



Association of Accounting Technicians of Sri Lanka

July 2018 Examination

**Questions and Suggested Answers
Subject No : SS1**

**EFFECTIVE COMMUNICATION SKILLS
(ECS)**

Association of Accounting Technicians of Sri Lanka
No. 540, Ven. Muruththettuve Ananda Nahimi Mawatha,
Narahenpita, Colombo 05.

Tel : 011-2-559 669

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THE ASSOCIATION OF ACCOUNTING TECHNICIANS OF SRI LANKA

EDUCATION AND TRAINING DIVISION

**July 2018 Examination
(SS1) Effective Communication Skills**

SUGGESTED ANSWERS

SECTION – A

Suggested Answers to Question One:

Question No.	Correct Option Number
(1.1)	2
(1.2)	4
(1.3)	4
(1.4)	1
(1.5)	3
(1.6)	1
(1.7)	2
(1.8)	4
(1.9)	3
(1.10)	2

(10 marks)

Suggested Answers to Question Two:

Question No.	Answer
(2.1)	Satisfaction
(2.1)	Freedom
(2.3)	Exposure
(2.4)	Financial
(2.5)	Expression
(2.6)	Inventions
(2.7)	Existence
(2.8)	Creative
(2.9)	Successful
(2.10)	Development

(10 marks)

Suggested Answers to Question Three:

Shine on (PVT) Ltd,
(Sender's Address)

30th July 2018

The Sales Manager
Office Appliances Unlimited (OAU)
(Receiver's Address)

Dear Sir,

Inquiring about the Photocopiers on Sale

We have seen your advertisement on the Daily Newspaper regarding the photocopiers on sale and eager to know about the details about the photocopiers available.

We have been planned to replace the old photocopier to a new photocopier urgently. Therefore, we need a quotation of the most modern photocopier with details relating to maintenance.

We hope you would consider our requests at your urgent attention and provide a speedy response to our letter.

Thank You,

Yours faithfully,

(Signature)

(Name – Assistant Manager)

(10 marks)

End of Section A

Suggested Answers to Question Four:

- (4.1) (a) False
(b) True
(c) True
(d) False *(1 mark x 4, 04 marks)*
- (4.2) The main factor that severally affected Sri Lanka's competitiveness is the internal conflict which was there for 3 decades. *(02 marks)*
- (4.3) (i) The economy is still experiencing a stagnant external sector performance
(ii) low levels of productivity growth *(02 marks)*
- (4.4) The inward focused restrictive trade policy stance of successive governments. *(01 marks)*
- (4.5) Sri Lanka's competitiveness *(01 marks)*
- (Total 10 marks)*

Suggested Answers to Question Five:**(A) Event Manager's Speech**

Ladies and gentlemen, Good evening

My Name isas your Event Manager, it is my pleasure to thank you all for participating the Annual Get - Together of Company.

You active and dynamic participation has made of this Annual Get-Together a successful event. I am grateful to each and every one of you.

I am really happy and I feel deeply gratified that this annual gathering has given some benefits of seeing each other's in every departments once a year. Moreover, to know them self and their departments strengths and weaknesses. Further this type of gatherings will enhance the staff's motivation.

Once again I am thanking for all of your concentrated contributions for this event and those who have done the assistance to success this event well.

I hope we will be able to arrange a better get together in 2019 and wish all of your lives successes.

Thank you.

(10 marks)

(B) The given single pie chart depicts the monthly power generation from January to June 2018 at ABC Hydro power plant. The total number of units generated during the 6 months period is 750,000 units.

The highest number of units generated during the February month was 163,500 units of 22%. On the other hand, January and March months were able to maintain a stable percentage of 20% with 150,000 units and 148,500 units respectively.

Apart from the above months April and May months were recorded an average percentage of 18% and 12% respectively. The month of June was represented the lowest percentage 8% with 63,000 units among the 6 months period.

As a conclusion the total number of units generated during the 6 months have been varied. February, January, and March have been produced the highest number of units. However, it has been declined during the last 3 months period.

