



## **Financial Accounting – March 2014**

### **Paper A(MCQs)**

According to the question given under conceptual framework, it shows that there was a lack of knowledge in this area. In Question1, most of the candidates' answers was (2). This shows that they did not understand the framework correctly.

Some candidates have not understood the basic accounting concepts;e.g.Question No.8, calculation of salary cost.

Most of the candidates' answer for Question No. 3, 4, 8 and 12 were not satisfactory.

Most of the candidates got 40% to 60% from 40 marks (16 to 24 marks out of 40).

Most of the candidates' common mistakes show that they had not read the question properly and did not understand it correctly.

### **Paper B**

#### **Question No. 01**

This question tested the knowledge of manufacturing accounts, the income statement and the statement of financial position.

Most of the candidates did not do the following correctly:

- 1) Revaluation of PPE adjustments.
- 2) Assets transfer and disposal.
- 3) Adjustment of building rent.
- 4) Impairment of gain and losses.
- 5) Depreciation was not calculated properly.
- 6) Inventory adjustments.

Most of the candidates were not particular about separating the expenses in the manufacturing and trading account as required by the question.

Most of the candidates were not able to answer the revaluation part of the question.

Workings were not given by most of the candidates, and as a result, they lost some marks.

### **Question No. 02**

This question is an optional question. The majority of candidates selected this question.

Majority of the candidates' answers for this question was very satisfactory and their subject knowledge was good about partnerships.

Majority of the candidates wrongly calculated the cash introduced by Basil and Wimal. Interest on capital was also wrongly calculated by most of the candidates.

Some had mixed up capital and current accounts. Some had done the goodwill calculation in the current account and the drawings calculation in the capital accounts.

Majority of the candidates, when calculating the cost of sales, did not deduct the inventory taken by Basil worth Rs. 30,000.

Some candidates have done mistakes relating to cash introduced by Basil and Wimal, and interest on capital calculation.

### **Question No. 03**

This question is referring to incomplete records.

Part (a) was well answered by the majority of candidates. However, part(b) was not answered correctly by the candidates.

When answering part (a), majority of the candidates did mistakes in calculating sales because there were 6 adjustments involved with this item.

When calculating sales, Rs. 500,000 was deducted from Rs. 1,800,000, but other adjustments were not made.

Goods in transit stock was not accounted for.

Some candidates did not correctly calculate the depreciation for the year.

### **Question No. 04**

This question relates to the income and expenditure account.

Most of the candidates did not understand some of the question areas:

- (1) Subscription details
- (2) Building depreciation

Majority of the candidates did not correctly calculate the membership income and life membership fund.

Answers for part (A) were not satisfactory.

Entries were erroneously placed in the T accounts and therefore the resultant incorrect entries were taken to the income and expenditure account and the statement of financial position.

Many candidates have answered part (B) well.

Some have given irrelevant answers. Many candidates have tried to explain what a committee is rather than its advantages.



## **Business Mathematics and Statistics – March 2014**

### **Paper A (MCQs)**

All questions were within the syllabus, and were quite appropriate.

Question No. 5,6 and 7 were answered properly by most of the candidates, whereas the answers to Question No. 2,10,11,12,14,16,17 and 20 were not satisfactory by the majority (about 60%) of candidates. Some have not even attempted some of the questions.

Lack of time management by the candidates was seen due to the fact that the initial 10 questions were answered correctly by most of them, but the answers to the last 10 questions were not attempted or have been done in haste.

The candidates seemed to have knowledge of simple probability theory and solving basic probability questions.

Candidates have not shown good knowledge in solving questions in relation to index numbers and time series (Question No 18 and 19).

About 60% of the candidates have secured marks between 10 and 20; and about 30% have secured between 20 and 30.

### **Paper B**

#### **Question No. 1**

- The most common errors observed were the basic mathematical calculation errors. Basic calculations such as adding or subtracting values when calculating the net cash flows, were associated with errors. Candidates had placed the annual cash flow and the maintenance cost in each year correctly, but when subtracting the cost from the cash flow, they got a completely wrong answer.

	Y1	Y2	Y3	Y4	Y5
Cash flow	5	12	23	25.5	16
Cost	2.5	2.5	7.5	2.5	2.5
<b>Correct answer</b>	<b>2.5</b>	<b>9.5</b>	<b>15.5</b>	<b>23.0</b>	<b>13.5</b>
Commonly given incorrect answer	7.5	NA	20.5	23.5	18.5

- Candidates are advised not to round off figures (which are required to be with decimal places) into integer values. In the later stages of the computing process, the mid results with integer values might divert into a completely different solution.

