in January 2014. Certificate courses on English, IT, Taxation and Management Development Program are in place now and an Executive Diploma in Accounting and Finance in collaboration with a recognized educational institute is to be launched soon.



## AAT SRI LANKA EVENTS & NEWS

### Annual Convocation 2013



The Annual Convocation 2013 of AAT Sri Lanka was held on 30th December 2013 at the Main Assembly Hall, BMICH Colombo, with Hon. Bandula Gunawardena, Minister of Education as Chief Guest, and Mr. G.K.D Amarawardhana – Secretary, Ministry of Co-operatives & Internal Trade and Mr. Arjuna Herath- President, Institute of Chartered Accountants of Sri Lanka as Guests of Honour. 763 MAAT, 31 SAT and 29 FMAAT members were ceremonially awarded their respective membership at this convocation.



### Orientation Seminar for New AAT Members

An Orientation Seminar for new members, who were awarded membership in 2013, was held on 09th November 2013 at the Lakshman R. Watawala Auditorium, AAT Centre Narahenpita. Mr. Jagath Jayasekara graced the occasion as the resource person giving insights to participants on "The Power of Communication". He is an Outstanding Soft-Skills Trainer, Life

Coach, Mentor, Motivational Speaker, Talent Scout and Entrepreneur working currently at Octagon Hub (Pvt) Limited.

Every year an orientation seminar is conducted by AAT Sri Lanka with the intention of providing a solid foundation for new members in matters such as Code of Ethics, Continuing Professional Development Guides, Organizational

Objectives, how the association functions, the role of the AAT member and many more important aspects. This process would make new members feel confident and comfortable in their respective positions and with the association as well and support their professional enhancement endeavors.



# Gold Winner

## at National Business Excellence Awards 2013



AAT Sri Lanka is the proud winner of the Gold Award in the Association and Societies Sector at the National Business Excellence Awards 2013 conducted by the National Chamber of Commerce of Sri Lanka at the very 1st participation of the competition. AAT Sri Lanka was fortunate to become first defeating leading organizations in the category.

The National Business Excellence Awards competition is an annual awarding ceremony organized by the National Chamber of Commerce with a view to recognizing business enterprises, which have demonstrated excellence in business, whilst contributing to the economic progress of the country.



AAT SRI LANKA EVENTS &amp; NEWS

# Induction of 8th President



Mr. Lalith T. Fernando, the 8th President of the Association of Accounting Technicians of Sri Lanka (AAT Sri Lanka), was ceremonially inducted on 6th March 2014 in the presence of a high-profile audience comprising top accounting professionals, members of the Association and business leaders in Sri Lanka.

The ceremonial induction was done by Mr. Ajith Nivard Cabraal, Governor, Central Bank of Sri Lanka in the company of Mr. Arjuna Herath, President of Institute of Chartered Accountants of Sri Lanka, and Mr. Sujeewa Mudalige, President of CAPA at the Auditorium of AAT Sri Lanka, Colombo 05.



Mr. Lalith T. Fernando is a fellow member of both AAT Sri Lanka and CA Sri Lanka. He possesses more than 20 years experience in the industry, and holds the position of Group Business Controller in Dialog Axiata PLC.

The new President is a product of Ananda College, Colombo 10. He graduated at Postgraduate Institute of Management, University of Sri Jayawardenepura in 2006 with the degree of Master of Business Administration, and at the University of Colombo in 2012 with the degree Master of Financial Economics.



# Induction of 8th President

## Inaugural speech by the 8th President of AAT Sri Lanka on 6th March 2014

**I**t is with a great privilege and a sense of humility, that I address this distinguished gathering, as the new President of AAT Sri Lanka. At the outset, I would like to thank my fellow Chartered Accountants at CA Sri Lanka, for appointing me to AAT Council for the third consecutive two year term.

Whilst accepting this onerous duty as the President of your association, I pledge my commitment to serve all stakeholders spread across the island.

One might question the very purpose of existence of AAT Sri Lanka today; what does it do different to any other Professional Institution in this country?

Dear friends, it's not by accident, this Institution came into existence; but it's by all the hard work, dedication and continuous engagement of our founder members, the past presidents, council members, staff and particularly the Institute of Chartered Accountants of Sri Lanka who has been a pillar of strength over the last 25 years.