(10 marks)
(Total 20 marks)

Suggested Answers to Question Six:

**ABC Limited
Income Statement**

For the year ended	31.03.2018 Rs.000	31.03.2017 Rs.000	Variance
Sales	3,000	2,500	20%
Cost of Sales	(2,100)	(1,800)	17%
Gross Profit	900	700	29%
Selling Distribution cost	(75)	(65)	15%
Administration expenses	(225)	(200)	13%
Other expenses	(16)	(15)	7%
Operating profit	584	420	39%
Net Finance Cost	(130)	(125)	4%
Profit before Tax	454	295	54%
Taxation	(127)	(83)	54%
Net Profit	327	212	54%

(0.28)

Gross Profit Margin	30%	28%
S&D Cost as a % of Sales	3%	3%
Operating profit Profit	19%	17%
Net Profit Margin	11%	8%

It's a really happy to present the financial result of our company for the financial year ended 31st March 2018. According to the analysis presented the sales reported a significant growth of 20% over last year. The main reason for this significant increase is due to the heavy advertising campaign we launched during the first part of the year along with introduction of few new products to our product portfolio such as Product A, B and C. Further I would like to thank our sales and marketing team driving the company top line to a significantly higher level. Stemming from the increase in sales, GP also has increased significantly reporting a increase in gross profit margin from 28% to 30% as well. The cost saving initiatives launched towards the beginning of the year has resulted this improvement. Despite the Selling and distribution cost increased by Rs. 25K the ratio between the sales has been maintained at 3%. The reported increase of 15% of the selling and distribution cost is due to the increase in advertising and marketing cost and the staff related cost for incentives and commissions. Net profit margin and the Operating profit margins shows a significant improvement as a result of positive contribution from sale growth and the benefit of the cost saving. The company has paid the income tax at 28% showing an increase in tax figure as a result of reported higher figure.

Finally I would like to give my sincere gratitude to all our investors who trusted us and the excellent contribution and the support extended by all our staff members marking a remarkable year for our company.

Thank you

(10 marks)

End of Section B

Suggested Answers to Question Seven:

- 1.) Success defines that when you know your goals, don't lose yourself in the process, know about your goals and be positive.
- 2.) Greatest accomplishment so far means the perfect experience which you have completed all the exams and achievements.
- 3.) Good leadership qualities are,
 - Honesty
 - Accountability
 - Delegation
 - Creativity
 - Decision making Capabilities
 - Good Communicator
 - Commitment and passion
- 4.) Sole proprietorship, reasons.
 - A sole proprietor has complete control and decision making power over the business.
 - No corporate tax payments
 - Minimal legal costs to forming a sole proprietorship.
- 5.) The greatest professional strengths are,
 - Education and experience
 - Communication and people skills
 - Analytical problem solving and planning skills.
 - Flexible
 - Friendly
 - Hard working
 - Creativity
 - Versatility

(3 marks each, 15 marks)

Suggested Answers to Question Eight:

Tourism is a source of income to Sri Lanka. The country has a lot of breathtaking and heartwarming sites to offer tourists. Tourism promotion is done through exhibitions overseas, tour packages and cultural shows, but further capitalizing on tourism is necessary. The internet, television and newspapers too play a crucial role in promoting tourism. However, more attention should be given to transportation and accommodation. Visitors must have a pleasant and a memorable stay.

Virtual tourism is a new trend that will help anyone to visit anyplace comfortably through digital media. It may not bring profits, but it will save heritage sites.

(100 words)

(15 marks)



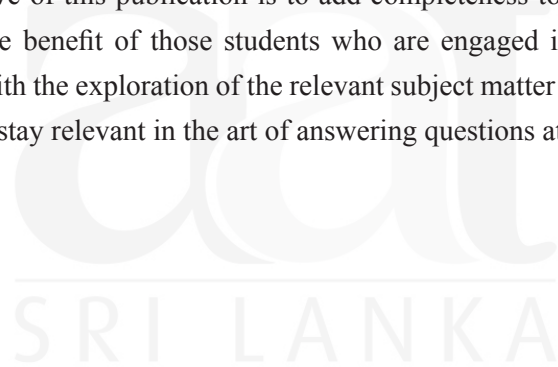
End of Section C

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The fundamental objective of this publication is to add completeness to its series of study texts, designs especially for the benefit of those students who are engaged in self-studies. These are intended to assist them with the exploration of the relevant subject matter and further enhance their understanding as well as stay relevant in the art of answering questions at examination level.



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