

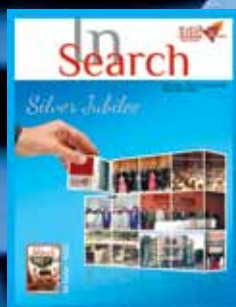
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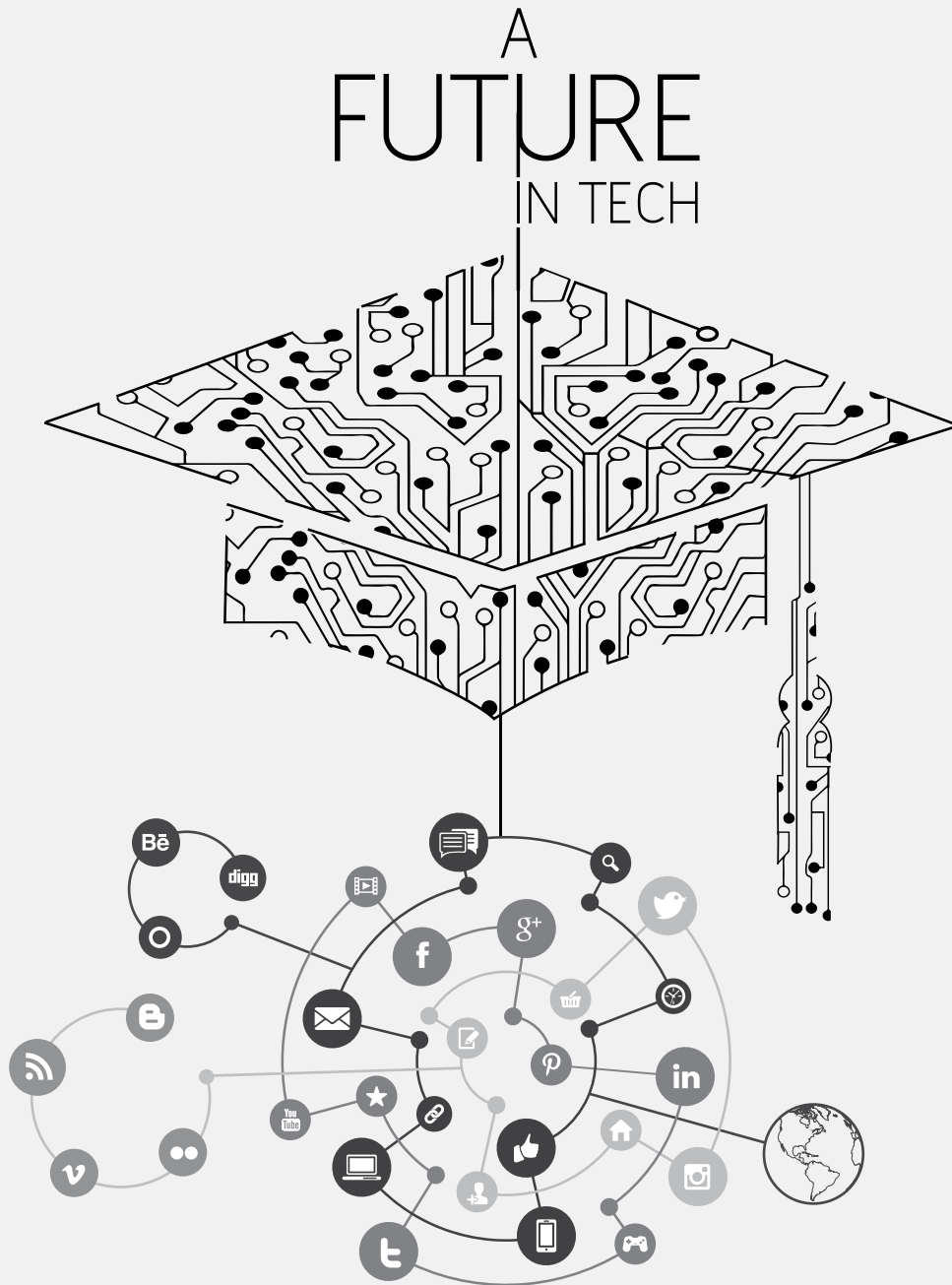
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Life begins at the end of your **Comfort Zone**

One needs to firstly master his subject whilst having a basic knowledge about other disciplines. In other words, you have to be a multidisciplinary human asset.

Interview with a distinguished fellow member of AAT Sri Lanka – Mr. Kumarasinghe Sirisena, Chairman, Sri Lanka Telecom PLC. (Page 07)





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President
of AAT Sri Lanka

As the incumbent president of AAT Sri Lanka, it is with great pleasure and enthusiasm I'm passing this message on to the 5th edition of InSearch, the Members' official journal of AAT Sri Lanka. It is encouraging to note young blood and fresh ideas coming in the form of articles. Also the positive responses towards writing articles on current topics and answering crossword puzzle tend to demonstrate the great work carried out by members' journal sub-committee over the years.

The ongoing changes in the socio-economic conditions in our country had paved ways for younger generation to face an unprecedented competition in the professional sphere. Whilst Sri Lanka being able to become the fastest growing economy in the South Asian region, it had also provided a lot of opportunities for accounting professionals to contribute immensely to fuelling the economic growth. Human capital is one of the key forces which drove the economy towards its phenomenal growth. In this context, AAT Sri Lanka played somewhat silent but an important role as the premier accounting body which produces middle level accountants to the market. Our members serve both public and private sectors and predominantly in the SMEs. The only factor which differentiates our qualification from the rest would be the undisputed ability to foresee the market requirement and cater to trilingual needs of many employers in the SME sector. Continuing Professional Development (CPD) is shaping and uplifting members' competencies which made the qualification more up-to-date.

I wish to extend my sincere gratitude to Chairman of the Membership Committee, Members of the Journal Sub-committee, authors of the articles who have been instrumental in producing thought provoking ideas in their articles, sponsors who undoubtedly raised the quality of the output. I am confident that 'InSearch' will reach greater heights and be a world class journal for accounting professionals. Therefore, I kindly request all our members to partake in future with good articles to make our dream a reality. I wish the 6th volume of InSearch would bring more knowledge and glamour to AAT members and connect them up with our vision.

Lalith T. Fernando



Chairman

Membership Committee

I am conveying this message to the 5th volume of our InSearch- members magazine as the Chairman of the Membership Committee with pleased thoughts since we have been able to fulfill most of the ideas to improve the contents as promised. We were successful in adding a couple of new features to the previous volume, for which we have received ample positive responses and comments from our valued members. My heartfelt gratitude is extended to all of them for their fruitful deliberations for the betterment of InSearch. And also, it is noteworthy to highlight that we have received the highest number of articles from authors for this issue, which is also another milestone we have established. Hope our members will be motivated by reading the articles submitted by our members and will be encouraged to submit their ideas for our future issues. We welcome your articles and are ready to disclose your writing skills through your magazine-InSearch, hence please explore this opportunity extended. Writing and reading an article will both mean that it will assist you to gain the Continuing Professional Development (CPD) in your profession.

Continuing Professional Development (CPD) constitutes a process in which a member gradually enhances skills and competencies throughout the professional endeavor. CPD does not conclude, as there will be new ways of standards evolving everyday for which we should be ready to change. Learning will never stop and it should be daily routine in your personal life as well as in your professional conduct. CPD has been made compulsory for accounting professional bodies by the International Federation of Accountants (IFAC), global accounting body. So, being a member of the international governing body, AAT Sri Lanka is obliged to encourage AAT members to go through CPD. AAT Sri Lanka revised the CPD guide with effect from 1st January 2015. You are kindly advised to go through the CPD guide and get an idea as to how you plan your CPD well in advance and commence it. By doing so, you will be able to upgrade yourself to the next membership category on time and also be on par with the developing world. We have revised our curriculum with methods suited for future application in aat qualification with these challenges ahead in mind.

I would take this opportunity to thank all the authors and well-wishers and mainly our sponsors for their untiring support for the timely publication and uplifting of InSearch Magazine. And also, I must reiterate the priceless effort put together to Issue the journal on time by the AAT Journal committee chaired by Ms. Nilmini Dharmawardhana and staff of the membership division of AAT Sri Lanka. We are hoping that the next issue would be more expedient with valued ideas and better knowledge exchanged raising the quality of the publication to expected levels. It is noteworthy to mention that the membership is the thriving force of any professional body to stay ahead within the present context.

Indraka Liyanage

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Interviewed by
Oshini Yapa
MAAT, ACA
Project Manager - Audit
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“

I certainly believe that leaders are not born - only babies are. So there is no discrimination because a leader is born over time just as a pearl from a grain of sand. But then again the sooner that leader in you, is born - the better”. Mr. Kumarasinghe reveals to ‘InSearch’ how sheer determination and his thirst for practical knowledge have helped shape the person he is today.

Q. How do you feel being the 8th Chairman of Sri Lanka Telecom PLC? Can you brief us on the main duties performed and responsibilities shouldered by you?

A. The advancement of technology and IT infrastructure is indeed a main KPI of any country’s economic growth. Thus, this opportunity to chair one of the telecommunication giants in the Island, as its 8th Chairman, **has laid on my shoulders a humongous responsibility of spearheading this organization in a manner that we will contribute to the national economic goals of this country by providing technological infrastructure necessary to spur rapid growth.**



Interview with a distinguished fellow member of AAT Sri Lanka – Mr. Kumarasinghe Sirisena, Chairman, Sri Lanka Telecom PLC.

However, I do understand that there are numerous challenges ahead of us that need to be addressed at hand. Well, if I am to be more specific on the duties to be performed by me, I have to offer focused strategic leadership to transform SLT into the next generation's ICT corporate which provides sustainable ICT solutions, and align our strategic direction to comply with the Government's policies considering its financial interest, fulfill our obligations towards national goals as a respectable corporate whilst conducting our operations in the best interest of all stakeholders.



Q. I'm sure on your journey to the person you are today, you must have encountered numerous hardships. Tell us about how these hardships have helped shape the person you are today and what you believe, is your formula to success.

A. Well, of course any person with the genuine intentions of prospering in any field can say it hasn't been a rosy path. I too have undergone numerous challenges from the inception of my accounting career at the Road Development Authority, to the present Chairman of SLT. To start off, as you may know, the RDA is an engineering-dominated corporation so obviously accountants are in for many hardships there, Mr. Kumarasinghe chuckles as he tells the 'InSearch'.

Well, taking it from there, the RDA was not like any other corporation but one which was always under the government's radar with constant pressure and intervention. Yet, having the right attitude and mentality to accept challenges constructively as an opportunity to excel, to my belief, was the key to my success. Today, I consider those hardships and obstacles as blessings in disguise and they have undoubtedly developed and strengthened my character and personality. **After all, life just seems to begin at the end of your comfort zone.** As for my formula to success, I honestly believe in the strengths and ability of human diversity as the base enabling organizations to achieve common goals.

Q. Moving up the corporate ladder, how beneficial has the AAT qualification been to you and how useful is an accounting qualification in making your way to the top?

A. Well, back in 1985, when I was pursuing my Degree in Business Management at the University of Sri Jayewardenepura, very few of us had an idea of obtaining a professional qualification alongside our degree and little did we know that the corporate sector preferred both a professionally and academically qualified person. In the meantime, AAT was gaining its popularity among the university students as one of the best career gateways and it is in fact evident today as well, looking at how competitive this qualification has become amongst school students. Today, I am truly grateful to AAT for giving me a head-start in my professional career. **Thanks to the recognition AAT had among the corporates I was able to succeed in my interview at RDA if not for which, I believe my career would have taken a different path.**

Q. Tell us about a project or accomplishment that you consider to be the most significant achievement in your career.

A. During my tenure at the Timber Corporation, I was also reading for my Master's Degree and I recall preparing for my thesis for which I selected the preparation of a Strategic Corporate Plan for the Corporation. This plan, which was prepared in an unconventional manner, was later implemented at the Corporation and I succeeded in achieving four times the revenue earned during that period. Having motivated the employees and other stakeholders of the Corporation I was able to bring about a more productive work environment and yield many other returns. This was an overwhelming success in my

career and to date I cherish the contributions made to the Government and employees through the strategic changes made under my direction in the Corporation.

Q. Do you believe that a 'Jack of all trades is a Master of none' given you wealth of experience in many fields?

A. Mr. Kumarasinghe says with a smile on his face, "No. As I mentioned earlier, I always value human diversity so I'm about to twist this age-old proverb." The Corporate world we live in becomes increasingly competitive as we speak and the one thing that hasn't changed is change itself. "So what does one do in such a situation?", he asks. **One needs to firstly master his subject whilst having a basic knowledge about other disciplines. In other words, you have to be a multidisciplinary human asset.** That is the secret to survival in this corporate world. Take a look at most of today's corporate leaders. Most of them resemble multi-disciplinary attributes. The secret lies in being able to understand the broader picture thanks to the knowledge and

skills of various fields. **"My thirst for knowledge to me, is unquenchable"**, says Mr. Kumarasinghe humbly. And I believe every one of us should make an honest attempt to gain as much knowledge as we can on this journey. **All you learn may not necessarily contribute to your career but they are lessons for life indeed.**

Q. Prior to taking charge as the Chairman of SLT, you held various executive positions of many corporations and institutions. How have you managed to make an equal contribution and divert your time equally amongst them and your personal life?