Today, over 40,000 students, 23,000 past finalists and 4,000 members reap the benefits of this great Institution. What is most important to note behind these numbers, ladies and gentlemen, is that these numbers represent all ethnic groups, different segments of our society. AAT is one of the very few professional Institutions - perhaps the one and only Institution that provides professional education in Sinhala, Tamil and English languages, that conducts examinations on its own, in all districts, and that provides the students with study texts in all three languages.

That is the uniqueness of AAT qualification. It gives an equal opportunity for each and every single child in this country to get into the stream of accountancy education and to become a professional, within a short period of time, irrespective of what

language they speak and write which part of the country they live in, which level of income category their families belong to. This is truly the educational inclusion. Therefore, I consider it a national responsibility casted on me as the President AAT Sri Lanka, to serve all of them.

It is no easy task for a self-funded member body to maintain very high standards in performance. When you deal with multiple stakeholders, it becomes even more challenging.

In this context, winning the Gold medal for Business excellence in last year, awarded by National Chamber of Commerce is a true reflection of the dedication of our Council members and staff led by the CEO.

This achievement has raised the bar, paving way for performance driven culture in all what we do, as an educational institute. It therefore, is the responsibility of the new council and the staff to inculcate a performance culture.

With the launch of the new AAT Logo, and a new strategic direction, we embarked on a new journey, a journey that will enrich our relationship with the key stakeholders, a journey that will open up new avenues for building new relationships with other educational service providers, the employers, training partners, the universities and the Government of Sri Lanka.

On one hand, we questioned ourselves as to where the Accounting Technician should be in five years' time and what role he or she is going to play, in the industry and commerce, on the other.

I believe, the time is opportune for us to realign the AAT curriculum to realize our vision to be the most recognized qualification for middle level accounting professionals.

At this point in time, we are engaged in a very robust consultation process, with the

involvement of our members and their employers, students and their parents, educationalists and industry at large, in order to make a new syllabus, for the future Accounting Technician.

One of the major challenges faced by the Small and Medium Enterprises today is that they cannot find the right resources to run their accounts departments. It is quite evident, by the mere fact that many companies happen to re-advertise their vacant positions in the press. So where does the problem lie? You may call it the competency gap or expectancy gap. Whatever you may call it, we realized the importance of bridging those gaps in developing the new curriculum. I am confident that the new curriculum will enable us to produce best in class middle level accountants who would fit into the shoes of prospective employers.

AAT is the only professional accounting body in Sri Lanka who produces Accounting Technicians to the market. That is the other uniqueness of this qualification. Today, we are the largest Accounting Technician body in Asia and the second largest in the world. Our relationship with the International Federation of Accountants (IFAC) as an associate member dates back to 1989.

In fact, we are also an associate member of the Confederation of Asia and Pacific Accountants (CAPA) since 1989.

I acknowledge the guidance and support extend to AAT by both IFAC and CAPA in the past, and look forward to enrich our relationship with them in future too. It's indeed great pleasure to have Mr. Sujeewa Mudalige -President CAPA as a special guest this evening, who has brought prestige to our country by heading a regional body. It's in fact, the first time a President of CAPA gracing the occasion of the induction of AAT President.

If not for Sujeewa, who first nominated me to AAT Council in 2010, when he was



# Induction of 8th President (Cont...)

## Inaugural speech by the 8th President of AAT Sri Lanka on 6th March 2014

the President of CA Sri Lanka, I wouldn't have been able to stand in front of you addressing this audience as the President of AAT Sri Lanka today. I am grateful to you for creating that opportunity and hopeful that the AAT membership will be upgraded to a full member of CAPA during your term of office.

As mentioned by the outgoing President, we re-initiated action on this long overdue matter - Act of Incorporation. I assure you that every possible step will be taken to accomplish this mission, of course, with the blessings of our line Minister Hon Jonston Fernando, Minister of Co-operatives and Internal Trade. I must also thank the additional Secretary Mr. Jeevananthan who has been very supportive in this endeavor.

I understand that there is an emerging need by our students and the members, to obtain our services in their hometowns. We have already earmarked a few cities for opening up at least four new Branches and information centers in the regions. In addition, the use of technology to reach our stake holders will be a priority.

I consider our registered education centers as the most critical service delivery channel. I must emphasize the importance of monitoring performance and conformance by the Education Centers.

I intend introducing a mechanism to recognize and reward those who excel in service delivery. This project will be launched before the end of this year.