E.g. 1 -Correct method

Y1	Y2	Y3	Y4	Y5
PV	2.232	7.573	11.033	14.6177.66

$$NPV = (40) + 43.115 = \underline{\underline{3.115}}$$

Incorrect method

Y1	Y2	Y3	Y4	Y5	
PV:	2.2	7.5	11.0	14.6	7.6

$$NPV = (40) + 42.9 = \underline{\underline{2.9}}$$

**Or,**

PV:	2.0	7.0	11.0	14.0	7.0
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$$NPV = (40) + 41 = \underline{\underline{1}}$$

E.g. 2 Taking the discount factors as 0.89, 0.79, 0.71, 0.63 and 0.56 instead of 0.893, 0.797, 0.712, 0.636 and 0.567 will lead to a different answer.

- Faults were observed when substituting values into a formulae. Candidates have written the formulae correctly to compute the IRR, but when substituting the rates the two values were inter changed.

### Question No. 02

- Candidates should clearly know the difference between fixed costs and variable costs. Some didn't understand that the initial investment is also fixed cost, and as a result they only considered Rs. 150 million as the fixed cost.
- Although the total cost was calculated, majority of the students did not calculate the cost per 1km.
- Students should learn to plot graphs with an understanding:
  - at least two or three points for a linear graph.
  - values of the coordination must be worked out and the points should be marked on the graph
  - the axis should be correctly marked with a suitable scale.
- Many students did not know that the values which are obtained by solving two equations are the points at which the two graphs intersect.
- There were irrelevant calculations done due to the lack of understanding resulting from misreading the question. Some candidates had added Rs. 76 million to expenses.

### Question No. 03

- Candidates must present graphs in the correct scale. This will facilitate the calculations by using the graph.
- Majority of the candidates were unable to describe the term 'ordinal data' although this is covered in the Study Text.
- In part (c), some candidates tried to change the interval range given in the question. This was incorrect. Certain candidates failed to identify that some of the interval ranges were different.

### Question No. 04

- The answers of many candidates are successful. However, it seemed that some candidates did not have sound knowledge of calculating the mean and standard deviation. Some had directly used calculators to arrive at the answers, however as there were no steps of workings given, full marks could not be awarded to such candidates.
- Many candidates only had a limited knowledge about harmonic mean.

### Question No. 05

- The most significant weakness of the candidates was the poor discipline in mathematical presentations. Presenting a solution to a mathematical problem should be precise and in a logical order.
- Another weakness was that candidates did not follow the standard notations. For example, after finding a Z-score, the relevant probability was not presented in the standard notation as given below.

#### Incorrect notation

$$\begin{aligned}z &= 3.174 \\ &= 0.4992 \\ &= 0.5 - 0.4992 \\ &= .0008 \\ &= .08\%\end{aligned}$$

#### Correct notation

$$\begin{aligned}z &= 3.174 \\ \text{Relevant area} &= 0.5 - 0.4992 = 0.0008\end{aligned}$$

Hence, % of population = 0.08%

**Or,**

$$\begin{aligned}p\{z > 3.147\} &= 0.5 - 0.4992 \\ &= 0.0008\end{aligned}$$

- Early rounding off leads to wrong answers. For example, when taking tabulated reading for calculations, if the reading has four decimal points, until arriving at the final answer the decimal points should not be rounded off in the intermediate steps.
- Some candidates were very poor in both arithmetic and algebra. It was observed that some candidates did not know how to convert a decimal number into a percentage (these are basics that they should know).
- The differences among Z-score, percentage and probability were not clear to many candidates. Candidates must have a clear idea of these concepts.
- Some candidates did not know how to find the relevant area for a problem in the normal curve. They knew how to calculate it using a tedious method, but they did not know how to find it using the normal curve.

#### **Question No. 06**

- Some candidates had an idea of Type I and Type II errors in hypothesis testing but didn't know how to apply it in a practical situation.
- Majority of the candidates were confused with Type I and Type II error definitions. Some had given the Type II error definition for the Type I error definition and made comments accordingly.
- Candidates didn't know the way of expressing  $H_0$  and  $H_1$ . They had considered it as a one-tailed test.
- The way of calculating the test statistic was completely wrong and some had interchanged  $\mu$  and  $\bar{X}$  values.
- Most of the candidates didn't know the way of calculating critical values for a given significance level.
- Some didn't know the way of making the decision rule according to the test statistic value and critical value. E.g. even though the calculated value must be accepted, some have rejected it.