A. "Well, there are times you feel you could use the help of a clone", Mr. Kumarasinghe chuckles. Striking a balance and remaining calm is the key. The question is how does one achieve and practice these traits during tough situations? Fortunately for me, I'm blessed with a supportive family. Secondly, effective time management strategies such as planning out my day in advance, breaking up huge tasks into more manageable and simpler tasks, prioritizing



important activities and timely reminders, which have become more like my routine activities, have helped me immensely. Here again, **if you want to conquer the corporate world you need to stay ahead and that involves plenty of time spent on planning but obviously you need to pay heed to the implementation phase as well.**

Q. According to your understanding, what are the traits or qualities that young leaders should possess to become successful in their careers in the 21st century? And what advice would you give someone who is taking up a leadership position for the first time?

A. Mr. Kumarasinghe answers with much enthusiasm, “Your thirst for knowledge should never be infinite whilst a positive and ‘can-do’ attitude towards challenges is a must-have”. You have to be a go-getter, a networker, and you have to be on the watch out for what’s new. There is a key differentiator between a Manager and a Leader and that’s the ability to motivate your team and march forward with them. For that one needs to maintain a down-to-earth attitude no matter which position you hold in a Company. Also going up the ladder, terms such as ethics, moral values and integrity will play an important part in your leadership skills. **I certainly believe that leaders are not born – only babies are. So there is no discrimination because a leader is born over time as a pearl from a grain of sand. But then again the sooner that leader in you is born - the better.**

Q. Sri Lanka’s telecommunication industry is an extremely competitive one. What do you believe is the next phase in Sri Lanka’s telecommunication industry?

A. The Sri Lankan Telecommunication industry is highly competitive as well as much advanced in comparison to many developed nations and emerging Asian countries. But I believe there is more scope for improvement if we are to take it to the next level enabling us to achieve SMART Sri Lanka. Today concepts such as Cloud networking, mobile cash have taken over. But more importantly, for us at SLT, our duty to the economy and society comes first so spreading the benefit of ICT developments amongst our local communities in order to uplift the country’s standard of living is of prime importance. This in turn drives our innovation.

Q. What is the role of the Accountant in leadership development in the 21st century’s corporate world?

A. It is a known fact that an Accountant’s role has shifted from mere information provision to providing precise information that compliments easy and timely decision-making so that past results, conclusions drawn based on these and new ventures are presented to the Board in a summarized manner. In comparison to other professions an **Accountant is an all-in-one package and that is why it is much easier for Accountant’s to gain strategic positions in a Company.** In addition, they should be mindful of developing non-accounting abilities and other soft skills, appreciating the value of HR, developing human abilities continuously, being in line with corporate governance, taking sustainable organization development measures and maintaining professionalism and an ethical mindset at all times.

Q. Finally, what are your words of advice for those aspiring professionals who wish to pursue their career in the accounting field?

A. My ‘all-time’ advice is to be Master of the subject/field you pursue so always be keen on new updates and stay ahead. Also be mindful of professional conduct, ethics and integrity and be transparent with all your dealings in the profession, maintaining reasonable due care in profession. The are traits of a virtuous professional. The accounting profession is a dynamic one – so get engaged (I mean in your work).





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In today's world of rapid, disruptive change, strategy can't be separate from execution—it has to emerge from execution. You have to continually adjust your strategy to fit new realities. But if your organization isn't set up to be fast on its feet, you could easily go the way of Blockbuster or Borders.

As companies all over the world concentrate on revisiting, revising, and remaking their strategies, they forget the next step: making sure the strategy happens. So it turns out that billions of dollars are spent on brilliant ideas—but not brilliant results.

Strategy making is an elegant activity which engages the top management. It's a sophisticated process of collecting and analyzing data, generating insights, and identifying smart ways forward. Done in an academic fashion, tight logic in fluent language is the only glue needed to hold ideas together. Executives buy into the plan. The strategists, confident in their intellectual prowess, quietly recede into the background. Then the conflicts

begin. Execution is a minefield. The clean and elegant logic of strategy gets dirty in the real world. Cross functional priorities clash. Speed is questioned, timelines get blown, and decisions stall. Communication breaks down and the blaming environment sets in. It's never a question of if these problems will happen; it's a question of when and to what degree.

Get into the same camp

Strategists and executors are in two camps and getting into one camp is the way to bridge these two worlds. It's common sense. Unfortunately, it's far from common practice. What typically happens is an awkward hand-off between the two. They don't engage the executors early and ask, "How will this actually work?" The executors contribute to the trouble as well. Often they don't truly understand the thinking behind the strategy. They take it at face value and don't ask enough tough questions. When things fall apart, each points a finger at the other side. Organizations today

need to constantly adapt to create and maintain competitive advantage and the marketers have to go beyond the traditional roll to seek new ways to achieve strategic organizational change.

Create the culture of execution

The basic step for a company to follow to become more focused on execution or implementation is to create a culture of execution. How does one create such a culture? Let's look at some basic facts. First, it's a fact that culture affects behavior. An organizational culture includes values, prescriptions on how to act, how to treat others, how to react to performance shortfalls, how to compete, etc., and these have a profound impact on behavior. A related fact, however, also must be kept in mind: Behavior, over time, affects organizational culture. How, then, does one create a desired culture? By creating behaviors and performance programs that become an integral part of an organization's way of doing things. By creating and reinforcing behaviors

and performance programs that affect the very essence of how organizations act and compete, Create a culture of execution by developing and reinforcing behaviors that affect culture. It is important to design, reward and otherwise support the right behaviors, those that are vital to making strategy work, in order to create and nurture a culture of execution.

Ask yourself, why strategy execution or implementation is viewed as a lower-level task in an organization? Why assume that execution is a quick, one-shot decision or action and not a journey? Why don't we believe that Strategy execution is a process similar to strategy making? Is the organizational structure geared for effective execution? More importantly, how does one create a culture of execution?

Strategy and execution are both about people. To create strategy we need innovative people and to execute we need leaders. Everything else is secondary.





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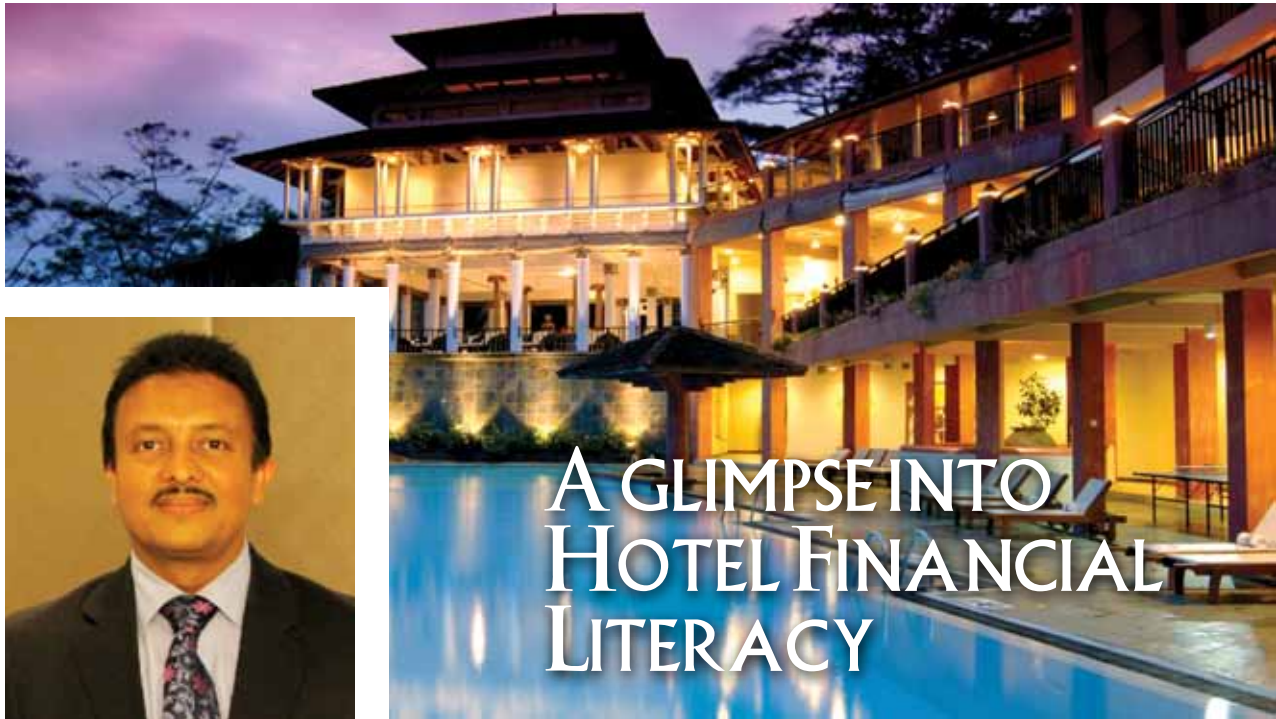
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M S M Hisham

SAT, Bachelor of Commerce (Special – Honors)
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Operating Statement

The hospitality industry is much broader than most other industries. The majority of business niches are composed of only a handful of various business segments, but hospitality industry applies to nearly any organization that is focused on customer satisfaction and meeting leisurely needs rather than the basics.

Most of the people think that hotels alone belong to the hospitality industry, but hotels are only one sector of this industry. The hospitality and tourism sector includes lodging, restaurants, theme parks, cruise lines, transportation, and additional fields within the tourism industry. This sector includes four clusters: food & beverage services, accommodation, activities/amusement and transportation.

Regardless of the business, hospitality industry relies heavily on providing an excellent level of service in order to retain the customers with brand loyalty, which is very important to the customers, so the associated companies do their best to provide the best service.

In today's competitive global marketplace,

finance functions must find the optimum recipe for business success. This includes not only being a good steward of shareholder value, but also leading the strategic alignment of company objectives and operations. Hospitality accounting is not a separate branch of accounting, but it is a very specialized area that focuses on those accounting techniques and practices used in restaurants, hotels, clubs, and other hospitality businesses. It is important for any business manager or students who study in the field of hospitality, to be aware of and understand the financial statements that are used in evaluating the performance of a business. These financial statements are applied in many different ways in describing and evaluating the operations and financial strength of a business. Each of these financial statements \ reports measures a specific aspect of the operation of a business. As like in every industry, hospitality sector, especially hotel industry has its own operational style and unique set of terminology. By knowing these terms, it would be an easy task to understand the flow of financial statements of Hotels.

Hotels prepare Operating Statements for both external users (ex: potential investors, creditors and owners not actively participating, in managing the business) and internal users such as Managers of the business. The statement presented to external users is typically relatively brief, providing only summary detail about the result of operations.

Operating Statements measure the financial performance of a business. Therefore, hotels use two main types of Operating Statements: the Consolidated P&L and the Department P&L. The Consolidated P&L is mainly used to report and measure financial performance, whereas the Department P&L is used as a management tool to provide managers with more detailed financial information, which they can use to operate their departments.

The Consolidated P & L is a hotel summary P&L that is arranged by revenue centers, profit centers, and expense centers. It also has several levels of profit measures. Total Department Profit measures the profitability of all

the operating departments. Gross Profit (House Profit) measures the profits remaining after expense center costs are deducted from Total Department Profits. It reflects management's ability to successfully maximize revenues and minimize expenses. Net Profit is the profit remaining after fixed expenses are paid from Gross Profit and is a good measure of the financial profitability of a hotel. The Department P&L provides specific financial information on the operations of each department. The five main categories on a Department P&L are revenues, cost of sales, labor cost and related expense, direct operating expense, and department profit. There are specific line accounts within each of these main categories that further break down and identify expenses so that they can be measured and effectively controlled. Hospitality managers spend a lot of time using their department P&Ls to help them operate their departments.

For a specimen summary operating statement log in to the website of Hospitality, Finance Revenue and IT Professionals "[http: hospa.org](http://hospa.org)"



Uniform System of Accounts for the Lodging Industry (USALI).

The hotel industry was one of the first of the segments within hospitality to encourage its members to standardize their accounting procedures.

The USALI has been widely adopted within the hotel industry. Although there is no requirement that a hotel should use the USALI, the degree of compliance with this time-tested, turnkey system is substantial. The main reason for widespread usage of the USALI is comparability. Hotels tend to use financial statement data generated by competitors as a benchmark against which to measure their own operations. If comparability is lacking, then there are no benchmarks. Additionally, while the system was developed for use within the United States, many hotel operators around the world have adopted the USALI.

The following set of terminology used in the Summary Operating Statement above has been extracted from the Eleventh Revised Edition of **Uniform System of Accounts for the Lodging Industry (USALI)** published by the American Hotel & Lodging Educational Institute.

The main statistics stated in the Summary Operating Statement will be:

● Rooms Available

The number of guestrooms (keys) in a property less the rooms not available for sale.

$$\text{Rooms Available} = \text{Total Rooms Inventory} - \text{Total Rooms not available for sale}$$

● Occupancy

The percentage of available rooms sold during a specific time period.

Occupancy is calculated by dividing the demand (number of rooms sold) by the supply (number of rooms available). This is a percentage.

$$\text{Occupancy} = \text{Rooms Sold} / \text{Rooms Available}$$

● Average Daily Rate (ADR)

A measure of the average rate paid for rooms sold during a specific time period.

