

# THE PUBLIC ACCOUNTANTS EXAMINATIONS BOARD

*A Committee of the Council of ICPAU*

## ATC(U) EXAMINATIONS

### LEVEL ONE

#### COMMERCIAL ENVIRONMENT - PAPER 4

**MONDAY, 26 NOVEMBER 2012**

#### INSTRUCTIONS TO CANDIDATES:

1. Time allowed: **3 hours 15 minutes**.  
The first 15 minutes of this examination have been designated for reading time. You may not start to write your answer during this time.
2. This examination contains Sections **A, B, C** and **D**.
3. Section **A** is bound separately from Sections **B, C** and **D**.
2. Attempt all the 20 multiple-choice questions in Section **A**. Each question carries 1 mark.
4. Attempt the compulsory comprehension question in Section **B** carrying 20 marks.
5. Attempt **two** of the **three** questions in Section **C**. Each question carries 15 marks.
6. Attempt **two** of the **three** questions in Section **D**. Each question carries 15 marks.
7. Write your answer to each question in a fresh page in the answer booklet.
8. Please, read further instructions on the answer booklet, before attempting any question.

## SECTION B: COMMUNICATION

*This section has one compulsory question to be attempted.*

### Question 2

Age discrimination: Ask any baby boomer who has been job hunting for several months and he will likely tell you a personal horror story. Although the practice is legal, many over 40 job hunters report that an employer was excited about them as a candidate until they met in person, leaving the candidates with the **sneaking suspicion** that their age had everything to do with not getting hired.

Can age discrimination **hamper** your job search? According to the survey results of hiring managers conducted for and published in my new book, "Over 40 and You're Hired", many employers reported that they believe that someone under 40 will work for a lower salary, show more initiative, has a "**fire-in-their-belly**" **attitude**, better computer skills, seems more adaptable and is less old-fashioned or **stuck** in their ways.

My advice: Don't look old! I'm not just referring to your image. Your curriculum vitae, cover letter, networking approaches and personal presentation and how you perform in the interview all must show you have a lot to contribute. There are other key strategies and resources to implement.

Advertise recent results: Employers report that the typical curriculum vitae gets a 15 -second glance. Focus on the last ten years. State the action you performed and the accomplishments you achieved. Stress money earned, costs eliminated or time saved.

Productivity enhancements get attention, so make sure you note any you've made. Be a skillful editor; keep your curriculum vitae to no more than two pages.

Brighten up: Too many mature workers show up looking **weather worn**, tired, defeated, desperate, just plain old and worn out. You must have an enthusiastic attitude that **radiates** energy to reassure an employer you are ready and able to do the job. Look vibrant and **contemporary**. A warm smile, a firm handshake and great eye contact are an absolute must. Dress in a fashionable suit in a flattering colour and style. Fit is critical – don't wear anything old fashioned, too light or too loose.

To take some years off your appearance, try a new hair-style, dye your hair, switch to contemporary eyeglasses and get your teeth whitened. Men should be clean-shaven; women should **go light** on the makeup.

Network background: Your professional reputation is really other people's perception of you, your work strengths, image, passion and personality traits.

Track down network with old bosses, former employees and colleagues. They can outline what you are good at. Build your confidence (often necessary after a firing or layoff) and be a terrific link in helping you meet potential hiring managers.

Be sharp for the interview: Your next boss can be younger or maybe a lot younger than you. Know the challenges and trends in your field. Research not only the company but what its competitors are doing. Take steps to modernize your vocabulary so that you can come across as current and flexible.

Offer examples of recent **accomplishments**. Emphasise that you are a quick study and constant learner. Write out answers to potential questions. Rehearse your answers and keep them brief. Employers lose interest fast, so never talk for more than 60 seconds when responding to a question. If you don't have it, get it.

Skills and certifications needed to be up-to-date. Check job adverts and see if you are lacking any skills today's employers ask for when hiring people for your type of job. Computer skills are essential. If you are over 50, expect to get some questions and even a test on your computer ability. Many employers do not accept what you tell them at **face value**, they test you.

So go to class, read books, use the tutorials and practice using these skills. Nothing will make you look older than not knowing how to attach a file to an e-mail.

