



**CERTIFIED ACCOUNTING TECHNICIAN
STAGE 1 EXAMINATION
S1.3 EFFECTIVEWORKING IN ACCOUNTANCY AND
FINANCE**

**DATE: THURSDAY 29, MAY 2025
MARKING GUIDE AND MODEL ANSWERS**

SECTION A

Marking Guide

2 marks for each correct answer

(Total: 100 Marks)

Model answers

Question Number	Response	Question Number	Response
1	C	26	C
2	D	27	A
3	B	28	D
4	A	29	B
5	D	30	D
6	D	31	B
7	B	32	A
8	A	33	C
9	D	34	A
10	C	35	D
11	C	36	B
12	B	37	D
13	A	38	C
14	B	39	C
15	C	40	D
16	B	41	D
17	A	42	D
18	A	43	B
19	B	44	A
20	C	45	B
21	D	46	C
22	A	47	D
23	D	48	A
24	C	49	C
25	B	50	B

1. The correct response is C because the statement “Internal stakeholders are those who do not work within the organization” is wrong. Stakeholders who do not work within the organization are called external stakeholders.

A, B and D are correct statements therefore, not correct answers

2. The correct answer is D because all the statements under A, B, and C are correct.

3. The correct answer is B because the financial accounting is mainly concerned with the processing and recording of transactions (bookkeeping), and the production of financial statements for external stakeholders (users outside the business).

A is not correct because the **management accounting** is **mainly concerned** with the production of financial reports to assist managers (**internal stakeholders**) in all the business's functions.

C is not correct because it is a combination of a correct answer (B) and a wrong answer (A)

D is not correct because there is one correct response in the proposed responses.

4. The correct answer is A because the statement is wrong. Management accounting is **not** regulated by law and that is why managers can ask for whatever records and reports they think will be helpful to them. Therefore, B is not a correct answer.

C and D are not also correct answers because their statements are correct.

5. The correct answer is D as a combination of all the correct answers i.e. A, B and C

6. The correct/best option is D because accounting information supports managers in making sound decisions about the resources available to them and equips them for **both planning and control**.

Planning:

By helping them to understand the financial implications of their planned activities; what resources are or are not available to implement them and their potential costs and benefits in financial terms

Control:

By helping them to measure the results of their activities against their plans; whether they came in line with anticipated costs; whether they earned the expected revenues and profits; whether resources were efficiently used; etc.

Therefore, option A alone or B alone are not correct and the option C is not correct it is just a distractor.

7. The correct option is B because the availability of day-to-day funds necessary to maintain organizational activity is known as the working capital required by the business.

A is not the correct option because the cash flow shows the balance between cash coming into and cash going out of the business.

C is also not correct because the organization's solvency shows the ability of the organization to pay its debts when they fall due, and D is not correct because one of the options provided is correct.

8. The correct option is A because the important thing for the finance function is not the quantity of information but its quality. Therefore, B is not the correct option.

C and D are not also correct/best options because accuracy and completeness are attributes of quality information.

9. The correct option is D as a combination of options A, B and C because the main role of the accounting and payroll functions is to support managers and staff in other functions by preparing and providing complete, accurate and timely information on the financial implications of their activities

10. The correct option is C as a wrong statement because a line manager is considered as someone who has direct authority over people and activities, down the vertical line (top-down management structure) of command in the organization chart and not horizontal line (flat management structure). Therefore, A, B and D are not correct because their statements are correct

11. The correct option is C because your job or role description will set out the reporting procedure for that role by highlighting the following:

- Whom are you doing tasks?
- Who needs particular data or documents next?
- To whom are you accountable for performing a task correctly?
- To whom should you refer questions and problems?

Therefore, A, B and D are not correct because they are not including all the key four elements to be included in the reporting procedure.

12. The correct option is B because the list of tasks relating to a specific project should be reported directly to the designated project manager overseeing the work of that project.

Option A is not correct because the regular work of a financial controller is reported to the Chief Financial Officer as stated in the previous scenario

Option C is not correct because the Chief Executive Officer is not the direct line manager of the financial controller

Option D is not correct because only one option given in the scenario is correct

13. The correct option is A because personal skills can be called interpersonal skills or soft skills.

The option B is not correct because it only considers one correct option

The option C is not correct because hard skills refer to a person's knowledge and technical skills and may be learned and perfected over time, and this is contrary to soft skills which are more difficult to acquire and change.

The option D is not correct because it is a mixture of personal skills and non-personal skills

14. The correct option is B being a wrong statement. Normally personal skills concern with how people manage and express themselves.

Option A, C and D are not correct because their statements are correct.