#### **Question No. 07**

- The subject area of time series and price indices are really easy to score marks for candidates, however the quality of answers were poor especially with regard to calculating price indices.
- In (b), candidates have misunderstood the given value as per unit price.
- Candidates showed a lack of subject knowledge as some answers were not relevant in respect of time series and index numbers.
- Please note that the entire syllabus and Study Pack are essential for the examination. Candidates should not avoid areas covered in the latter sections of the syllabus/Study Pack.

### **Question No. 08**

- Correlation is an important topic and candidates should do a thorough study of it.
- Candidates need to understand and memorise all the definitions. For instance, in this particular question, for  $y = a + b_1x_1 + b_2x_2$ , very vague answers were given.
- Candidates should only plot the points in scatter diagrams. Trying to convert the points to a graph is unnecessary.
- When "coefficient of correlation" is asked, candidates must understand that PMCC ( $r$ ) is required (not the ranked correlation coefficient or the equation of regression line).
- Workings should be shown as marks are awarded for workings (better to show workings in tabulated form).
- Extra care should be taken to avoid mistakes in addition and multiplication.
- many students have used  $R = r^2$  whereas some have used  $R^2 = r^2$  and  $R = \sqrt{r}$ . And also it is clear that only few have understood the significance of  $R$ .
- The degree of accuracy should be meaningful. Writing down all the figures shown in the calculator is not required/not necessary. Answers correct to one significant figure is too much of an approximation.

### **Common difficulties faced by the candidates (weaknesses of the candidates in examiners' point of view):**

- Lack of knowledge in selection of axis properly in developing histograms
- Lack of knowledge in analysis when the given class intervals are not continuous
- Lack of knowledge in respect of hypothesis testing and analysis of time series
- Lack of accuracy in computations
- Lack of skills in graphical presentations
- Lack of knowledge in time series and index numbers.

### **Possible areas where majority made mistakes (in brief) (suggestions for candidates to improve their answers)**

- The areas where knowledge was lacking as stated in the above section;
- Candidates are advised to exercise rational approaches rather than practicing the answers in a rather mechanical way.

## **Management and Business Economics – March 2014**

The overall performance of the candidates was satisfactory. Nevertheless, the common errors/mistakes made by the candidates in Paper B are given below (question-wise):

### **Question No. 1 –(Allocated Marks: 12, Average performance:07)**

#### **(a) Labour and Entrepreneurship – Allocated Marks: 02, Average Performance: 01**

- A. Labour provides human factors to a firm for a wage and performs the task assigned, whereas an Entrepreneur plans the business and does it for a profit and takes risk, according to some candidates who earned full marks allocated.
- B. Some stated that business and policy decisions are taken by Entrepreneurs and labourers are subject to work under their guidance, which earned only a few marks.

#### **(b) Economic Rent and Transfer Earnings – Allocated Marks 02, Average Performance 01**

- A. Transfer Earnings is the minimum payment required for a factor of production to retain and Economic Rent is the amount earned over and above transfer earnings, according to some candidates who earned full marks allocated.
- B. Some described Transfer Earnings for Economic Rent and vice versa.
- C. By providing property and labour, Economic Rent and Transfer Payments are earned respectively as per some candidates who earned no marks.

#### **(c) Opportunity Cost – Allocated Marks 04, Average Performance 02**

- A. Some illustrated the concept of increasing opportunity cost by drawing the “Production Possibility Curve” correctly.
- B. Some incorrectly mentioned each additional unit of the product (X) can be only obtained by giving up lesser units of the other product (Y).

#### **(d) Government Intervention – Allocated Marks 04, Average Performance 02**

- A. Government intervention is required to control the market power of monopolies, correct inequalities, provide services & goods that the private sector is unwilling to provide etc. Most of the candidates have given acceptable reasons which earned full marks allocated.
- B. Some stated that intervention is required to earn revenue for the government.
- C. Some stated intervention is required to achieve economic growth, which was not adequate enough to earn marks.