Our staff led by the CEO has been playing a major role in the success story of AAT. I am aware that some of them have served this institution for more than 25 years and some averaging more than 10 years. In recognition of their contribution, I intend making the office environment more conducive for them, after completion

of the office refurbishment program commencing soon.

We will very soon launch the IT road map for AAT that will manifest the importance of the right use of ICT for competitive and comparative advantage. It is proven that a right combination of systems, processes and people can accrue the benefits to organizations.

After a careful study, we will invest in an ERP system to integrate our core modules on a platform that is scalable for future operations. This will enable our staff more IT savvy and the key stakeholders connected to each other, in a near paperless environment.

I extend my appreciation to the Governor of the Central Bank and our own past council member Mr. Ajith Nivard Cabraal who was humble enough to accept my invitation to grace this occasion as the chief guest and for all the support extended to AAT Sri Lanka.

I also take this opportunity to thank our special guests Mr. Sujeewa Mudalige President CAPA and Mr. Arjuna Herath President CA Sri Lanka for sharing your thoughts and kind words. I look forward to your continuous support and guidance. I concede to theme "stronger together" that you declared at the CA president induction a month ago. I rest assure, that AAT and CA Sri Lanka will be together and stronger in future too.

Our immediate past President Ganaka Amarasinghe was instrumental in fostering harmony amongst the members and setting high standards for the Council to follow. Thank you very much indeed, for your unstinted support and partnership with me at all times.

I must also thank my good friend Sujeewa Rajapakse immediate Past President of CA Sri Lanka, for all support extended to me during the past years.

I am quite fortunate to be part of Dialog family. It is with much gratitude that I acknowledge the support I received from the Board of Directors, Group CEO Dr. Hans Wijayasuriya and the staff.

I had the pleasure of associating with eminent Council Members, Past Presidents, and committee members of AAT in the last four years. Once again, I appreciate CA Sri Lanka for nominating a team of able young Chartered Accountants to the council of AAT. I also thank the Ministry of Finance and the Ministry of Education for collaborating with us whilst congratulating the members appointed by the Ministries. I look forward to the support of the five elected members who represent AAT membership.

It is with deep sense of gratitude that I pay respect to my parents who educated me to win the life. I devote this achievement to my late father who inspired me to become an achiever.

I also pay my gratitude to my alma mater Ananda College where I was molded as a disciplined individual in my early stage of life as a school boy. I pay respect to all my teachers who helped me build my career and to be a Chartered Accountant.

I enjoy my life taking up new challenges. But the real happiness is when I am with my family. On the contrary, you'll agree with me that the most difficult equation to solve is the 'work life balance'. So, I thank my wife Amali, for great deal of understanding and encouragement given to me, and the two sons Sachith and Rivith for their great sacrifices for my success.

Ladies and Gentlemen, this is going to be the new era for Accountancy profession. Let's join hands to make a difference in what we do from now on.

Thank you very much for your patience.

AAT SRI LANKA EVENTS & NEWS



# MEMBERS' DAY

One of the colourful events of the AAT Calendar – Members' Day was held on 10th January 2014 from 5.30pm onwards at the AAT Center. This event was graced by council Members, AAT Members and Staff of AAT Sri Lanka. Their singing and dancing performances illuminated the auditorium. It was indeed an occasion, full of radiant enjoyment, building strong unity and brotherhood among all far far away from our hard work.



AAT SRI LANKA EVENTS & NEWS

# AAT Sri Lanka Passed Finalists Certificate Awards Ceremony 2014 January Examination



The certificate award ceremonies for passed finalists of AAT Sri Lanka January 2014 Examination were held in Colombo and Kandy.

1000 passed finalists out of 1400 were awarded with certificates at the BMICH, Colombo where Mr. Arjuna Herath, the President of The Institute of the Chartered Accountants of Sri Lanka graced the occasion as Chief Guest. The 8th President of AAT Sri Lanka, Mr. Lalith T. Fernando and Council Members were associated with this ceremony.



The awarding Ceremony of certificates to the other 400 Passed Finalists was held at Trinity College, Kandy on 03rd May 2014 with Hon. Tikiri Kobbekaduwa, Governor, Central Province, as the Chief Guest.

AAT SRI LANKA EVENTS & NEWS

# AAT Sri Lanka expands services to Hambantota, Trincomalee and Batticaloa

## Hambantota



The Association of Accounting Technicians of Sri Lanka (AAT Sri Lanka) expanded its information centres to Hambantota, Trincomalee and Batticaloa through district Chambers of Commerce.