ADR is calculated by dividing the room revenue by the demand (rooms sold). This is a rupee amount.

$$\text{ADR} = \text{Total Rooms Revenue} / \text{Rooms Sold}$$

● Rooms RevPAR

A measure of the Total Rooms Revenue generated in terms of rooms available. This differs from ADR because RevPAR is affected by the amount of unoccupied rooms, while ADR only shows the average rate of rooms actually sold.

RevPAR is calculated by dividing the total room revenue by the total number of rooms available. This is a rupee amount.

$$\text{RevPAR} = \text{Total Rooms Revenue} / \text{Rooms Available}$$

● Total RevPAR

A measure of the Total Operating Revenue generated in terms of rooms available.

Total RevPAR is calculated by dividing the total operating revenue by the total number of rooms available. This is a rupee amount.

$$\text{Total RevPAR} = \text{Total Operating Revenue} / \text{Rooms Available}$$

The Summary Operating Statements are divided into following sections:

● Operating Revenue

Revenues are the first step of financial analysis because they start the cash flow process of a company. Revenues result in cash increasing or flowing into the company's cash account. According to the USALI the revenue has been categorized under four main sectors.

Rooms - Revenue generated by rooms.

Food & Beverage- Revenue generated through sale of Food & Beverages for consumption by guests as well as certain services, charges, and non-consumable goods sold or applied in the F&B department as Other Revenue.

Other Operated Departments-Operating revenue derived from A Golf course, Spa, or Parking.

Miscellaneous Income-Revenue generated through Space rental, Commissions, and Interest income.

The Total Operating Revenue is the sum of the amounts for all four categories of revenue.

● Departmental Expenses

Mainly there are three categories of departmental expenses, each of which relates to an operated department revenue category. Departmental expenses are separated into as many as four groups:

- Cost of Sales
- Cost of Other Revenue
- Labor Costs and Related Expenses and
- Other Expenses

● Total Departmental Profit

$$\text{Total Departmental Profit} = \text{Total Operating Revenue} - \text{Total Departmental Expenses}$$

● Undistributed Operating Expenses

The Undistributed Operating Expenses section reports expenses that are considered applicable to the entire property. These are:

- Administrative & General
- Information and Telecommunications Systems
- Sales & Marketing
- Property Operation & Maintenance and
- Utilities

● Gross Operating Profit (GOP)

$$\text{GOP} = \text{Total Departmental Profit} - \text{Total Undistributed Expenses}$$

● Management Fees

Management Fees represent the cost for management services performed by a management company to operate the property as a whole.

● Income Before Non-Operating Income & Expenses

$$\text{Income Before Non-Operating Income} = \text{GOP} - \text{Management Fees and Expenses}$$

● Non-Operating Income & Expenses

The items include under this heading is non-operating Income, Rent, Property & Other Taxes, Insurance and Other non-operating expenses.

Total Non-Operating Income & Expenses is the sum of the amounts shown for Rent, Property & Other Taxes, Insurance, and Other non-operating expenses offset by the non-operating Income amount.

● Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

$$\text{EBITDA} = \text{Income before Non-Operating Income \& Expenses} - \text{Total Non-Operating Income \& Expenses}$$

● Replacement Reserve

Many management contracts and owners/operators specify the establishment of a reserve to accumulate the funds required for future replacements of furniture, fixtures, and equipment. These funds may also provide for certain capital improvements and the replacement of existing assets such as the major building systems.

● EBITDA Less Replacement Reserve

$$\text{EBITDA} - \text{Replacement Reserve}$$

The main objective of this article is to give an overall idea about the hotel financial literacy, which is the ability to understand numbers and to be comfortable working with numbers and using them to analyze hotel operations. Numbers are a means to an end; in other words, they help to measure and evaluate business operations. In depth knowledge on hotel financial literacy, especially the glossary will be shared with the readers in future articles.

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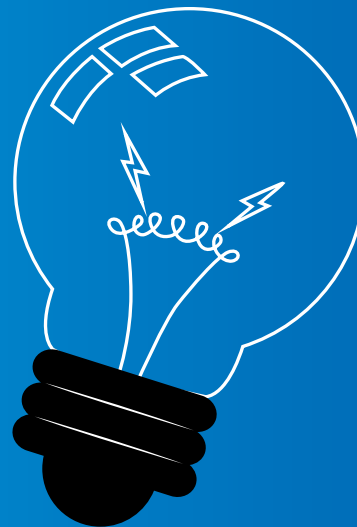
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Vice President – Finance
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How CPD can work for you



Introduction

A common sentiment shared by certain members of professional accounting bodies is that the Continuing Professional Development (CPD) scheme exists since it is a mandatory requirement of such institutes and the path to fulfill the requirements in membership advancement. As a result the CPD activities are selected based on the CPD accreditation criteria rather than on how such activity could form a part of your lifelong professional development.

The constantly changing world has a profound effect on the business environment in which many professionals are in practice. Intense competition fueled by changes in business conditions and uncertainty directly impacts people's careers. In order to survive such fierce competition and maintain sustainability, organizations need to internally reorganize, restructure and reassess relationships with their stakeholders. These recent changes have a direct impact on all professionals and their careers. Maintaining job security and planning one's own career, being multi skilled and innovative, ability to manage risks and

most importantly commitment to continuous lifelong learning are challenges of today's professionals.

The International Federation of Accountants (IFAC) member bodies have a mandatory requirement for all Professional Accountants to undertake CPD to develop and maintain professional competency. AAT Sri Lanka a full Member of IFAC introduced its CPD scheme in 2009 in order to comply with the provisions laid down by International Education Standard (IES) 7 – Continuing Professional Development.

What is CPD ?

Continuing Professional Development (CPD) is a process by which individuals take control of their own learning and development, by engaging in an on-going process of reflection and action (Megginson & Whitaker, 2007). In the simplest terms, Continuing Professional Development is the means by which people maintain their knowledge and skills related to their professional lives.

In order for CPD to be effective the following key features should be embedded in the process (Kennie, 1998).

- **Continuous** - should be lifelong throughout the professional's working life
- **Professional** - necessary for the execution of professional and technical duties of the services
- **Broad Based** - the knowledge and skills should develop personal qualities
- **Structured** - a systematic approach to learning and development

Why is CPD important?

According to IES – 7, CPD is a continuation of the Initial Professional Development (IPD), the learning and development through which individuals first develop competence leading to performing the role of a professional accountant. IPD simply refers to the process where you accomplish your mission in obtaining a suitable professional qualification for your aspired job. A widely acknowledged misconception is that being professionally qualified is the end of your learning, but in fact, it is merely the beginning of your professional career.

CPD therefore becomes important and relevant in ensuring that you continue to be competent in your professional success. IES 7 prescribes the CPD requirement for professional accountants to develop and maintain their professional competence necessary to provide high quality services to clients, employers, and other stakeholders, and thereby to strengthen public trust in the profession. Broadly, CPD governs good professional practice.

In addition to the formal education coupled with the amount of learning achieved 'on the job', it is imperative that new competencies are necessary in order to take up new and wider roles. In your journey up the career ladder, it is equally important to acquire necessary soft skills which will supplement the formal education in delivering a professional service. CPD activities will facilitate informal learning such as personnel development, time management, business etiquette, caring for stakeholders etc. required to ensure all around and up to date knowledge and skills.

The Need for CPD

As the world continuously evolves, changes in global economy and trends are inevitable. In a world which is increasingly becoming unpredictable due to uncertainties, it is only presumed that all professionals in their respective fields are able to remain technically competent and manage the change.

It is more important now than ever before for people in all fields to commit themselves to the process of CPD. The basic expectation for professionals to take increased managerial responsibility creates the need to acquire new skills and knowledge even more acute.

The following reasons were identified as critical factors contributing towards the need of CPD (Welsh & Woodward, 1989).

- **Competence** - Advancements in technology have directly impacted current knowledge to become obsolete over shorter periods than before. The responsibility of managing change has increased now requiring new knowledge and skills.
- **Consumerism** - The affluent consumer today is better informed, sophisticated and demanding. Consequently expectations of service levels from professionals have reached greater heights than in the past.
- **Litigation** - Present legislation has continually increased the burden on professionals escalating the risk of claims against negligence. CPD can be transformed as a risk mitigation tool.
- **Standards** - Globalization has caused professional bodies to give prominence in safeguarding standards of competence. CPD will play a key role to comply with agreed standards eliminating ladders.
- **Quality Management System** - Continuous improvement through quality management systems has become a trend in sustainability. Continuous training and education are key elements in delivering the required quality.
- **Competitiveness** - All businesses today are susceptible to intense competition in either the domestic or international markets or whether being private or state owned. Investing in people's skills has surpassed technological innovation as a remedy for survival.

Why does AAT Sri Lanka have a CPD scheme?

The International Accounting Education Standards Board (IAESB) developed IES 7 to address IFAC member bodies of their responsibility to promote, facilitate access and make CPD mandatory for all professional accountants. As AAT Sri Lanka is a full Member of IFAC, the institute should establish a scheme to measure the CPD activities of professional accountants.

Although it is the direct responsibility of the professional to develop and maintain competence, IES 7 is addressed to IFAC member bodies to play the role in:

- (a) Fostering commitment to lifelong learning;
- (b) Facilitate access to CPD opportunities and resources; and
- (c) Adopt prescribed requirements relating to the development and implementation of appropriate measurement, monitoring, and compliance procedures.

The standard sets out a few examples that can be undertaken as CPD activities.

- (a) Participation in technical workshops, conferences and seminars
- (b) Follow study courses relating to the profession
- (c) Writing articles, papers or books relevant to the profession
- (d) Higher education such as Diplomas, Bachelors' Degrees and Masters
- (e) Research including reading professional literature or journals for the purpose of application
- (f) On-the-job training and Self-directed learning
- (k) Providing or receiving professional development support as/from a mentor or coach

How to prioritize CPD activities ?

As many professionals are eternally busy with their jobs and lives, how do we make time for CPD?

As any other activity in your life CPD too is driven by your needs and wants. However achieving increased performance is a combination of your ability complemented by motivation. If CPD activities can be approached and actuated by a monetary benefit, career advancements, added responsibility or even job security, there would be a natural commitment towards the effort for CPD.

If CPD is able to fulfill your aspirations, then it can function as central to every day work and need not allocate special time. Time and priority then depends on how much you want to do it. To begin, follow through and complete the tasks involved.

Approaches to Continuing Professional Development (CPD) Measurement

Each IFAC member bodies should establish an approach to measuring CPD activities from among three models, namely, output-based, input-based or a combination. The input-based approach (adopted by AAT Sri Lanka) requires professional accountants to complete at least 120 learning hours over a three year rolling period with a minimum of 20 hours a year (IES 7). A leading criticism of the input-based approach asserts that simply recording time spent does

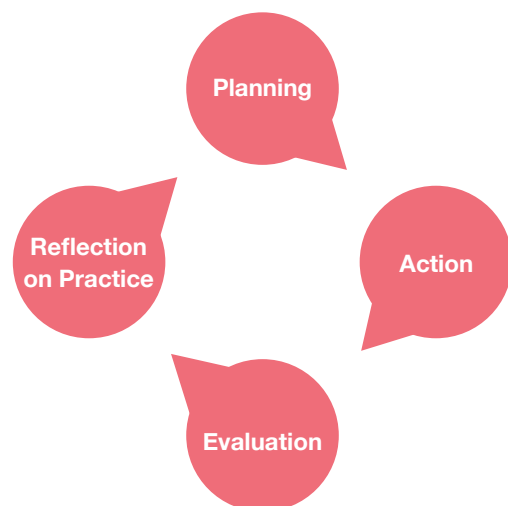
not indicate that anything has been learned and it does not measure the impact of CPD on professionals. According to a IAESB research paper, due to increased accountability it is generally recommended for professional bodies to adopt at least limited output-based approaches within the purpose the concept of CPD serves the professional bodies (IAESB. 2008. Approaches to Continuing Professional Development (CPD) Measurement. IFAC).

The Process of Measuring CPD

It is paramount for each professional to prove his/her commitment in maintaining the required professional standard set by the AAT institute. The CPD cycle facilitates the process to measure and record your achievements and take control of your career direction.

The CPD Cycle

The CPD cycle is a four stage process in which you **Reflect** on your learning needs, **Plan** the learning activities to meet the identified needs, **Action** your planned activities and **Evaluate** whether your activities met your learning needs. You are the best judge in identifying the learning needs which should also be a reflection on your overall career goals.



Where to start and when to leave the CPD cycle?

Given the fact that the CPD cycle is a continuous flow, to which stage should one enter the cycle? The two suggested points are 'Reflection on practice' and 'Action'. However 'Evaluation' will always remain the end point. Achieving a learning activity, the activity becoming irrelevant or substituted by a new activity are indications to either leave the CPD cycle or start afresh.

Reflection on practice

In this stage you should reflect on where you want to be in say 5-10 years in your professional career. The set learning objectives should encompass the need to gain new knowledge, skills, ethical behavior and even positive attitudes.

Following are a few pointers on how to choose your learning objectives.

- If a question is directed to you in your capacity as a financial professional and you are unable to provide an answer, then you need to learn.
- Subject areas which are susceptible to continuous change such as taxation, you need to keep yourself updated.
- Continuous negative appraisals from your workplace depriving career advancement or a significant change in your job role, then you need to learn.
- Compare your current resume with that of an impressive resume and work towards bridging the gaps by undertaking learning activities in the future.