**Question No. 2 – (Allocated Marks: 12, Average Performance: 07)**

**(a) Giffen Goods – Allocated Marks: 04, Average Performance: 01**

- A. Only a few had explained correctly as to how total price effect is positive for a Giffen good; when price of inferior goods increases, the quantity demanded tends to increase since the poor still can't afford expensive items. There is hardly any substitutes for a Giffen good and therefore the income effect dominates the substitute effect, and thereby the total price effect become positive.
- B. Most of the candidates mentioned the total price effect is negative for Giffen goods.
- C. Most of the candidates dealt only with the scenario of price reduction.

**(b) Consumer Surplus and Producer Surplus – Allocated Marks: 04, Average Performance: 03**

- A. Having arrived at equilibrium price and quantity as Rs. 7,500 and 125 units respectively, some have correctly drawn the curves and identified consumer surplus and producer surplus which earned full marks allocated.
- B. Some have calculated the consumer surplus and producer surplus without the graph being drawn, which earned considerable marks.
- C. Some made calculation errors in arriving at equilibrium price and quantity and ended up with incorrect consumer surplus and producer surplus.

**(c) Accounting Profit vs Economic Profit – Allocated Marks: 04, Average Performance: 03**

- A. Some correctly identified the difference between revenue and opportunity cost as economic profit and the difference between revenue and explicit costs as accounting profit.
- B. Some candidates stated indirect cost and direct cost in place of opportunity cost and explicit cost respectively which earned no marks.

**Question No. 3 – (Allocated Marks: 12, Average Performance: 09)**

**(a) Economies of Scale – Allocated Marks: 03, Average Performance: 02**

- A. Some correctly described factors that give rise to economies of scale such as Buying economies, Financial economies, Risk economies, Research economies etc. which earned full marks allocated.
- B. Some candidates misunderstood the question and described the outcome and advantages and other irrelevant answers in the case of having economies of scale E.g. Cost of production will be minimized, specialization through division of labour etc.

**(b) Price Discrimination – Allocated Marks: 02, Average Performance: 01**

- A. Air ticket pricing, price differences in local and export markets, quantity discounts, peak load pricing for telephones/electricity are some of the real world examples for price discrimination according to some candidates who earned full marks allocated.
- B. Some have just named the factors but not described. E.g. Technical economies etc. only.
- C. Some just listed out goods like garments, cool drinks, milk powder etc. that are subjected to price discrimination, which earned no marks.

(c) Fixed and Variable Cost – Allocated Marks: 03, Average Performance: 02

- A. TFC is a part of Total Cost (TC) that does not change with the level of output and TVC is a part of TC that changes directly with the output, as per some candidates who earned full marks.
- B. Some have provided indirect answers E.g. Fixed costs are costs that are to be incurred compulsorily for the production of goods/services.
- C. A few had mentioned that fixed cost relates to a fixed/specified period.

(d) Monopoly and Oligopoly – Allocated Marks: 04, Average Performance: 03

- A. Some correctly mentioned single seller, unique product, barrier to entry and price maker as characteristics of a monopoly as against the characteristics of an oligopoly. i.e. Few sellers, relatively close substitutes, barriers to entry and price strategy vary as per the situation etc. which earned full marks.
- B. Some have repeated some points in different places in the answer;e.g. both “unique product” and “no close substitutes” were mentioned under monopoly.

**Question No. 4 – (Allocated Marks: 12, Average Performance: 06)**

(a) Budget Deficit – Allocated Marks: 04, Average Performance: 02

- A. Some have successfully reasoned out the importance of reducing the government fiscal deficit citing advantages like reduction of borrowing requirements, easing out inflationary pressure, ensuring availability of funds for private sector investments etc.
- B. A few stated that reduction of the government budget deficit results in GDP growth sans briefly explaining as to how it happens.

(b) Reduction of Budget Deficit – Allocated Marks: 04, Average Performance: 02

- A. Budget deficit is the difference between projected government total revenue and projected expenditure according to some candidates who earned full marks.
- B. A few candidates misunderstood budget deficit as deficit of Balance of Payments (BOP).
- C. Some explained the measures that are to be taken to reduce the deficit of BOP instead of measures that are to be taken to reduce budget deficit E.g. Reduction of imports, increase of exports etc.

(c) Justification of Budget Deficit – Allocated Marks: 04, Average Performance: 02

- A. Some have successfully argued that there will be more burden on the poor and the indebtedness of the country will go up, if a developing country maintains a budget deficit.
- B. Those who were trying to justify a budget deficit for a developing country were unable to mention the return on investments that are properly planned and implemented.
- C. Some just listed out expenditure items like road development, construction of airports etc. without justified them. E.g: They should have mentioned that these expenditure items will result in future income generation or that they are incurred for the welfare of the country/people.