The opening ceremonies of the Trincomalee and Batticaloa information centres were held on 16th September 2013 and 4th April 2014 respectively being the second and third such outstation information centers. The first information centre was opened at the Hambantota District Chamber of Commerce premises on 11th May 2013 in the presence of distinguished invitees, AAT Officials and officials of the District Chamber of Commerce.

The New information Centres offer the opportunity for students and members to obtain all publications including study materials, recent updates and lecture schedules etc. of AAT Sri Lanka under one roof. It is a golden opportunity to students in Hambantota, Trincomalee and Batticaloa districts to acquire new knowledge in accountancy and step into the middle level of the accounting profession.

## Trincomalee



## Batticaloa



## SEMINAR - YEAR PLAN – 2014

MONTH	DATE	DAY	TOPIC OF THE SEMINAR
March	25th	Tuesday	“Significance of Corporate Governance”
April	29th	Tuesday	Health Camp followed by a Seminar on “Diabetic beyond the traditional discussion”
May	29th	Thursday	“SLFRS Work Shop / Public Sector Accounting Standards”
June	5th	Thursday	“SLFRS Work Shop/ Public Sector Accounting Standards”
July	10th	Thursday	“Practical Application of New Tax Laws”
August	7th	Thursday	Seminar in Kandy on “Practical Application of New Tax Laws”
September	21st	Thursday	Seminar in Galle on “Practical Application of New Tax Laws”
	11th	Thursday	“ERP solutions related to accounting”
October	30th	Thursday	“Leadership/ Positive Thinking”
November	27th	Thursday	“Budget Highlights”
December	11th	Thursday	“Portfolio Management”

Note : Above mentioned dates can be changed due to unavoidable circumstances

## Brand and Visual Identity Guidelines of AAT Sri Lanka

AAT Sri Lanka having completed the first twenty five years of it's journey successfully and moving forward with the redefined vision, decided to step into the new era with a new identity in order to position AAT Sri Lanka as the most recognized qualification for middle level accounting professionals and launched the following new logo at the Silver Jubilee Celebrations.











The logo **aat** signifies the global brand while **SRI LANKA** denotes the geographical identity. These two should be taken together as one composite unit and not separated.

### Rationale

- The colour Blue symbolizes youthfulness, inspiration, sincerity and truthfulness
- Blue is believed to be reliable and responsible. This colour exhibits an inner security and confidence.
- Blue is compared to a person whom we can rely on to take control and do the right thing in difficult times, and also as a person who values order and direction in life.
- In the meaning of colour, Blue relates to one-to-one communication, especially communication using the voice; speaking the truth through verbal self-expression – it is the teacher, the public speaker.

In order to achieve the expected visual identity, the logo should be used **exactly as it is** designed and not changed in any form whatsoever.

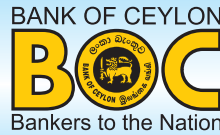
The following incorrect usages of the AAT Logo are therefore highlighted.

- ⊘ Should not compress the logo 
- ⊘ Should not turn up side down 
- ⊘ Should not apply shadow effects 
- ⊘ Should not be rotated 
- ⊘ Should not in outline 
- ⊘ Should not print the logo in any colour other than in the approved colour 
- ⊘ Should refrain from printing the logo on any bright coloured background 
- ⊘ Should refrain from placing the logo on a patterned background 

Members are kindly requested to notify AAT Sri Lanka (via e-mail- aatmarketing@slt.net.lk or contact Marketing Division on 0112 559669/2595857), any instances of incorrect usage of the AAT logo, in order to preserve the brand and visual identity of the Association.



Enhancing & lighting up  
our strength and power  
*on your bright flare.*



Sri Lanka Insurance  
Like a father - Like a mother



# AAT BUSINESS SCHOOL

Enhancing Competencies | Gain Recognition



## COMPUTERIZED ACCOUNTING FOR SME (SME)

Duration: 12 Weeks

- Tally ERP 9
- MYOB
- QuickBooks



08-Jun-2014, 06-Jul-2014 | 10-Jun-2014, 08-Jul-2014  
Sun 9.00am -12.00 | Tue 9.00am -12.00  
AAT Members -Rs. 12,000/- | Others - Rs. 15,000/-