**(Adapted from: New York Agencies)**

**Required:**

- (a) Suggest a suitable title for the passage. **(2 marks)**
- (b) Provide a suitable word or phrase to replace the following words as used in the passage:
- (i) hampering
  - (ii) stuck
  - (iii) radiates
  - (iv) accomplishments
  - (v) go light
  - (vi) face-value
- (6 marks)**

(c) Briefly explain what the writer meant by the following expressions.

- (i) sneaking suspicion
- (ii) fire-in-their-belly attitude
- (iii) weather worn
- (iv) contemporary

(8 marks)

(d) Identify any **four** things the writer advises job seekers to be mindful about.

(4 marks)

(Total 20 marks)

### SECTION C: COMMUNICATION

*Attempt two of the three questions in this section*

#### Question 3

Manja and Madona Advocates, a reputable legal firm have appeared in the newspapers because their rival firm, Toba and Roni Advocates published an article in the newspaper alleging that they have run bankrupt and have ceased to exist. As the public relations officer of Manja and Madona Advocates, you have to clear your firm's image .

#### Required:

(a) Write a press release on behalf of the company informing the public about your company's existence and try to clear the air about the malicious newspaper article.

(10 marks)

(b) Give at least **two** aspects that distinguish a notice from an advertisement.

(2 marks)

(c) Identify **three** similarities between a notice and an advertisement.

(3 marks)

(Total 15 marks)

#### Question 4

You are the administrative officer of Dido Investments. You have noted with concern that some staff are not observing the guidelines specified in the human resource manual. All the efforts you have made to change their attitude to work have failed. The problem seems to stem from the fact that some of them are related to the directors. Recently, the chief executive officer (CEO) received complaints from clients that the reception staff do not effectively attend to customers. They report late to work, are rude to clients, are negligent in their duties, do not respect their supervisors and they leave office before the

stipulated departure time. The chief executive officer has asked you to meet all workers and verify the issues raised.

**Required:**

- (a) Write a report of your findings about these issues. (10 marks)
- (b) What are the similarities between a letter and a report? (2 marks)
- (c) Give **two** aspects that distinguish a letter from a report. (3 marks)
- (Total 15 marks)**

**Question 5**

- (a) JML Savings and Credit Cooperative (SACCO) Ltd was formed to encourage the people of Kotido Town Council to develop a savings culture. Therefore, the SACCO deals in financial services. Their main business is to lend money to clients at an interest rate of 10% per month. They also operate a chain of supermarkets and offer transport services.

Five years ago, the directors took a decision to sell some shares to other members of the community in order to capitalize the SACCO. Since then, the SACCO has been doing brisk business and making good profits. As this financial year comes to an end, arrangements are being made to convene an annual general meeting for all the members. As the secretary of the SACCO, you are responsible for organizing the meeting.

**Required:**

- (i) Write a notice and the agenda to be sent to all the members. (6 marks)
- (ii) Outline the preparations you have to make for this meeting. (3 marks)
- (b) During the deliberations at the annual general meeting, the members have taken note and are happy with the following:
- The profits the SACCO has made and the dividends to be given to the shareholders.
  - The outstanding performance of the outgoing Board of Directors.
  - The outstanding work of the long serving accountant.
  - Purchase of 1 square mile of land for strategic holding.

However, the members are concerned about the following:

- An increase in the number of loan defaulters.
- The huge allowances paid to the staff who run the business.

**Required:**

Write the minutes of the SACCO's annual general meeting.

**(6 marks)**

**(Total 15 marks)**

### SECTION D: COMMERCE

*Attempt two of the three questions in this section*

#### Question 6

- (a) Define the term 'trade'.

**(3 marks)**

- (b) Outline **six** services which a retailer offers to:

(i) customers.

**(6marks)**

(ii) wholesalers.

**(6 marks)**

**(Total 15 marks)**

#### Question 7

- (a) What is meant by 'consumer protection'?

**(2 marks)**

- (b) Explain **four** reasons for consumer protection in Uganda.

**(8 marks)**

- (c) Outline **five** methods used by the government to protect consumers in Uganda.

**(5 marks)**

**(Total 15 marks)**

#### Question 8

- (a) Distinguish between a quasi partner and a dormant partner.

**(4 marks)**

- (b) Give:

(i) **six** advantages of partnership.

**(6 marks)**

(ii) **five** disadvantages of partnership.

**(5 marks)**

**(Total 15 marks)**