**Question No. 5 (Allocated Marks: 12, Average Performance: 05)**

*(a) Monitory Policy – (Allocated Marks: 03, Average Performance: 01)*

- A. Bank rates, open market operations, statutory reserve requirements etc. together with explanations thereon were mentioned by some candidates who earned full marks.
- B. Some have ignored to mention the impact on the money supply when each instrument is implemented.
- C. Some miscalculated the outcome of sale of treasury bills as an expansion in money supply rather than contraction.

*(b) Investment Multiplier – Allocated Marks: 05, Average Performance: 02*

- A. Having calculated MPC as 0.75 correctly, some have arrived at 4 as the investment multiplier.
- B. Some candidates did not showcase what instrument multiplier is all about in their irrelevant calculations.
- C. Some correctly indicated the formula for investment multiplier as  $K = \frac{1}{1-MPC}$ . But they were unable to apply figures and arrive at the correct investment multiplier i.e. 4

*(c) Objectives of Monitory Policy – Allocated Marks: 04, Average Performance: 02*

- A. Monitory policy is the policy instrument used by the Central Bank for demand management as per some candidates who earned marks.
- B. Some were of the wrong view that monitory policy is used by the general Treasury.
- C. Some just stated “Stability” as one objective of Monitory Policy rather than “Price Stability”.

**Question No. 6 (Allocated Marks: 12, Average Performance 07)**

*(a) Legitimate Power and Referent Power – Allocated Marks: 04, Average Performance: 02*

- A. Legitimate power is derived from legal authority or position in a formal organisation, and Referent power is derived from recognition by subordinates, according to some candidates who earned full marks allocated.
- B. Some stated that referent power is derived from the expertise a person possesses, which earned no marks.
- C. Some were of the wrong view that the employees attached to the Legal department of an organisation have legitimate power, which earned no marks.

*(b) Barriers to Communication – Allocated Marks: 04, Average Performance: 03*

- A. Some have explained correctly process barriers, personal barriers, physical barriers and semantic barriers.
- B. Some have not categorized the barriers in an acceptable way but listed out examples of barriers which earned some marks.

(c) Herzberg's two factor theory – Allocated Marks: 04, Average Performance: 02

- A. For an employee to perform duties at the basic level of expectation, the management needs to ensure that hygiene factors are met, however to motivate the employee to perform beyond the basic level, the motivation factors should be enhanced, according to some candidates who earned full marks allocated.
- B. A few candidates confused the Herzberg' two factor theory with "X & Y Theory".
- C. Some just stated that employees' efficiency and commitment to the task will be more once the two factor theory is implemented, without the basis being elaborated.

**Question No. 7 – (Allocated Marks: 12, Average Performance 06)**

(a) Environment Analysis – Allocated Marks: 04, Average Performance: 02

- A. Most of the candidates were unable to state as to why an environment analysis is conducted. In fact, environmental factors negatively influence the internal environment. Some repeatedly indicated that environment analysis is the most important factor in strategic management.
- B. Some have given SWOT factors in their answers.

(b) Divisional and Matrix Structures – Allocated Marks: 03, Average Performance: 01

- A. Divisional structures are based on products or projects and matrix structures are based on hybrid functional and other structures as per some candidates who earned full marks.
- B. Some have not brought up important features of divisional and matrix organizational structures in the comparison. They should have cited factors like dual accountability and maximum use of functional managers under matrix structure. They should have cited factors like strong customer orientation and duplication of resources in each division, under divisional structure.

(c) Corporate Social Responsibility (CSR) – Allocated Marks: 03, Average Performance: 01

- A. Some very correctly deduced that for an organisation to survive in the market, sensibly drawn up CSR programs are to be launched which earned marks.
- B. Some were under the wrong impression that an organization should undertake CSR projects in order to operate the business in an ethical way. Organisations should undertake CSR projects in order to discharge social responsibilities as well.
- C. Some cited examples where certain organisations take steps to discharge resultant-waste from their operations which earned some marks.

(d) Efficiency and Effectiveness – Allocated Marks: 02, Average Performance: 02

- A. Doing things at the least cost within the least possible time, and the degree to which organizational goals are achieved are efficiency and effectiveness respectively according to some candidates who earned full marks allocated.
- B. Some mixed up the two terms, in that efficiency is the degree to which the organizational goals are achieved.
- C. Some provided lengthy examples which were not expected by the Examiner.