## COURSE IN WINDOW BASED APPLICATIONS (CWA)

Duration: 14 Weeks

- Introduction to Windows
- Ms-Word
- Ms-Excel
- Ms-PowerPoint
- Ms-Access
- Internet & E-mail



21-Jun-2014 | 19-June 2014  
Sat 9.00am - 12.00 | Thu 9.00am - 12.00  
AAT Members -Rs. 9,000/- | Others - Rs. 10,000/-



## COURSE IN TAXATION (TAX)

Duration: 12 Weeks

- Employment Income
- Property Income
- Dividend Income
- Interest Income
- Income from Trade, Business, Profession or Vocation
- Income from Other Sources
- Total Statutory Income (SI)
- Assessable Income (AI)
- Computation of Income Tax (IT)
- Withholding Tax (WHT)
- NBT
- Value Added Tax & SVAT
- ESC
- Stamp Duty
- Tax Administration
- Other Taxes



24-Aug-2014 Sun 8.30am - 12.30pm  
AAT Members -Rs.12,500/- | Others - Rs. 14,500/-



## MANAGEMENT DEVELOPMENT PROGRAM (MDP)

Duration: 12 Weeks

- Interpretation of Financial Statements, Fundamentals of SLFRS for SME's
- Project Management
- Banking and Finance
- Customs Duty / Excise Duty, Labour Laws and Practice
- General Management
- Company Secretarial Practice



### OBJECTIVE

The Programme offers the participants, an ideal opportunity to sharpen their skills giving them a competitive edge for career development.

### TARGET GROUP

AAT Members and Passed Finalists

### LEARNING STRATEGY

- Group Discussions
- Case Studies and Assignments
- In-house Practical Training
- Presentations
- Workshops & Outbound Training

21-June-2014 Sat 8.30am - 4.30pm

AAT Members - Rs.15,000/- | Others - Rs. 18,000/-  
(Including Outbound Training, Course Materials and refreshments)

# Register Now

Find us on [www.facebook.com/aatbusinessschool](http://www.facebook.com/aatbusinessschool)

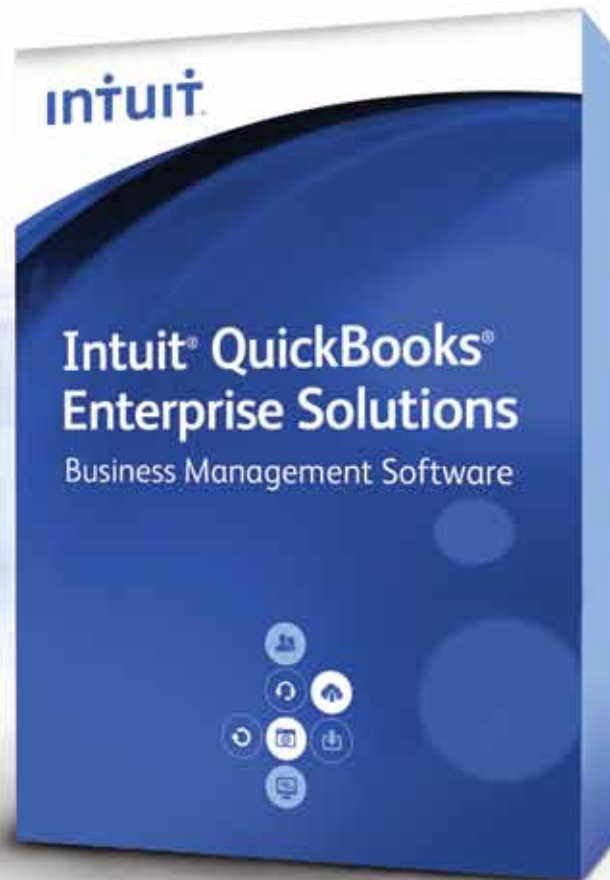
# AAT BUSINESS SCHOOL

Call 2559 670 or  
Click [www.aatsl.lk](http://www.aatsl.lk)

World's  
No. **1**  
Accounting Software



# ERP, ACCOUNTING AND PAYROLL SOLUTIONS



**AAT MEMBERS**

Quote the  
Promotional Code: 4212 &  
**Get a Special Discount**

**AccSoft®**

**Accsoft Solutions (Pvt) Ltd.**

No.85/2, Dharmapala Mawatha, Colombo 7

E mail : [info@accsoft.lk](mailto:info@accsoft.lk)

**Hot Line : 0777 554 225**