

THE PUBLIC ACCOUNTANTS EXAMINATIONS BOARD

A Committee of the Council of ICPAU

ATC(U) EXAMINATIONS

LEVEL ONE

COMMERCIAL ENVIRONMENT - PAPER 4

MONDAY, 1 JUNE 2015

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**.
4. Attempt all the 20 multiple-choice questions in Section **A**. Each question carries 1 mark.
5. Attempt the compulsory comprehension question in Section **B** carrying 20 marks.
6. Attempt **two** of the **three** questions in Section **C**. Each question carries 15 marks.
7. Attempt **two** of the **three** questions in Section **D**. Each question carries 15 marks.
8. Write your answer to each question on a fresh page in the answer booklet.
9. Please, read further instructions on the answer booklet, before attempting any question.

© 2015 Public Accountants Examinations Board

SECTION B: COMMUNICATION

This section has one compulsory question to be attempted

Question 2

Read the passage below and answer the questions that follow.

Addicts of drugs, alcohol or gambling are not only found in hotels or bars. Many of them are fully employed and useful members of society. There are addicts and there are those who are almost addicted. Persons in the latter group have not yet fallen to the levels of stealing to fund their habit or leaving their families to stay on the streets. This can be witnessed in workplaces and other social gatherings.

Many of addicts at workplaces are in many cases stars in their teams. If you visit hospitals often, you may hear the old tale about a surgeon who cannot perform unless he **downs** a few bottles of beer first to steady his/ her nerves. Stanley was appointed a business development manager at HTR Ltd. His **ingenuity** attracted donors to fund company projects. But there were disturbing signs. He would suddenly disappear for days and could not be reached on phone. In his absence, work would **hang in balance** because he could not effectively delegate part of his duties. When he re-appeared, he would always be **disheveled** with bruises all over his body. He was eventually fired; but to retain his creativity, the company hired him as a consultant, tying itself down to his addiction again.

As a supervisor, dealing with addiction especially alcoholism is crucial because the consequences affect team performance. Deus, an organisational psychologist says “an addict finds difficulty **keeping up with** the pace of work and deadlines will be continuously extended. Team members are also placed in an uncomfortable situation of deciding whether and when to report an addict to the manager”. If they decide to stoically carry the burden of his/ her addiction, by **covering up** for them, this can lead to **resentment**.

“For alcoholism, it is easier to see signs but for other addictions like gambling and pornography, the signs are not **overt**”, says Deus.

Many addicts have mastered the art of living a double life; however deterioration in the quality of work is a revealing sign; although it can also be attributed to other emotional problems an employee could be facing. Worsening personal hygiene, poor work relations and unexplained absences are **red flags**. Sometimes, addicts avoid supervisory contact especially after breaks in which they could have been indulging.

“Firing an employee suffering from addiction is not productive”, says Deus. As an organisation, you have invested in this employee's training and performance. Each case should be treated distinctly. It is better to support them through counseling or recommend them to seek medical help.

Every organization should have a human resource policy which includes; a recommendation in case the code of conduct is **breached**. Some companies employ counselors to deal with such problems while others have **zero tolerance** to any kind of addiction.

(Adapted from; Daily Monitor, 27 February, 2015)

- (a) Using a maximum of four words, suggest a title for the given passage
(2 marks)
- (b) Provide a suitable to replace each of the following words as used in the passage without altering the meaning:
- (i) Downs (paragraph 2)
 - (ii) Ingenuity (paragraph 2)
 - (iii) Disheveled (paragraph 2)
 - (iv) Resentment (paragraph 3)
 - (v) Overt (paragraph 4)
 - (vi) Breached (paragraph 6)
- (6 marks)
- (c) Explain the meaning of the following phrases as used in the passage:
- (i) Hang in balance (paragraph 2)
 - (ii) Keeping up with (paragraph 3)
 - (iii) Covering up (paragraph 3)
 - (iv) Red flags (paragraph 5)
 - (v) Zero tolerance (paragraph 6)
- (10 marks)
- (d) Identify at least two signs of addiction as discussed in the passage above.
(2 marks)
- (Total 20marks)

SECTION C: COMMUNICATION

Attempt two of the three questions in this section

Question 3

Superior Paints Uganda Ltd (SPUL) is celebrating 10 years of manufacturing paint. The company has organized a get-together with its esteemed clients to take place in the company's boardroom.

As one of the staff who has been with the company since inception, you are expected to deliver a speech. Your speech should point out the following:

- (i) The objective of starting SPUL.
- (ii) The promoter passion.
- (iii) Challenges SPUL has undergone.
- (iv) Achievements registered by SPUL.
- (v) The vision of management of SPUL.

Required:

- (a) Prepare a 15 minutes speech that will cover 10 years of SPUL's existence.
(10 marks)
- (b) List **five** advantages of using a PowerPoint presentation over other forms of presentation.

(5 marks)

Total 15 marks

Question 4

The human resource manager of Koki Investments Ltd has designed a plan of activities for his department. One of the activities is a workshop for all members of staff to be held on 18 August 2015 at Softel Hotel in Kampala.

Topics to be discussed include:

- 1 Ethics at the place of work.
- 2 Time management as a management tool.
- 3 Planning for life after retirement.

As a programme officer in the human resource department, your supervisor has requested you to take the lead in organizing the workshop.

Required:

- (a) Prepare the day's programme to be sent to the participants.
(10 marks)
- (b) (i) Identify **three** modes of communication you would use to send invitations for the workshop.
(3 marks)
- (ii) Outline any **two** advantages of using one of the modes in (b) (i) above.

(2 marks)

(Total 15 marks)

Question 5

In "The Green Paper," an advertisement has been run by Kalaki Educational Centre inviting applications for the job of a front desk officer. Emphasis has been put on sending detailed curriculum vitae along with an application letter.

Required:

- (a) Design curriculum vitae that would be attached on the application. (10 marks)
 - (b) Explain any:
 - (i) **three** qualities of a good front desk officer. (3 marks)
 - (ii) **two** duties of a front desk officer. (2 marks)
- (Total 15 marks)**

SECTION D: COMMERCE

Attempt two of the three questions in this section

Question 6

- (a) Identify any **three** types of wholesalers operating in your country. (3 marks)
 - (b) Explain **four** disadvantages of a partnership business. (4 marks)
 - (c) Explain **four** merits and **four** demerits of mergers in an economy. (8 marks)
- Total 15 marks**

Question 7

- (a) Explain the importance of market research to traders. (4 marks)
 - (b) Discuss **five** methods used by the government to protect consumers in your country. (5 marks)
 - (c) Explain **three** disadvantages of cartel organizations in an economy. (6 marks)
- (Total 15 marks)**

Question 8

- (a) Discuss **five** benefits of warehousing as an aid to trade. (5 marks)
 - (b) Explain any **five** advantages of a sole trader. (5 marks)
 - (c) Explain any **five** problems faced by state enterprises in your country? (5 marks)
- Total 15 marks**