You should be mindful that the learning objectives are relevant and achievable within a given time frame.

Planning

The planning process is where you develop an understanding of how you are going to learn what you identified in the Reflection stage.

The following questions should be considered when planning for learning activities.

- How significant and relevant is the learning activity in the progression and development of your career and also how it might impact on those around you.
- When do you need to learn it? This could be either short or long term. The timelines should coincide with business developments and technical pronouncements.
- How should you learn it? This is where you weigh the Pros and Cons of various learning methods available. You should not be confined to formal or structures of learning activities. Involvement in company projects, research, presentations, mentoring & training, work shadowing are some other ways for learning.
- Will this activity qualify as CPD? Also note that not all activities are verifiable.



When opting for the best learning method, ensure that such activity is aligned with your set learning objectives. As an example for theoretical or statutory learning such as Accounting Standards or Taxation, a seminar or a short course should be the rational choice over say self-reading.

Action

The Action Stage basically involves putting your plan into action. A common mistake made when appraising activities for selection is to consider its cost, convenience for learning, requirement of your organization and inevitably the number of CPD credits granted. Though such things have their own merits the fundamental criteria for selection should be 'what will you gain or benefit from such activity'.



Evaluation

In this part of the CPD cycle you should identify how your learning activities have been delivered in achieving in what you set out to learn. You should also ascertain the impact of such activity in performing your roles competently. Sometimes the learning outcomes could take time to be put into practice. This means that the CPD cycle is not always completed in one go and not a necessity to do so.

The CPD cycle should be reviewed regularly on its progress. If an activity is complete, you can leave the cycle. If an activity is incomplete, you should go a few steps back or start afresh. When indecisive, you should opt to leave the cycle or start over again.

Conclusion

Even though CPD is a mandatory scheme to be adopted by professional bodies, it is imperative that members should take responsibility in developing their skills, knowledge and competencies to conquer and survive the ever changing world whilst fostering public trust in the profession. A structured approach to CPD will ensure a lifelong commitment in maintaining the required levels of competencies for career development.

Many people restrain from committing wrong doings due to legal consequences where as it should be the moral principle that should predominate their activities. Likewise commitment to CPD should be undertaken for the merits in the scheme and not due to being a mandatory requirement.

CPD is a definite process which can stimulate to achieve individual aspirations.

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SLFRS 15 – Revenue from Contracts with Customers



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Revenue recognition of almost all companies in Sri Lanka will be affected with the issue of SLFRS 15 - Revenue from Contracts with customers, the new recognition standard issued by CA Sri Lanka with effect from 1st January 2017.

SLFRS 15 is likely to affect the measurement, recognition and disclosure of revenue, which is typically an entity's most important financial performance indicator. It is the indicator most closely scrutinized by investors and analysts. Gaining an understanding of the effects of the new standard, providing early communication to stakeholders and advanced planning will be critical for a successful implementation.

Entities that do not expect significant changes in the measurement and timing of revenue recognition will, at the very least, need to validate their assumptions. Entities will need to identify necessary changes to policies, procedures, internal controls and systems to ensure that revenue transactions are appropriately evaluated through the lens of the new model. In addition, entities will need to plan for the significantly expanded disclosure requirements.

For entities that are going to experience a significant change in revenue recognition as a result of the new standard, the implementation effort required will be considerable. Early

preparation will be crucial for a smooth transition.

The new five-step model for revenue recognition

Step 1: Identify the contract(s) with customers

Step 2: Define the performance obligations in each contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Significant Judgments and Estimates

An entity should identify the key judgments and estimates that will be required to make under the new standard. Since the new model uses broad principles, rather than specific guidelines, it will require entities to make more estimates and judgments than under today's standards. Examples of areas requiring significant judgment include:

1. Identifying a contract with a customer

An entity will need to evaluate whether an arrangement meets the criteria to be accounted as a contract under the SLFRS 15 model. A critical part in this evaluation is the collectability criterion, where an entity will have to establish that the contracted amount will be received by the entity. If this is not met, the contract will not be accounted for under SLFRS 15, until such criterion is met. Significant judgment will also be needed to apply the requirements for the contract modifications. For example, an entity will need to determine whether a modification creates a new contract with the customer or whether it is accounted for as part of the existing contract.

2. Identifying separate performance obligations

Identifying separate performance obligations will be a particularly challenging aspect of the new standard. An entity will have to evaluate the facts and circumstances of an arrangement, using significant judgment to determine whether to account for the promised goods and services as one or more distinct performance obligations.

For example, a warranty that provides a service to a customer beyond the assurance of a standard product warranty will be considered a service type warranty and accounted for as a separate performance obligation. Revenue allocated to a service type warranty will be deferred and recognised when the warranty performance obligation is satisfied. The new standard will require greater judgment in both determining whether the warranty provides a service type warranty and in establishing the timing of revenue recognition for such warranties.

3. Variable consideration and the constraint

The new standard will require entities to select either the 'expected value' method or the 'most likely amount' method to estimate the variable consideration within the transaction price. An entity must select the method that it believes better predicts the amount of consideration to which it will be entitled. The selected method will have to be applied consistently throughout the contract.

Once an entity determines the estimated amount of variable consideration, the constraint is aimed at preventing the over-recognition of revenue, i.e., ensuring that it is highly probable that a significant reversal of cumulative revenue will not occur future periods. Entities will have to use judgment to determine whether a significant revenue reversal is highly probable, while considering both the likelihood and the magnitude of a subsequent revenue reversal.

4. Allocating the transaction price

An entity will allocate the transaction price to the performance obligations based on their relative standalone selling prices. This will require an entity to estimate the standalone selling price if it is not otherwise observable.

Making the estimation will be particularly difficult when the price is not currently observable or when goods or services are offered as incentives for the customer to purchase more from the seller.

5. Timing of revenue recognition

Under the new standard, revenue will be recognised upon satisfaction of the performance obligations. The performance obligations are satisfied when an entity transfers control of good or service to a customer. An entity must determine whether it will transfer control of a promised good or service over time or at a point of time. The new standard provides several indicators of transfer of control. Determining the timing of transfer of control of a good or service will require judgement, particularly when the transfer of goods and services occurs over a period of time.

Not just an accounting change

With the new standard being applicable to virtually all entities, it is not surprising that changes to the accounting for revenue could affect multiple business functions, as illustrated below.



Because of the potential wide-ranging effects of the new standard, the implementation effort should include functions outside of the finance department, including IT, Legal, Sales, marketing, human resources, investor relations and senior management. A number of related work streams should be considered in this effort, including:

- Accounting and financial reporting
- Tax
- Business process and systems
- Change management, communication and training

In addition, it will be critical to have strong project management in order to coordinate the roles of the various business functions and to keep the work streams running smoothly and on schedule.



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DIRTY LAUNDRY

The swallet (sink hole) created in the money market due to money laundering is not only enormous but also a threat to many industrial sectors. The offenders of money laundering have a well formulated pattern of work – to “Launder” the money. The intelligent placement of the laundered money is expected to fall into the swallet and remain there. Authorities have the wider scope to identify the swallets, from a global geographic location and proceed to identify the fountain of the theft.

The financial institutions have developed counter actions to ensure that their “own money” is safe. The procedure to “know your customer” is the main regulation introduced in a wide scale.

KYC meant a banking institution that held the liability to know the business involved in by the customers they served.

In a very rare and stand-alone case of extreme probability, three friends were charged with

suspected money laundering. The three were found to be connected to the same retail store from which they used to purchase groceries. The amazing fact was that none of them was really involved in money laundering. They did not possess unclaimed assets or undisclosed earnings. What tied them together? The owner of the grocery had always been a friendly person and it was natural for the customers to comply with the owner to swipe their credit cards for payments of Rs. 3000/- and receive cash amounting to Rs. 4000/- on purchase of goods for about Rs. 700/-. The owner made the request from his “favourite” customers to assist him to continue keeping the credit card machines he needed to lock in the required minimum sales per month.

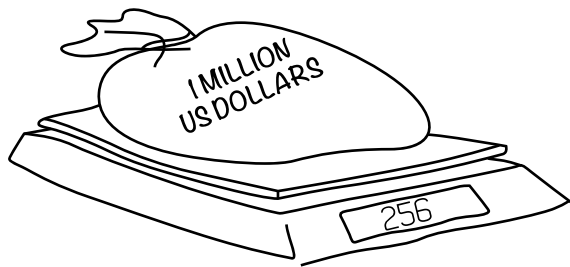
All money launderers focus on accepting ways of putting up bogus shop-fronts to record revenues and even pay income tax and revenue tax for a small portion of the revenue to legitimize the whole deal.

WHAT IS MONEY LAUNDERING?

It can be defined as the act of disguising the sources of funds in instances where funds have been earned through unlawful acts. In practice, criminals are trying to disguise the origins of money obtained through illegal activities so it looks like it was obtained from legal sources, as they are unable to utilise same because it would connect them to the criminal activity and law-enforcement officials would seize it.

The most common types of criminals who need to launder money are drug traffickers, embezzlers, corrupt politicians and public officials, mobsters, terrorists and con artists. In considering their lifestyles, possessing large volumes of cash will endanger their lives too. Thus, ways of washing the dirty laundry are initiated.

Fear of losing their ill earned money prompts them to launder it in the financial system. Not only does cash draw the attention of law-enforcement officials, but it's also really heavy. Cocaine that's worth \$1 million on the street weighs about 44 pounds, while a stash of U.S. dollars worth \$1 million weighs about 256 pounds.



The rise of global financial markets makes money laundering easier than ever -- countries with bank-secrecy laws are directly connected to countries with bank-reporting laws, making it possible to anonymously deposit "dirty" money in one country and then have it transferred to any other country for use.

Money laundering happens in almost every country in the world, and a single scheme typically involves transferring money through several countries in order to obscure its origins.

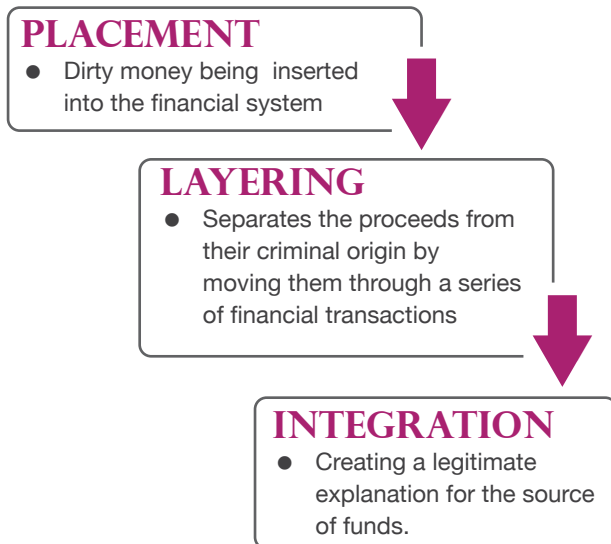
Money laundering, at its simplest, is the act of making money that comes from Source A look like it comes from Source B. In practice, criminals are trying to disguise the origins of money obtained through illegal activities so it looks like it was obtained from legal sources. Otherwise, they can't use the money because it would connect them to the criminal activity, and law-enforcement officials would seize it.



The money launderers capitalize on the emotional intelligence when dealing with bank officials as well as business transactions. The victims sometimes do not know they have been duped until the authorities round them up and it is too late by then. The culprit would have made all the implicating evidence framed an innocent business partner or trusting bank officer/officers and escape scot-free. Thus, money laundering is like a dark shadow waiting to fall over an unsuspecting victim and drag him to a dark hole of criminal investigations, from which he very rarely can escape. Bank employees would be penalized internally based on internal protocol too.

HOW IS MONEY LAUNDERED?

The basic money laundering process has three steps:



1. PLACEMENT

The launderer introduces his illegal profits into the financial system. This might be done by breaking up large amounts of cash into less conspicuous smaller sums that are then deposited directly into a bank account, or by purchasing a series of monetary instruments (cheques, money orders, etc.) that are then collected and deposited into accounts at another locations. At this initial stage, the launderer inserts the dirty money into a legitimate financial institution. This is often in the form of cash for bank deposits.

This is the riskiest stage of the laundering process because large amounts of cash are noticeable, and banks are required to report high-value transactions.

A very simple form of placement would be the request from a third party to issue a cheque for a certain amount from your personal current account, upon payment by him of a very handsome commission. The reason for the request would be that he needs to make a certain payment to a business partner via a cheque but does not hold a current account. On the other hand, the current account holder is also at a risk of possessing undisclosed Statutory Income at the hands of the Department of Inland Revenue for the purpose of calculating personal income tax.

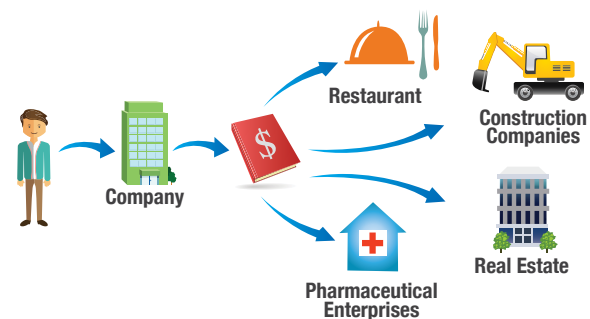
How many of us receive emails or see advertisements about foreign investors seeking “hardworking qualified individuals to become a partner in a lucrative business”???? If one does consider the number of advertisements and compare against the actual business registrations (or incorporations within the Sri Lankan jurisdiction) there is a definite mis-match. Sheer greed for short lived personal gains result in individuals facing litigation for money laundering and yet each day many others also fall prey to the same patterns.