15. The correct option is C as the most effective medium of communication

Options A and D are not correct because telephone call or face to face conversation require to engage one on one and will be time consuming.

Option B is not correct because meetings are most effective when for instance, there is a plan to explain a complicated procedure to a group of people.

16. The correct option is B because security is a key issue with sending email as there is no guarantee of privacy. In addition to that there is a risk of accidentally sending the message to the wrong recipient.

Options A, C and D are not correct because they are part of advantages of using an email as a communication tool. With an email, multiple users(recipients) can access information quickly(speed), and an email can serve as a record for future reference.

17. The correct option is A because staff meetings are suitable for upward communication. Options B, C and D are not correct because they are suitable for downward communication

18. The correct option is A because neatness and legibility are the absolute minimum requirements in a professional context and people should not compromise on them.

Options B, C and D are not correct because they include have only one element in the absolute minimum requirements to convey message in a professional context

19. The correct option is B because a person's appearance can be a part of conveying a corporate image, in line with the organisation's objectives, as well as conveying the individual's image.

Therefore, options A, C and D are not correct. A and C are distractors and D is not correct because only one option is correct.

20. The correct option is C because face to face communication is the best option if immediate feedback or personal sensitivity is required.

Option A is not correct because telephone call is the second best option when face to face communication is not feasible

Option B is not correct because short notes are good methods of passing on information and providing a reminder in informal settings

Option D is not correct because letters are often used in formal, person to person business communication where urgency is not a factor

21. The correct option is D because an email is extremely versatile (multipurpose)

- ✓ it can be used to send notes, memos, letters, reports, forms and all sorts of other messages.
- ✓ It has the huge advantages of speed and electronic format
- ✓ it can be easily filed, edited, copied and sent to multiple recipients all at once).
- ✓ It can also have other documents like reports, letters, memos... attached, if this would be helpful in backing up the main message

Therefore, options A (letters), B (Reports) and C (Memos) are not correct because they are not extremely versatile or multi-purpose like an email.

22. The correct option is A as a wrong statement because a good report will avoid technical language for non-technical users. Therefore, options B, C and D are not correct options as they stand for correct statements.

23. The correct option is D since there are seven key sections of an informal report you need to know about for the assessment. These are:

- Title (or title page)
- Executive summary (or summary)
- Introduction
- Main body/detailed findings
- Conclusions
- Recommendations
- Appendices

Therefore, options A, B and C are not correct options.

24. The correct option is C being incorrect statement because an informal report is the one which does not require elaborate structuring and layout and not a formal report.

Therefore, options A, B and D are not correct.

25. The correct option is B because being versatile a letter can be used for many business purposes. Therefore, Options A, C, and D are not the best options even though they are part of the purposes a letter can be used for.

26. The correct option is C because enclosure reference “enc” or “encs” for more than one item is used if something other than the letter is included in the same envelope e.g. a cheque, or a price list.

Option A is not correct because for the signature, if an assistant is signing a letter on behalf of the writer, the writer's name must be preceded by “For” or its equivalent from legal terminology “pp” which stands for per procuracionem (procuracion)

Option B is not correct because “cc” is used to show any third parties to whom copies of the letter have been sent.

Option D is not correct because only one option is correct

27. The correct option is A because “yours faithfully” is used as a complimentary close in a context of Formal situations and when recipients not known (e.g. for a client you are dealing with for the first time)

Option B is not correct because “yours sincerely” is used as a complimentary close in a context of established relationships, friendly but respectful (e.g. with superiors, customers, suppliers)

Option C is not correct because “kind regards” is used as a complimentary close in a context of more personal, informal relationships (e.g. with colleagues)

Option D is not correct because only one option is correct.

28. The correct option is D as a combination of A, B and C because setting goals and priorities, formulate action plans and having focus are all part of the key principles of effective time management.

29. The correct option is B because preparing a special report for her manager is part of non-routine or unexpected tasks.

Therefore, options A, C and D are not correct because prepare daily a list of cheques received, prepare weekly sales invoices and performing monthly bank reconciliation are routine tasks

30. The correct option is D as a combination of A, B and C because time is resource the same as money, information, materials and equipment.

31. The correct option is B “urgent and important” since this task is requested to be done in the very near future and is important to chief accountant and to other people in the organisation (e.g. senior managers of Omega Company). Therefore, options A, C and D are not correct.

32. The correct option is A because John should tackle the tasks that will be most difficult for someone else to take over while he is away.

Therefore, options B and C are not correct because shortest or longest task can be taken over by someone else if they are not difficult to take over.

Option D is not correct because one option is correct.

33. The correct option is C because the process of determining the order in which tasks should be carried out is known as **prioritising**. Therefore, options A, B and D are not correct because they have a different meaning.