## **Business English I – March 2014**

### **Part A**

#### **Question No. 1 - 20**

This section of the paper was a 'fill in the blanks task', with four option multiple choice items aiming at testing vocabulary. Candidates were expected to complete twenty sentences selecting the correct word from the four options. The words given were related to accounting, auditing, finance and business - all within the scope of the candidates. Yet, the majority of the candidates could not perform well. This may be because they could not understand the sentences and did not know the exact meaning of all the words given. There was a tendency to choose the distractors instead of the correct answer.

There was confusion over the following words:

- major and minor, improvement and success, indices and invoices, entity and authority, know-how and experience

#### **Question No. 21 - 35**

This part of the paper focused mainly on grammar. Candidates had to fill in the blanks in 15 sentences selecting the correct verb forms, prepositions and sentence connectors. Even though most of the structures used were simple, majority of the candidates failed to score good marks.

The weak candidates failed to see the difference between, 'has to pay', 'to be paid' and 'to pay'.

Their uncertainty was evident, over the use of the 'be' verbs, was and were, the prepositions 'of' and 'for', the sentence connectors, 'nevertheless', 'unless' and 'therefore' etc.

### **Part B**

#### **Question No. 36 - 40**

This part of the paper was a 'cued conversation' - one speaker's lines or part of an exchange were omitted. Candidates were expected to complete the exchanges selecting the most suitable option out of the four given.

Most of the candidates managed to score about 50% for this test. The bright candidates managed to get full marks.

The weaker candidates could not identify/see the relationship between one person's utterance and the response made by the other. They failed to grasp the 'communication flow' that took place between individuals. They selected the distractors instead of the correct option.

## **Part C**

### **Question No. 41- 50**

The text used for this part was a formal letter - a letter of complaint. There were 10 gaps to be filled in with correct phrases. The candidates managed to score good marks for this task.

The easiest item in this test was number 50. This dealt with the ending of the letter. Majority of the candidates had selected option (a), (c) and (d) which were the incorrect ones, signaling the fact that they did not know the accepted form of ending a business letter.

However the candidates' performance can be considered as satisfactory.

## **Part D**

### **Question No. 51- 60**

The text used for this part was an office memo, again with ten gaps to be filled in with the most suitable phrases. This was quite a challenge for majority of the candidates, although some items were quite easy. There were about 10% who scored full marks.

The inability to read and understand this type of formal document giving instructions would have put the weaker candidates at a disadvantage.

The performance of the candidates was unsatisfactory.

## **Part E**

### **Question No. 61- 70**

This test aimed at assessing candidates' ability to read and understand a factual text. The text was an extract from a business magazine describing the importance of value addition for exporters in Sri Lanka. Careful reading of the text would have enabled the candidates to locate the answers to the ten questions given. This was quite a challenge for the majority of candidates.

Even though the answers to items No. 63, 66,67and 69 were directly stated in the text, most of the candidates failed to select the correct options. It was clear that the candidates did not possess the skills of reading (e.g extracting the main ideas from the supporting details). This made them select incorrect options.

On the whole the performance was unsatisfactory.

## **Part F**

### **Question No. 71 - 80**

This part of the test was based on tabulated information- a bar chart showing the production capacity of five companies in Sri Lanka.

The majority of candidates scored well. They had the ability to interpret / analyse the bar chart efficiently and select the correct option for the questions / statements given. Some of the weaker candidates selected the distractors for item No. 80.

Performance was satisfactory.

### **Suggestions to improve candidate performance**

It appeared that many candidates were not well prepared for this exam and their level of language proficiency was inadequate.

Examination practice: answering past exam papers within the given time limit would help. Be familiar with various types of business letters and memos.

It is also essential to increase their range of 'business vocabulary'. As mentioned every year, an effort must be made to learn as many words as possible by reading newspapers, magazine articles, Central Bank reports and books etc.

To be successful in completing the dialogues, candidates should read the exchanges/utterances before and after the blank space carefully. It is important to remember, when choosing an option, candidates should read and process the whole dialogue rather than trying to match individual utterances.

Practice in reading long texts and locating the information needed to answer questions would be beneficial.

By being fully involved in reading and writing, speaking in English and listening to English would help in developing language competencies which is a must to be successful in this examination paper.