History has evidence of many instances where after placement of money in the financial network how the authorities have been able to apprehend the culprits, but, if placement could be curtailed if not completely prevented, many innocent individuals could be spared the dishonor or imprisonment, in worst scenarios.

Placement sometimes does not connect innocent individuals to money laundering but are caught in the net of tax evasion relating to personal income.

2. LAYERING

After the funds have entered the financial system, the second – or layering – stage takes place. This is the most complex step in any laundering scheme, and it’s all about making the original dirty money as hard to trace as possible. In this phase, the launderer engages in a series of conversions or movements of the funds to distance him from their source.



The funds will be channeled through the purchase and sale of investment instruments, or the launderer might simply wire the funds through a series of accounts at various banks across the globe.

Layering involves sending the money through various financial transactions to change its form and make it difficult to follow. Layering may consist of several bank-to-bank transfers, wire transfers between different accounts in different names in different countries, making deposits and withdrawals to continually vary the amount of money in the accounts, changing the money’s currency, and purchasing high-value items (boats, houses, cars, diamonds) to change the form of the money.

This use of widely scattered accounts for laundering is especially prevalent in those jurisdictions that do not co-operate in anti-money laundering investigations. In some instances, the launderer might disguise the transfers as payments for goods or services, thus giving them a legitimate appearance. Having successfully processed his criminal profits through the first two phases the launderer then moves them to the third stage – integration – in which the funds re-enter the legitimate economy. The launderer might choose to invest the funds into real estate, luxury assets, or business ventures.

As money laundering is a consequence of almost all profit generating crime, it can occur practically anywhere in the world. Generally, money launderers tend to seek out countries or sectors in which there is a low risk of detection due to weak or ineffective anti-money laundering programmes.

Money laundering activity may also be concentrated geographically according to the stage the laundered funds have reached. At the placement stage, for example, the funds are usually processed relatively close to the underlying activity; often, but not in every case, in the country where the funds originate.

With the layering phase, the launderer might choose an offshore financial centre, a large regional business centre, or a world banking centre – any location that provides an adequate financial or business infrastructure. At this stage, the laundered funds may also only transit bank accounts at various locations where this can be done without leaving traces of their source or ultimate destination.



The same techniques explained in placement are sometimes used as a means of transferring funds via genuine account holders.

Tax concessions as well as relaxing of legal requirements in the developing countries play a prominent role in

attracting money launderers. However, it is noteworthy to note that the Exchange Control Department of the Central Bank of Sri Lanka is following strict rules by disallowing undeclared foreign income which had not been routed through SIERRA accounts to be repatriated.

3. INTEGRATION

Finally, at the integration phase, the money re-enters the mainstream economy in legitimate-looking form - it appears to come from a legal transaction. The launderers might choose to invest laundered funds in still other locations if they were generated in unstable economies or locations offering limited investment opportunities.

This may involve a final bank transfer into the account of a local business in which the launderer is “investing” in exchange for a cut of the profits, the sale of a yacht bought during the layering stage or the purchase of a \$10 million screwdriver from a company owned by the launderer. At this point, the criminal can use the money without getting caught.

It's very difficult to catch a launderer during the integration stage if there is no documentation during the previous stages.

Money laundering is a crucial step in the success of drug trafficking and terrorist activities, not to mention white collar crime, and there are countless organizations trying to get a handle on the problem. In the United States, the Department of Justice, the State Department, the Federal Bureau of Investigation, the Internal Revenue Service and the Drug Enforcement Agency all have divisions investigating money laundering and the underlying financial structures that make it work. State and local police also investigate cases that fall under their jurisdiction. Because global financial systems play a major role in most high-level laundering schemes, the international community is fighting money laundering through various means, including the Financial Action Task Force on Money Laundering (FATF), which as of 2005 has 33 member states and organizations. The United Nations, the World Bank and the International Monetary Fund also have anti-money-laundering divisions.

ONE LEGACY

(Extracted from a report by James Salmon for The Daily Mail published on 18th February 2015)

Swiss prosecutors investigate a long standing global banking corporation for money laundering over claims it helped hide millions for arms dealers and blood diamond traders. It comes seven years after its former IT worker Herve Falciani fled Geneva with details of thousands of clients

suspected. They claimed huge sums were channelled through this bank as customers dodged taxes or laundered proceeds of crime.

Last week, a leaked memo revealed that the bank was willing to help a 'blood diamond' trader even though he was being investigated for tax evasion. The term refers to uncut gems smuggled out of Africa and sold to fund brutal civil wars.

Unnoticed repercussions of money laundering

(Extracted from a report "Cost of KYC too high" 20th January, 2014 Written by Elliott Holley)

1. Start up of A KYC specialized entity

The idea behind the new platform of launching a business specializing in KYC is to reduce the time and cost needed to carry out KYC procedures, largely by automating and standardising the process. says Joachim von Hähnisch, head of Swiss start-up company "KYC Exchange"

The increased emphasis on KYC has followed massive fines on banks such as HSBC are having unintended consequences. The necessity to update customer details, to carry out rigorous tests on major clients at least every 12 months is very expensive.

2. The rising cost of KYC at global banks is threatening to disconnect smaller regional banks and even entire countries

Many global banks are finding that their relationships with smaller regional banks and financial services firms are not worth the cost anymore, and they are exiting those relationships. Latvia, which has a highly negative reputation for money laundering and Somalia are two examples.

In the event that global banks discontinue operations on Somalia, 4.2 million people or 41 % of the population would be cut off a vital lifeline , where they rely on remittances as its primary source of income for food, water, shelter, education and healthcare.

3. The increased cost associated with a tougher stance on KYC does not make the system any more secure, and may in fact drive up risk rather than reduce it.

Sources of data

<http://www.dailymail.co.uk/news/article>

<http://www.bankingtech.com/>

http://www.dirtdealing.org/pages/money_laundering_statistics.htm

<http://www.irs.gov/uac/Statistical-Data-Money-Laundering>

Statistical Data

*Incarceration includes confinement to federal prison, halfway house, home detention, or some combination thereof.

Data Source: Criminal Investigation Management Information System.

(IRS website last updated on October 2014)

Related Words

Shell companies are fake companies that exist for no other reason than to launder money. They take in dirty money as "payment" for supposed goods or services but actually provide no goods or services; they simply create the appearance of legitimate transactions through fake invoices and balance sheets.

Smurfing is Structuring deposits, is another money laundering method, entailing breaking up large amounts of money into smaller, less-suspicious amounts.

Smurfs the multiple people or a single person who deposits part of the total money laundered, over an extended period of time. The money is then deposited into one or more bank accounts by the smurfs.

Money Laundering Investigations	FY 2014	FY 2013	FY 2012
Investigations Initiated	1312	1596	1663
Prosecution Recommendations	1071	1377	1411
Indictments/Informations	934	1191	1325
Sentenced	785	829	803
Incarceration Rate*	82.2%	85.4%	84.7%
Average Months to Serve	66	68	64

Bank Secrecy Act (BSA) Investigations	FY 2014	FY 2013	FY 2012
Investigations Initiated	809	922	923
Prosecution Recommendations	677	771	683
Indictments/Informations	608	693	575
Sentenced	535	453	342
Incarceration Rate*	74.8%	70.6%	76.6%
Average Months to Serve	35	36	40



Public Sector Accounting Standards and Challenges

U S T Vithanage

MAAT, BBA (Finance) Sp.,
Accountant
Spears Foundation

Evolution

Public sector entities including all Government Ministries and Departments, provincial councils, local authorities and state owned enterprises follow widely different financial reporting practices. Generally, Finance Act No 38 of 1971, Financial Regulations, Administrative Regulations, relevant Acts, and Circulars issued and Gazettes published provide directives and instructions in this connection.

In order to maintain uniformity and quality on financial statements, to provide a framework and basis for improving governmental accountability through improved accounting and financial reporting, and to help the decision making process by providing necessary information for resource allocation among the various Public Sector entities, standards have been introduced in line with International Best Practices by the intermediation of the Chartered Accountants of Sri Lanka.

Accordingly, Sri Lanka Public Sector Accounting Standards (SLPSASs) developed by the Public Sector Accounting Standards Committee are largely based on the International Public Sector Accounting Standards issued by the International Public Sector Accounting Standards Board. The SLPSASs are designed to apply to the General Purpose Financial Statements of all public sector entities that adopt accrual basis of accounting. Public sector entities include government institutions, provincial councils, local authorities non-commercial public authorities, and universities except Government Business Enterprises. Since these are 'accrual based' standards, they could initially be made applicable to all Statutory Boards (non-commercial Public Corporations) and the Central Government and Provincial Councils could make use of these standards once they proceed to adopt an accrual based accounting system.

Currently, Chartered Accountants of Sri Lanka has released ten Sri Lanka Public Sector Accounting Standards in the years 2009 and 2012 respectively. And they cover Presentation of financial Statements, Cash Flow Statements, and Accounting Policies, changes in Accounting Estimates and Errors, Borrowing Cost, The Effects of Changes in Foreign Exchange Rates, Events after the Reporting Date, Property, Plant & Equipment, Provisions, Contingent Liabilities and Contingent Assets, Inventories, and Revenue from Exchange Transactions.

Challenges

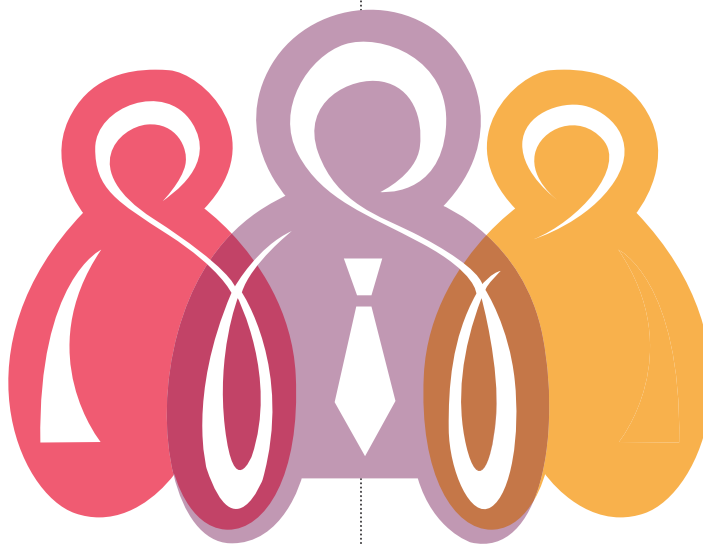
The main challenge is conversion into Accrual Basis from Cash Basis. Ministries and Departments practise with Cash basis from the inception for their routing reporting requirements. These entities need technological support heavily and need to undertake physical change of staff employed in the sector, in case training is unable to transform personalities.

Conversion of cash accounting system in all tiers of government in a one-go operation is a gigantic task. Therefore, this task requires phase-wise completion. As recommended by the South Asian Federation of Accountants as the first phase, an action plan should be prepared for introduction of Accrual-Based Accounting System in the Public Sector Entities and Local Authorities. With successful implementation of accrual-based accounting system in Local Authorities, the work can then be started at the level of the Central government. An action plan based on the following broad guidelines may be drawn for this purpose:

1. Announcement of Work Plan and Time-Table for Completion of all tasks.
2. Understanding of in-place system.
3. Identification of problem areas and constraints.
4. Development of Accounting Framework.
5. Development of Universal Chart of Accounts
6. Selection of Accounting Software package.
7. Selection of Pilot Projects for testing of new system.
8. Monitoring of testing-phase and removal of bottlenecks.

9. Improvements resulting from lessons learnt at Pilot Projects.
10. Commencement of work in all the areas.
11. Parallel operations of both the old and new systems till successful implementation of the new system.

The Association of Public Finance Accountants of Sri Lanka, the Public Sector Wing of CA Sri Lanka is in the process of conducting awareness programs on these standards with the assistance of the Chartered Institute of Public Finance & Accountancy (CIFPA) London to facilitate the preparation and presentation of financial statements in compliance with the standards.



Current Position

Currently non-commercial Public Corporations are preparing and presenting financial statements based on the Sri Lanka Public Sector Accounting Standards (PSAS) since year 2013. Yet Public Sector Accountants have only ten Public Sector Accounting Standards to guide them. Public sector accountants followed Sri Lanka Accounting Standards (LKAS & SLFRS) for areas not covered by the PSAS. For example, LKAS 20 was used for Government Grant accounting and, LKAS 19 was used for Employee Benefits. Use of two types of accounting standards (Sri Lanka Public Sector Accounting Standards and Sri Lanka Accounting Standards) does not seem to be suitable, when the entity adopts and practices Public Sector Accounting Standards. This is an issue not addressed at the moment and needs to find solutions immediately for effective financial management.

Reference:

- i. A study on Accrual based Accounting for Governments & Public Sector entities in SARRC countries, September 2006
- ii. Sri Lanka Public Sector Accounting Standards, Volume I & II

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STAMP DUTY (SD)



Stamp Duty is another duty currently being administrated with government authority adding value to the National Economy since 1909. Let me take you through the Stamp Duty at a glance.