34. The correct option is A tasks that can be slotted into the gaps between higher-priority tasks are considered to be not urgent and not important

Option B is not correct because urgent but not important tasks relate to tasks which are urgent but will not be a major problem if not completed in time.

Option C is not correct because not urgent but important tasks refer to tasks which are important but not immediately due

Option D is not correct because there is a correct option in the scenario.

35. The correct option is D because bar charts are often used to block out periods of time on a calendar, to show when tasks are scheduled, or when staff members are on holiday and this has the advantage of clearly showing where tasks fall in the month/year, what order they fall in, where they overlap.

Option A is not correct because pie charts are useful for showing the relative sizes of component elements of a total value or amount, represented by the 360 degrees of the circle or pie.

Option B is not correct because scatter graph enables quick observation of data patterns, and provides the ability to analyse complex relationships between multiple variables.

Option C is not correct because line graphs are useful for showing the relationship between two variables (represented by the horizontal and vertical axes of the graph), by plotting points and joining them up with straight or curved lines. They are also useful for demonstrating trends.

36. The correct option is B because a planning schedule is a form of bar chart, but each division of space represents both an amount of time and an amount of work to be done in that time.

Therefore, options A, C and D are not correct because a planning schedule is not considered as a form of pie chart, line graph or scatter graph.

37. The correct option is D because expected and actual costs are only considered in some cases when elaborating an action plan. Therefore, options A, B and C are not correct because they are always included in the action plan.

38. The correct option is C as a wrong statement because schedules and charts are often used for more complex tasks or projects. Therefore, Options A, B, and D are not correct because they stand for correct statements.

39. The correct option is C because it is not part of apparent sign that the accountant of Kami district is going to struggle to meet 30th July 2023 deadline and there are no unexpected higher-priority demands in the scenario.

Options A (too great workload), B (failure to meet the deadline by colleagues who are providing required information), and D (Colleagues who have not planned effectively how to handle the work and meet the deadline) are apparent signs in the scenario that the accountant of Kami district is going to struggle to meet 30th July 2023 deadline. Therefore, they are not correct options.

40. The correct option is D as a combination of A, B and C because the Finance Manager can take the following three actions in order to handle the anticipated difficulties in meeting the deadline

- ✓ Put pressure on accountants
- ✓ Lighten the existing workload in order to free up time to meet the deadline
- ✓ Provide the team with additional resources

41. The correct option is D as a wrong statement. Normally when you ask for assistance at work you may need to negotiate or persuade the other person to help you, by showing how it will benefit them, or by offering something they want in return.

Options A, B and C stand to be correct statements, therefore not correct options.

42. The correct option is D as a combination of A, B and C because inspiration, communication and synergy are advantages of working as a team and not part of the disadvantages.

Therefore, options A, B and C are not correct

43. The correct option is B as a wrong statement. Normally, teams are particularly useful for generating ideas and solving problems and not the other way around.

Options A, C and D stand for correct statements, therefore not correct options.

44. The correct option is A because one of the drawbacks/disadvantages of team work is that decision making takes longer. Therefore, options B, C and D are not correct options.

45. The correct option is B because conflicts and disagreements can get in the way of effective team performance.

Options A and C are wrong options because in team work, key advantages for effective team performance are communication and motivation.

Option D is not correct because one of the options provided is correct.

46. The correct option is C because co-ordination corresponds to making sure that each member's work fits with the work of others and contributes to the team's objectives.

Options A and D are not correct because collaboration/cooperation show that team members are working together

Option B is not correct because negotiation is used to ensure schedules and working methods are agreed within the team.

47. The correct option is D because as per the scenario there is an excessive surveillance by the Finance Director and this is considered as micro management and in addition to that the director seems unapproachable as he/she does not allow the team to discuss about the issue. This shows differences in status where team members can feel powerless or micro-managed by a powerful boss, or unable to raise problems because a manager is seen as unapproachable.

Therefore, options A, B and C are not correct because they cannot be aligned with the concerns raised in the scenarios.

48. The correct option is A. It is said that the law is a floor because it only sets minimum standards of acceptable behaviour for a positive working relation.

Therefore, options B, C and D are not correct as they can be used interchangeably with law.

49. The correct option is C as a wrong statement because vertical conflict instead of horizontal takes place between those at different levels of the hierarchy.

Horizontal conflict as it takes place between departments at the same level in the hierarchy
Therefore, Options A, B and D are not correct because they stand for correct statements.

50. The correct option is B because the workload itself cannot be in grievance procedure unless it relates to unfair workload. Therefore, options A, B and C are not correct.

End of Marking Guide and Model Answers