

STRICTLY CONFIDENTIAL

THE PUBLIC ACCOUNTANTS EXAMINATION
COUNCIL OF MALAWI

2010 EXAMINATIONS

CERTIFICATE IN FINANCIAL ACCOUNTING
PROGRAMME

PAPER FA 1: BUSINESS COMMUNICATION

(DECEMBER 2010)

TIME ALLOWED: 3 HOURS

SUGGESTED SOLUTIONS

1.
 - (a)

Sender	-	source of message
Role	-	initiates the communication process by formulating and sending message
Receiver	-	recipient of message
Role	-	interprets message and responds through feedback.
 - (b)

Encoding	-	formulating message
Message	-	content or information to be communicated
Channel/medium	-	instrument or vehicle for conveying message
Decoding	-	interpreting message to get meaning
Feedback	-	response to the sender
 - (c)
 - (i) Intrapersonal = Communication within oneself e.g. debating on whether to go to work or not.
 - (ii) Interpersonal = Face-to-face communication between two people e.g. two people agreeing to go and visit a sick friend.
 - (iii) Small group = Communication among members of a special committee or group set up for a specific purpose e.g. management deciding to dismiss the secretary.
 - (iv) Mass level = Communication that involves sending messages to the general public (the masses)
2.
 - (a) Communication without using words.
 - (b) Non-verbal cues/signals

- frown	=	thinking deeply, disapproval
- handshake	=	greeting with goodwill
- raised eyebrows	=	surprise, questioning
- a smile	=	pleasure, warm welcome
- a wince	=	pain, shock
- a wave	=	goodbye, go away
- a beckon	=	come here
- shrugging of shoulders	=	I don't want, I don't know
- pouting	=	dislike
 - (c)
 - Substitute verbal messages e.g. beckoning of hand
 - Confirm verbal message e.g. nod of head
 - Contradict a point e.g. head shaking
 - Regulate conversation e.g. frown to show disapproval
 - Compliment e.g. smart dressing
 - Emphasize a point e.g. hand gestures
 - Consolidate ideas e.g. pictures, sketches.

3. (a) (i) Diagonal = Communication that cuts across levels e.g. information about a seminar being held at a certain venue.
- (ii) Upward = Communication from subordinates to superiors e.g. report on a task completed.
- (iii) Horizontal = Communication between people of the same position in the organisation e.g. heads of sections sharing new policy.
- (iv) Downward = Communication from superiors to subordinates e.g. directives.

- (b) Advantages of horizontal communication
- encourages information sharing
 - ensures co-operation
 - builds team spirit
 - increases productivity
 - ensures success/achievement of goals.

Disadvantages

- breeds too much familiarity
- may lead to lack of respect
- may lead to gate-keeping
- message distortion is common.

- (c)
- Grapevine
 - Rumour
 - Jungle/bush telegraph.

4. (a) Memo = Short internal correspondence used for communicating information within the organization.

(b) Advantages

- It is short and easy to read
- Same information can reach a lot of people at once
- It is fast
- It is reasonably inexpensive since there is no mailing

(c) Memo writing – internal correspondence

5. (a) (i) Notice = Information about date, time and venue of meeting
: those to attend have to be informed in advance.
- (ii) Agenda = List of items to be discussed
: members have to prepare in advance to contribute ideas.
- (iii) Venue = Place for the meeting to take place
: member friendly place/location to be chosen for comfort of members.
- (iv) Previous minutes = Minutes of previous meeting
: These have to be circulated before current meeting for continuity.
- (b) (i) Matters arising = items on the agenda of previous meeting to report back to current meeting.
- (ii) Quorum = minimum number of members to be present for a meeting to take place.
- (iii) Motion = proposal put to the meeting for an issue to be debated on.
- (iv) Adjourn = deferring meeting to another time because items on the agenda have not been exhausted.
- (c) Types of meetings
 - Staff meeting – for staff to discuss issues in the organization.
 - Committee meeting – special committee to report on given tasks.
 - Annual general meeting – financial report and election of new office bearers in an organization.
 - Board meeting – board members to appraise status of organization.
6. (a) Correct format – looks neat and attracts reader to continue reading
– ensures response/reply/feedback goes to right person.
– conveys message at a glance therefore saves time.

- (b) – Audience will understand message easily
 – Audience will accept message as credible because it makes sense
 – You will save time of your audience
 – Feedback is ensured as meaning is clear.
- (c) Letter of apology and adjustment
7. (a) Serialization/ Chain communication = message is sent along a chain of people before it reaches the intended receiver.
 e.g. rumour of the secretaries dismissal may go through 5 other people before it reaches the secretary.
- (b) Disadvantages
- Message may be distorted
 - Message may not reach intended receiver
 - Sender may not get required feedback
 - Messages may be prone to gate-keeping.
- (c) Gate-keeping = sitting on a message for fear of competition.
- Levelling = number of details reduced.
- Sharpening = some details added to original message to suit sender in chain.
- Assimilation = message reworked to suit audience or adjusted to suit situation.

END