HISTORY OF SD

Stamp Duty was first introduced in Sri Lanka under the Stamp Duty Ordinance of 1909. Stamp Duty Act No. 43 of 1982 enacted in 1982 by replacing the earlier Ordinance provides for the imposition of stamp duty on instruments and documents and for matters connected therewith or incidental thereto.

Stamp Duties on immovable property and certain movable properties were devolved to the Provincial Councils by the 13th Amendment to the Constitution, and stamp duties administered by the central government was suspended with effect from 1st May 2002.

The government reintroduced stamp duty and enacted Stamp Duty (Special Provisions) Act No. 12 of 2006.

Following specified instruments are covered by the Act

- An affidavit,
- A policy of insurance,
- A warrant to act as notary public,
- A periodic license to carry on trade, business, profession or vocation,
- A claim or demand made by a credit card holder on the usage of the card,
- A share certificate on new/additional issue or transfer/assignment,
- A mortgage for a definite sum of money which affects a property,
- A promissory note,
- A lease or hire of any property,
- A receipt or discharge given for any money or other property.

Stamp Duty is chargeable on an instrument, not on a transaction.

CHARGEABILITY

Stamp Duty is charged, under Stamp Duty (Special Provisions) Act No.12 of 2006 as amended by (Amendment) Act No. 10 of 2008 and (Amendment) Act No. 13 of 2011 at specified rates, on every specified instrument executed, drawn or presented in Sri Lanka; executed outside Sri Lanka in relation to a property in Sri Lanka and presented in Sri Lanka, (liability arises at the time it is presented in Sri Lanka) subject to the exemptions published in the Gazette.

SD RATES

SD rates are specified in the following Extra Ordinary Gazette notifications;

- No. 1439/3 dated 03.04.2006
- No. 1465/19 dated 5.10.2006

- No. 1530/13 dated 01.01.2008
- No. 1789/9 dated 17.12.2012
- No. 1809 /19 dated 10.05.2013

EXEMPTED INSTRUMENTS

Exempted instruments are specified in the following Extra Ordinary Gazette notifications;

- No. 1465/20 dated 5/10/2006
- No. 1478/7 dated 01.01.2007
- No. 1546/7 dated 22.4.2008
- No. 1752/17 dated 04.04.2012
- No. 757/4 dated 09.05.2012
- No. 1778/32 dated 04.10.2012
- No. 1789/15 dated 18.12.2012

The following table will guide you to understand Stamp Duty instruments and rates in an easy manner.

Instrument	Rate (Rs.)
1. Affidavit.	50/-
2. Policy of Insurance.	For every Rs. 1,000 or part thereof 1/-
3. Warrant to act as Notary Public.	2,000/-
4. Periodic License to carry on any trade business, profession or vocation.	License for sale of liquor Rs. 20,000 Other, lower of Rs. 2000 or 10% of the license fee.
5. Credit card payments.	For every Rs.1,000 or part thereof 15/-.
6. Any share certificate issued consequent to the issue, transfer or assignment of any number of shares of any company.	5/- For every Rs. 1,000 or part thereof, of the aggregate value of such shares being the value, which in the opinion of the Assistant Commissioner/Deputy Commissioner/Senior Deputy Commissioner, that such shares would have fetched in the open market on the date of such issue, transfer or assignment.
7. Mortgage affecting any property.	For every Rs.1,000 or part thereof 1/-.
8. Promissory note.	For every Rs.1,000 or part thereof 1/-.
9. Any instrument relating to a lease or hire of any property provided that where the term of the lease or hire exceeds twenty years, the aggregate hire or lease payable for the whole term comprised in the lease shall be deemed to be the aggregate of the hire or lease payable for the first twenty years of such term; For every Rs.1,000 or part thereof of the aggregate amount payable under a Hire Purchase Agreement entered into under the Consumer Credit Act No. 29 of 1982.	For every Rs. 1,000 or part thereof of the aggregated rent or hire (not exceeding the sum for the first 20 years period of lease term, where it exceeds 20 years) Rs. 10/-
10. A receipt or discharge given for any money or other property	Rs.25/- (Amount exceeding Rs 25,000/-)

COMPOUNDING OF STAMP DUTY

In order to expedite the duty collection and give the benefit to the taxpayers compounding of Stamp Duty has been implemented. Registration should be obtained from the Department of Inland Revenue SD branch. Currently following persons may obtain the registration;

- Any person who issues insurance policy.
- Any authority issuing licenses.
- Any service provider of Credit cards.
- Any employer employing more than 100 employees.
- Any other person issuing any other instrument having regard to an impracticability or inexpediency of stamping instruments of such category, at the time and in the manner prescribed.

The compounding Authority compounding the relevant Stamp Duty is required to make the remittances to the Commissioner General of Inland Revenue quarterly within 15 days from the end of the quarter.

MODE OF PAYMENT

Taxpayers have the following modes to remit the payment;

- Affixing (Government) stamps.
- Compounding by Authorized Persons.
- Payments to Stamp Duty Account of Commissioner General of Inland Revenue at Bank of Ceylon – Taprobane Branch by cash, bank pay order or draft and getting endorsed by CGIR. (Cheques are not accepted)

PAYMENT OF STAMP DUTY ON ISSUES/TRANSFER OF COMPANY SHARES (LIMITED LIABILITY)

Issue of Shares

Following steps have to be taken in the event of issue of shares;

- Complete share issue application (3 copies).
- Get the value per share from the unit, which handles your income tax file.
- Obtain the correct Stamp Duty calculation from the relevant Officer of the Stamp Duty Unit.
- Stamp Duty payment should be made using the specified pay-in-slips available at the Stamp Duty Unit.

Provide: Pay order/Bank Draft in favour of Commissioner General of Inland Revenue with relevant document for necessary endorsement.

Note:

- If it is an issue of subscriber/initial Share Issue application has to be completed in duplicate.
- No need to get the valuation from Income Tax file for an initial issue.
- According to the New Companies Act, value per share can be determined by the Directors. Therefore, resolution has to be forwarded with Directors' signature. (Secretary's True copy not accepted).
- Original and copies of the TIN Certificate and Form 01 have to be submitted.
- If you have any other SD liability to fulfil (Eg. Rent, Lease etc) it's advisable to settle them and visit SD branch as officers will check SD on other instruments as well.

Transfer of Shares

- Complete Share Transfer application in triplicate.
- Follow the same procedures as for the Issue of Shares No. 2, 3, 4, 5 respectively.

Payment of Stamp Duty on Mortgage Bonds, Lease/Hire/Rent Agreements

- Stamp Duty should be paid before or at the same time of the execution of an instrument.
- Leases and mortgages of immovable properties should be paid within 7 days from the execution.
- Payments should be made in favour of the Commissioner General of Inland Revenue
- If the payment is made by cash, the original and a photocopy of the instrument (deed etc) with the copy of the paying-in-slip to the stamp Duty Unit should be forwarded.
- The Stamp Duty Unit will make necessary endorsement on the instrument thereon.

Transfers (including Gifts) of Immovable Properties in the Northern Province

- Stamp Duty on above immovable properties (including gifts) in Northern Provinces is payable to the Commissioner General of Inland Revenue.
- Follow the same procedures as for the Issue of Shares No. 2, 3, 4, 5, respectively.

I hope this article will enable you to understand SD in summary and as members of AAT Sri Lanka it's our duty and responsibility to educate taxpayers and public to comply with statute and help to build our nation.

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STRIVING FOR THE TRIPLE BOTTOM LINE GOING BEYOND THE SUSTAINABILITY OF THE CODE OF ETHICS - AN ATTEMPT TO STUDY ON SOME ASPECTS -



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The AAT Code of Ethics outlines certain objectives, while these assumptions are clear and correct, which when seen in the light of an organization's hither to 'bottom line' draws undeterred attention to the Financials - the performance positive or net profit.

However, when considering with the futuristic Triple Bottom Line for corporate sustainability and even survival, the former only shows a mere macro view.

A truly analytic and holistic approach would then offer a more micro dimension - this is made possible with the other two 'bottom lines' of the tripartite 'Triple Bottom Line' being given life ie Social (People) - Environmental (Planet).

Therefore, as per the Code of Ethics of AAT, certain so far latent areas touching on social and environmental aspects demand willing exposure in context of the study, as follows:

FAIR MINDEDNESS - Not to give suffering to corporate stakeholders, nor create unpleasantness through force, conflict of interest, unfair judgment, harassment, being overly stringent in dealings and reforms etc, thus giving a new dimension to the expected "fair mindedness".

INTELLIGENTLY HONEST - Not only intelligence-driven, it is also important that honesty is imperative or mandatory and vital to create and transcend sustainable and unquestionable decision-making all round.

FREE FROM CONFLICT OF INTEREST - People and subjects have to be considered first, before self-interest. No alliance relationships, camaraderie-based influences and forces that can question the presence of fair play. Fair play demands opportunity to question decisions not based on proper decision-making.

DEMONSTRATE OBJECTIVITY IN VARYING CIRCUMSTANCES.

- Members must take the role of "person for all seasons" in embracing and giving out professionalism-related matters. Such roles may range from adviser, teacher, partner, employee, employer, consultant etc. However, it is essential that in all such roles, empathy must be applied to understand the impact on matters of social and environment, their impact on roles played and so be flexible and accountable in all dealings.

IN-HOUSE EMPLOYEES PREPARE FINANCIAL STATEMENTS

- Contribute to matters of corporate financial statement preparation by way of regular data collection, co-coordinating with stakeholders to analyze data and assist in statement preparation - for all this co-ordination, co-operation, motivation etc are dependent on social inputs.

PERFORM INTERNAL AUDIT SERVICES

- As said, consider social aspects too i.e. communication, co-ordination, negotiation, mentoring - all to be conducted in a manner conducive to maintaining same status.

SERVICE IN FINANCIAL MANAGEMENT CAPACITIES

- Move up the ladder aided by continuing professional development and responsibility, when being at the helm of a department, division or organization, the resultant services expected as performance output, calls for input by social elements that must be appropriately harnessed with reciprocatory co-ordination.

EDUCATE AND TRAIN THOSE WHO ASPIRE TO BE MEMBERS OF AAT

- As disseminators of knowledge, we must ensure social and environmental aspects too are given equal importance as much as financials, as the former can be adversely affected if the other two are not adequately serviced continuously.

PROTECT THE INTEGRITY OF THEIR SERVICES

- In upholding integrity there is no room for compromising etc which can happen if members are not forthright and strong in character and mind. This can be aided by proper social conduct at all levels which in turn imparts and exudes like-type social norms.

AVOID SUBORDINATION OF THEIR JUDGEMENT

- Once careful judgment is passed on to all corporate decision-making by way of edicts, statements, views, reports etc, do not give rise to sub-ordination of all such action by instances from lesser thinking that can be influenced by social and environmental elements.

EXPOSED TO SITUATIONS WHICH INVOLVE POSSIBILITY OF WORKING UNDER PRESSURE

- These are acceptable in demanding situations; however, members pushed by pressure must not wither or be influenced by social and environmental matters that can down play the objectives of the core work.

INDEPENDENCE OF MIND

- Members must be fairly judgmental at all times. Such fair thinking then transforms and transcends into far-sighted action but they must not be belittled or down played as they contribute to social and environmental areas.

COMPETENCE

- Members should refrain from undertaking or continuing assignments which they are not competent to carry out unless competent advice and assistance is obtained to enable them to carry out satisfactorily - in all such work, advice should be sought on the social and environmental impacts.

A CASE IN CONSULTANCY

Further, members acting as consultants for client organizations must perform all attendant work with focus on the social and environmental aspects of the client's business with special emphasis on storage / warehousing and general logistics areas.

Inputs and outputs of Logistics areas are so labour and equipment-intensive, it pays much to concentrate on them if a model triple bottom line study is to be conducted.

Inbound Logistics is the entire set of physical activities and Material Handling Equipment (MHE) involving the receiving of goods and materials from suppliers to the client organization. The social inputs in this exercise are the motivation of the sub-ordinates to work in required strength at right time as willing workers - contributes to this are basic refreshments, personal safety wear, appropriate material handling equipment to ensure safe working conditions, right Cadre, work times etc while the environmental factors that can contribute to the triple bottom line are material handling equipment that conform to environmental requirements and standards that are free of oil leaks, fumes etc that are harmful to persons.

Goods and materials that are stored in stores or warehouse must be periodically checked for expiry dates to ensure goods are don't go obsolete and be harmful to unsuspecting customers. In this concern, staff must be trained to identify and withdraw such obsolete stocks from shelves etc

Outbound Logistics is the picking of required goods and materials as per pick lists or invoices from racks, shelves and other storage locations at the required times. Such picking requires the willing worker attitude to keep to loading schedules and timelines and avoid damages etc in a first-in-first-out practice. Such loose cargo, if any, then will have to be brought to the staging area for consolidating, packing and storing on tertiary packing of corrugated and wooden pallets.

All packing - primary, secondary and tertiary, must be made of environment certified raw material per ISO 14000 standard, as much as the environment that stores such stock which too must be to preferred standards ; the absence of such standards can make both the raw material and finished goods sub-standard which in turn is a loss to the organization thus affecting the financial bottom line.

Client company's material handling equipment too must be properly maintained to rule out ill-effects that can be detrimental to the environment smoke, oil leaks etc that are costly by way of losses to stock, productivity etc that affects the financial bottom line.

The Financial, Social and Environmental bottom lines are all partners and stake holders to the end corporate objective - therefore, if one or two, fail, then the financial objective or the bottom line fails.

STORAGE - STOCK HOLDING COST (SHC)

A highly debatable topic, the Stock Holding Cost is at times taken as a fixed 5 % which has not seen a welcome change for years. It is also known that most private corporate considers only the bank borrowing interest % for working out Costs.

However, when developed countries take it today at a more realistic 15 - 25 % per annum even with the state-of-the-art warehousing storage-related areas, in developing countries like Sri Lanka, a figure < 35% per annum SHC is a healthier indicator.

Due to the lack of awareness of this importance input which should be controlled with knowledge, organizational financial bottom line suffers. To arrest this situation, it is vital to control the factors covering the Stock Holding Cost.

Here, it is very interesting to note, some of the seven areas covering the total Stock Holding Cost are based on Social and Environmental factors.

THE STOCK HOLDING COSTS (SHC) - all values are based on a calendar or financial year.

1. Purchasing - 20 % of annual purchases
2. Storage / Warehouse space rental for the same year
3. Stock insurance premium for same year
4. Obsolescence of goods in storage for that year
5. Electricity bills paid for same year
6. Water purchases for same year
7. Cost of Stores / Warehouse manual workers for same year.

Note; The total of all above seven factors must be divided by the average monthly purchases for same year (divide number 1 of above by 12).

The resulting value is the Stock Holding Cost percentage.

Therefore, in order to reduce the SHC, above seven factors must be controlled effectively as well as facilitate social and environmental conveniences that contribute to employee willing co-operation.

The areas covering social and environmental areas are;

2. Storage / Warehouse - The ventilation required for sufficient air flow facilitates the required working environment for willing worker.
3. Stock Insurance - By investing in the most effective automatic fire sprinkler system, the client ensures fires does only the least damage to goods and property thereby minimizing pollution and other attendant situations that can cause environmental hazards.
4. Obsolescence - Right time identification of obsolescence gives the opportunity to save goods and material from getting obsolete and thereby causing environmental hazards and possible monetary losses to organization as much as right time disposal of obsolete goods and material rules out possible environmental harm to other stock.
5. Electricity - By fixing and using the appropriate lighting / brightness as per recommended lumen / lux point for different stores / warehouse locations and operations, possible adverse environmental effects and hazards are controlled. Further, proper lighting also facilitates an employee friendly working condition that addresses social aspects.

May this attempt to study the effects of social and environmental areas on stores and warehouses as well as some aspects of the AAT Code of Ethics serve as a beginning to further better studies.



AAT Sri Lanka Toastmasters' Club conferred "Golden Gavel + Award" for the Second Consecutive Year

The most prestigious out of the Toastmasters' Club awards, **Golden Gavel +** has been conferred to AAT Toastmasters' Club at "Ovation 2015", Annual Conference 2015 for the second consecutive year. The opening ceremony of this Conference was held on 22nd May 2015 at the Bandaranaike Memorial International Conference Hall (BMICH), Colombo.

Numerous criteria have to be met to qualify to apply for the Golden Gavel + Award including Club Success Plan, detailed report on membership renewals, detailed report on Membership Growth and Publishing of Newsletters on time etc.

AAT Toastmasters club was established on 30th June 2009 with Charter President, DTM G.G.L Aponso. It is now strong with a 34 active member population, enriching the Association with their expertise.

CAREER DEVELOPMENT: SOFT SKILLS



Thamara Indika Ranasinghe
FMAAT, ACA, ACMA (UK), B.Sc. (Busi. Admin) Sp.



Time Management

Have you ever wondered why some people manage their time effectively while others rush from one to another and struggle to finish anything? It all depends on how well you manage your time.

Time management is an essential soft skill that one should possess to ensure that his targets are achieved. Certainly, it is an art that you should master in your day to day life. This article will address some of the important aspects of Time Management. It's so important that time management develops your soft skills effectively as you will always face difficulties in balancing conflicting demands. Say, manage your time between your work life and personal life, or may be even during a typical busy working day. So it is clear that if you are not a good manager of your own time your life will be stressful and obviously you will not perform to your maximum capacity.

Let's take a look at some of the facts about effective time management that improve

productivity of personnel. Here, the only trick is to organize your tasks and use your time effectively to get more things done each day. This can help you to reduce stress and do better at workplace. Time management is a skill that takes time to develop and is different from person to person. You just need to find what works best for you. Use few strategies listed below for a few weeks and see if it can help you.

1. Delegate Tasks:

In today's competitive world, it is not unusual for us to accept more tasks than our desired potential. Surely, such a situation would burn you out unless you find an alternate way to cope up with the situation. One way of easing out such a stressful life is "Delegation." Delegation does not mean that you are running away from your responsibilities. Rather, it is a smarter way of getting things done from others depending on their personal skills and abilities.

2. Avoid Procrastination:

Watch out for “Procrastination”! Procrastination is one of the things that badly affects productivity. It can result in wasting essential time and energy. It should be avoided at any cost. It could be a major problem in your career or in your personal life especially if it is a very urgent and most important task.

3. Schedule Tasks:

Always carry a planner or notebook with you and list all the tasks that come to your mind. Make a simple ‘To Do’ list before the start of the day, prioritize the tasks, and make sure that they are attainable. To manage your time management skills, you may consider of making 3 lists: work, home, and personal.

4. Avoid Stress:

Other than delegation of work there are various ways in which we could reduce stress. When stress level strikes you, your body will start feeling tired and eventually productivity will go down. So why not set-a-side some time for relaxation and reduce stress?

5. Set up Deadlines:

To achieve any target there should be clear, realistic and specific deadline. Otherwise, you will lose control over your expectations. Challenge yourself and meet the deadline. When you reach a deadline do not forget to reward yourself as well.

6. Avoid Multitasking:

Even though you are competent that you can take part in more than one task at a time, it may be at the cost of accuracy and focus! Many of us believe that multitasking is an efficient way of getting things done but the reality may be that we do better when we focus and concentrate on one thing. In other words, multitasking obstructs productivity and should be avoided as long as possible to improve time management skills.

7. Start Early:

This is not a new technique, though most of us do not follow properly. Try and start your day as early as possible. Successful men and women have one thing in common. One thing is that they start their day early as it gives them time to sit, think, and plan their day. Needless to say that when you get up early, you are more calm, creative, and clear-headed on the other hand. When the day progresses, your energy levels start going down which affects your productivity and you don't perform as well.

8. Take Some Breaks:

Between major tasks find a time for a short break. Say, when you find yourself 10-15 minutes, take a break and

start fresh after the break. Take a walk, listen to some music or do some quick stretches etc. wherever it appropriate. The best idea is to take off from work and spend time with your friends and family.

9. Learn to say No:

This is something that many of us are reluctant to do, say NO to your boss. Of course this has to be handled with care and it largely depends on the situation. Politely refuse to accept additional tasks if you think that you're already overloaded with work. Take a look at your “To-do list” before agreeing to take on extra work.

Once you are contented with the above techniques, you can make use of the following structured matrix to maximize results in time management.

Workout for your own Prioritized matrix:

Maintaining a “To-do-list” is a common technique that we all know. Let's have a closer look at a more structured form of a priority list.

To start with, list down all the tasks that you need to fulfil during the day.

Priority Matrix

How important is the task?	High	Do it Now	Do next!
	Low	Do later!	Don't do!
		High	Low
		How urgent is the task?	

Then, carefully analyze your to-do-list and position your activities in the above matrix. Really this is a very useful technique that can be used to identify the tasks that need your immediate attention based on the level of importance and urgency. Moreover, this method will guide you to recognize the tasks that need to be completed on same day itself while other unimportant tasks could be carried forward to later time and so on.

There are no specific rules to follow when you make use of the above matrix, rather you have to develop your own way of implementation which would suit for a given situation and desired activities.

We believe that the above approach would enable you to enhance the effectiveness of time management. In the next article we will cover another area of soft skill development that would enable you to shine from others.

This is the second of a series of articles on Career Development. Next article will explore further essential soft skills that should be in the bag.

You can contact the writer, Thamara Indika Ranasinghe at “thamaraindika@yahoo.com”



Nalin Attygalle

Past President,
Sri Lanka Institute of Marketing - SLIM

Can Baby Boomers and Top Corporate Executives Survive in the 21st Century?

Globalised economy with highly sophisticated equipments are roaming around in the market place and baby boomers (born in the post 2nd world war era up to 1964) are in the driving seat of all the top corporate bodies. Many baby boomers that hold top positions are not lined with the marketing, operations & management advances taking place fast in the market place due to technological innovations, practices and methodologies. I am not arguing that, it is a bad situation but we need to be aware and ready with our analytical hat to re-visit our own performances. We do strategic plans for 3, 5 and may be for 10 years for organizations. Sometimes, do value additions every 5 years to available plan. Do we consider the most critical factors in our planning with environmental (global developments) scan? What is the speed of technological advancements? Are our employees ready to accept the change? Strategically, where are we today? These are some of the biggest questions, which need to be addressed to survive in the future. World is changing fast and we need to look at the big picture.

In macro corporate management perspective, some food for thought to begin with, 'life expectancy is increasing by about 1.5 days a week at the moment and more than half of all the people who have ever turned 80 are still alive'. I am sure that western world/ developed world and high end market places, are taking all new research findings into consideration, when developing plans. In our part of

the world, especially in the Sri Lankan context, where do we stand with these rapid changes and do we give due consideration to these factors in order to be prepared. I am sure that most of us will live for another 10 years to realize and see these fast changing developments with our own eyes. Ignorance of these robotic advancements may result in economic down turn of the country. As per the saying 'Never too Late', Sri Lanka must look at the big picture and be prepared.

BABY BOOMERS

The fact remains that, by 2025, 63% of the world population will be over the age of 65, as per the prediction of the World Health Organization. Today, age of 51 to 69 categories (baby boomers) are the decision makers of corporate boards who are driving the organizations. Well and good on the face value of these companies which are doing a good job of work. They are on the stock exchange, paying dividends etc. Is this performance good enough? Why can't we do more? are those Chairmen and CEO's performing as they should perform? These may be very controversial and antagonizing statements but the fact remains that we are entering into an era that is growing in the split of a second speed with an ageing society. Today's research findings indicate that, 25% of the company's growth is a Chairman/CEO's responsibility. Therefore, there is a direct co-relationship of baby boomers efficiency and effectiveness towards the company's growth.

The basic explanation of product life cycle is a classic example and how the product re-positioning has occurred in the past and we all enjoy the most advance equipments as a life style and convenience. In this context, we baby boomers must understand that we too need a re-positioning ourselves in a different mode since we are human beings. Then these people should be able to survive at least for a short span in this highly competitive global village. Just think and look at the smart phone and internet industry, which will control most of our present activities from your finger tips

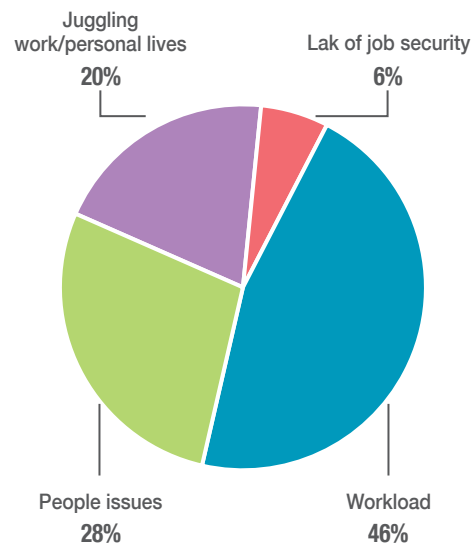


Today mostly discussed subject is chronic corporate stress which is causing cognitive decline and nerve cells degradation. Once you start loosing of your acquisition of knowledge, basic functional unit of the nervous system, dreadful conditions and chronic stress which are obviously associating with the age, any such persons very badly need attention to avoid being hospitalized. Top corporate leaders must ask from their own heart with regard to corporate stress which causes cognitive decline and neurons degradation. Danger zone in this situation as a corporate leader is twofold. Firstly, personal life to avoid bed ridden/hospitalized person and secondly, corporate decision making process as a leader in judgment, decision making, risk taking, financial evaluations etc. In both situations you lose money/profits. Therefore, all baby boomers are facing this challenge of how to avoid or manage corporate stress.

which is expected to be a \$19 trillion market by 2020.

While these spilt of a second developments are taking place around you, health care business is booming. In the Sri Lankan context, it is very difficult to get a bed in a hospital whether it is public or private. What is happening around us? What would be the percentage of corporate executives patronizing these hospitals for treatment or medical checkups?

Main Causes of Stress



Source EAP provider ComPsych's first half of 2006 StressPulse Survey.

We are humans and therefore, unlike products or services, how do you address the issue of re launching the human beings, who are engaged in corporate affairs and similar situations.

During my corporate training programmes, I used to stress the point that, 'in decision making, never allow your heart to over take your brain. This gives the clue that human re positioning treatment, rather approach, should be given to which part of the body. It is one of the most important human parts of your body-the Brain. Stimulating the identified sections of the brain nerve cells will be the answer which is possible today. You need to be wise in obtaining this treatment/advice with the relevant experts in the respective field. Baby boomers should be able to march another extra mile with the right treatments.

Are you the Executive on the Chopping Block?

21st century executives must think and act in a strategic way to save their respective jobs due to very sophisticated mechanization which is challenging the human capacity/capability/performance. On the other hand, these machines

are creations of human beings but the circumstances are such that corporate profitability is surpassing the human emotions. In other words, this is technological unemployment.



This situation is nothing new to the researchers, but an evolving situation since the last few decades. It is a known factor, there is a reason to believe that unlike those previous times, we are entering into an age where people will work less. If I may quote the author Martin Ford's recent book "Rise of the Robots" he says, 'New artificially intelligent machines are not so much tools to improve the efficiency of works but really are tools to replace workers themselves. He goes on to say that, 'economists tend to dismiss robotization as just another forum of "creative destruction". In other words, robots may displace some workers for a while before they also create new kinds of jobs. It appears like a disaster but you must remember that 'every disaster, there is an opportunity as well'. In this scenario, the job market is being created for a people who can build robots.

This reminds me of the famous management Guru Peter Drucker who once said, "Innovate or Die". We all know that today, machines can diagnose cancer, trade stocks/replace wall streets, write sports articles, flip burgers, perform

complex office tasks, write music etc. Therefore, we need to understand the lightning speed of the global developments may result in robots going to take over your jobs.

It is the known fact that, in the last two centuries, we noticed two significant changes in the global labour market; firstly we stripped the agricultural sector of workers and we did the same to manufacturing sector. What would be the next sector?

Eventually this process will begin to strip the white-collar workers. Changes will take place soon, that's not too far and predictions are that within the next 10 years some of the hottest jobs of today could be obsolete. Let me justify my statement. Global research studies are predicting that good 20% of today's full time employees will be working on demand. Top corporates prefer to out source or get freelancers which is more attractive on the bottom line. So, many jobs that look lucrative in 2015 will be in the diminishing path towards 2025. Watch whether you are on the chopping block!



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Ruwan Jayaratne

Chairman

Best Annual Report and Accounts Award Committee



Developing the Quality of Descriptive and Financial Reporting of National Schools: A Major CSR Project

AAT Sri Lanka that came into being in 1987, with the core objective of producing personnel at the middle level of the accountancy profession, had an ongoing concern with the enhancement of the standards of accounting practice. In addition to development of curricula, revision of syllabi and prescribing practical training from time to time, the concept of a competition for presentation of Best Annual Report and Accounts of National Schools emerged in 2008. This was considered as an ideal activity to plant principles of transparency and accountability at grass root level. Welcoming the concept, the Ministry of Education collaborated with the project and supported coordination with the school network to organize the event.

AAT members are no doubt aware that CSR projects have been made mandatory by company law to prevent businesses making enormous profits without any contribution to social welfare. Though a not for profit organization, AAT Sri Lanka has, nevertheless, fulfilled this statutory

obligation with a CSR Project of high magnitude because it enriches enhancement of standards of accounting and good governance practices leaving behind a solid conceptual structure in the minds of the student population, a major target group of the Association.

The Best Annual Report and Account Competition has been held consecutively for the last 7 years from 2008. All 350 odd national schools of the island are eligible to participate. These schools were divided into two categories based on the number of students below and above 2000 for awarding of prizes.

It is happy to see that Best Annual Report and Accounts Award Committee who has the responsibility of conducting the competition has been tremendously contributed to success the competition year by year. There has been a gradual growth in the number of schools that participated in the competition as shown in the table 1. Below.

Table 1: Analysis of Participation of National Schools in the Competition

Table: Growth of Participation in the Competition

Year	No. of Schools Participated	Year to year Increase / (Decrease)	Cumulative %
2008	114	-	0%
2009	136	19%	19%
2010	187	(11%)	57%
2011	166	11%	46%
2012	185	11%	57%
2013	210	14%	71%
2014	254	17%	88%

Source: B.A.R. & A.A. Competition Publications

The competition has been conducted in a transparent manner. Written guidelines have been issued to each participants free of charge followed by technical workshops to explain the procedures both in Colombo and in major cities covering the whole island. A opening and closing dates had been specified to file entries. Evaluation of reports has been done by competent independent panels for selection of winners maintaining confidentiality under the scrutiny of governing council of AAT Sri Lanka as well as Ministry of Education.

The committee for year 2014 / 2015 has contributed a lot by introducing the key performance indicators (KPI) to the completion (1) to reduce the rejection rate of report from 48% (average) to 80%, (2) Quality of the financial reporting should increase in par with the Sri Lanka Accounting Standards (SLFRS) issued by CA Sri Lanka, (3) Increase the Number of participation through dissemination of technical knowledge and good governance practice awareness to 90% of the national school population.

Further, in order to achieve the above KPIs, the committee has invited to all member strata to take part in the dissemination technical know-how to produce a quality annual report.

Some of the comments made by prize winners regarding the competition are worthy to mention in this article for information of members.

"The foremost responsibility of a school is to mould and produce multi-talented intellectuals to the society The Annual Report reveals the reality regarding effective and efficient consumption of time human and physical resources This competition by AAT Sri Lanka contributes to further development of the school" – Principal, Devi Balika Vidyalaya – all island Joint Gold Award 2013.

"The whole purpose and education is to turn mirrors into windows... Though we consider this a competition it is a retrospective identification of the weaknesses and drawbacks..... We are in debt to AAT Sri Lanka for conducting the competition..." – Principal, Royal College, Colombo – all island Joint Gold Award 2013.

"This competition benefits the school administration to present accountants with much reliability appreciated by the school community We appreciate and acknowledge the AAT and Ministry of Education for allowing us for presentation of creativity, clarity and reliability..." Principal, Girls' High School Kandy – Silver Award Winner – 2013.

"In participating for this competition we have gained a lot of experience and insight in the way school manages its resources – strategic plans for the future in a more dynamic and responsive manner..... we congratulate AAT Sri Lanka...." Principal – Visakha Vidyalaya Colombo – All island bronze Award – 2013.

The intention of this article is to enlighten "In Search" readers of the above CSR Project launched by AAT Sri Lanka in 2008 considering its importance. It is desirable that members should be aware of important activities undertaken by the Association. "In Search" the members' journal is perhaps the best media to update members of such activities.

AAT BUSINESS SCHOOL

"Your Success Story defines Us"

AAT Business School, a strategic business unit operating under the Association of Accounting Technicians of Sri Lanka, with the mission of broadening the career pathway of AAT Students, Passed Finalists, Members and other professionals, is committed towards enhancing competencies and recognition of those seeking individual development. Resultantly, a number of unique programmes aimed at developing skills particularly in Management, Information Technology and Communication, have been initiated and successfully carried out over the years. The courses designed and conducted by experts in the respective fields, currently attract those from Government, Private and other corporate sectors.



"I wanted to learn QuickBooks but had no idea where to begin. That's when I saw an advertisement on the AAT News Letter, applied straight away and began attending classes at the AAT Business School. The course wasn't limited to QB, but also included MYOB and Tally ERP, packages commonly used within companies. The lecturers were very helpful and informative. We were given the accounting softwares allowing us to revise at home. Unlimited practical hours in the in-house computer lab particularly helped students with limited access to computers at home or work. I've shared my knowledge with others, who have benefited largely when working for companies which use these packages for their internal accounting systems. So I highly recommend this programme as it is an investment which'll facilitate you to excel at your place of employment".

Dulanjali Abeykoon

PA to the CEO/ MD cum Assistant Manager Finance
J.R. International Pvt Ltd.

[Computerized Accounting for Small and Medium Sized Enterprises]

"It's my privilege to express few views about AAT Business school as a student. In order to get first class education on added qualifications and skills, AAT Business School is the most appropriate place to start! I spent more than five months in the business school and that was an absolutely unforgettable period in my life. AAT business school is not only professional in teaching but also good at taking care of its students. While studying at AAT Business school, I grew as an individual, learning to interact and talk to people from different fields and backgrounds. The friendly management environment and the facilities at the business school are impeccable and variety of services available made me always feel well supported."

Najiya Ibrahim - Student

[Course in Window Based Applications]



"My experience with AAT Business School training programs was truly fulfilling. I got the opportunity to learn new things which improved my knowledge, and will help in my career. I feel the AAT Business School is providing a good service to students and professionals equipping them with knowledge and skills required to succeed and meet their multiple demands in the workplace. The courses offered are fully satisfying with required learning materials and techniques. I enjoyed being with the Business School and hope to continue even in the future."

Kalaivanee Rajkumaran Student

[Course in Window Based Applications; Course in Computerized Accounting for Small and Medium Sized Enterprises; Workshop on Advanced MS Excel for Data Analysis; Effective English Communication]



"The classrooms were learner-friendly environments, and I was really impressed with the service, follow-up and the culture of the AAT Business School. I strongly recommend this programme to those who are making managerial and strategic decisions as it will enhance their knowledge and support the next decision they make for the company."

Isuru Abeykoon
Creative Director- COMRE Pvt Ltd
[Management Development Programme]

"Coming from a HR background I learnt much from this programme including knowledge in other business disciplines. It helped me to understand other functions of the organization better. We received great support from the respective lecturers, as well as the AAT Business School staff. Ultimately it created a batch of students with knowledge and cohesiveness"

Pushpika Fernando
Human Resources Executive- Ceyoka Pvt Ltd
[Management Development Programme]



"As a Professional in the finance sector this programme gave me a practical insight of different areas in corporate bodies with lectures that were very informative about each aspect of business. Would definitely encourage others to follow this programme and develop their management skills."

Pasindu Jayarathna
Audit Trainee Senior - Ernst & Young
[Management Development Programme]

Widening the academic career pathway leading to greater recognition...

Along with 7 skills enhancement programmes towards Continuous Professional Development of our members namely,

- The Management Development Programme (MDP) – 15 CPD Credits
- The Course in Taxation (TAX) - 15 CDP Credits
- Course in Window Based (Microsoft) Applications (CWA) – 10 CPD Credits
- Course in Computerized Accounting for Small and Medium Sized Enterprises (SMEs) - 10 CPD Credits
- Workshop on Advanced MS Excel for Data Analysis (ADX) – 3 CPD Credits
- Effective English Communication for Accounting and Management Professionals (ENG) – 5 CPD Credits

we also offer one day workshops and other customized programmes particularly catering to growing demands of corporate entities.

This year, we are excited to offer a Higher Diploma in Accounting and Finance (HDAF), together with the National Centre for Advanced Studies (NCAS). This one year HDAF will provide a sound basis on theoretical concepts and techniques of accounting, finance and management. This stand-alone qualification will equip participants with the knowledge and skills required to progress to senior level positions within business organizations, whilst paving the path towards obtaining recognized bachelor's, postgraduate and professional degrees.

Furthermore, AAT Business School is currently laying the groundwork to initiate a Diploma in Auditing and a Diploma in Taxation for those seeking to obtain extensive knowledge and industry expertise in the respective fields. We will continue to identify and support the professional aspirations of our students, and together embark on a journey towards professional excellence.

AAT Sri Lanka enriches Professional Accountancy Education awarding certificates to Passed Finalists - 2015

The Association of Accounting Technicians of Sri Lanka had its Passed Finalists Certificate Awarding Ceremony on 3rd and 4th June 2015 at the Bandaranaike Memorial International Conference Hall, Colombo. On 3rd June 2015 Hon. Patali Champika Ranawaka, Minister of Power and Energy was invited as the Chief Guest while Mr. Lasantha Wickremesinghe, Vice President, CA Sri Lanka was the Guest of Honour. On 4th June 2015, Mr. P G Kumarasinghe Sirisena, Chairman - Sri Lanka Telecom PLC was the Chief Guest and Mr. Sujeewa Rajapakse, Managing Partner - BDO Partners and Immediate Past President of CA Sri Lanka the Guest of Honour. Out of 1700 Passed Finalists, 850 were awarded certificates each day. This stands out as the largest number qualifying to become middle level accountants of the country.

AAT Sri Lanka has been engaged in educational activities since 1987 to meet the demand for middle level accountants. In the process, AAT Sri Lanka has offered momentous service by offering a well-recognized professional qualification used in financial management of organizations in industry both in the public and private sectors in the country especially in small and medium size Enterprises.

Over the years the association has expanded its wings and grown and the students have become passed finalists and recognized as professional members in various sectors of the economy ensuring transparency, accountability and good-governance.



Celebrating New Year with AAT

AAT Sri Lanka celebrated the Sinhala and Hindu New Year-2015 with AAT members on 26th April 2015 at the Fingara Grounds, Raththanapitiya. Several events and games had been organized for AAT members, and Staff and their families with no age limitations. The AAT Members' Welfare Committee organized this Sinhala and Hindu New Year celebration for the first time in the AAT History.

Mr. Lalith Fernando, President, Mr. J.M.U.B Jayasekera, Vice President and other council members and the AAT staff participated at this event in an atmosphere full of excitement, fun and brotherhood.



VISHAKIANS WIN “THE DEBATER WITH AAT”



The Grand Finale of “The Debater with AAT” was held on 6th February 2015 and telecast live on Sirasa TV. The Final battle took place between Vishaka Vidyalaya, Colombo and Dharmaraja College, Kandy and Vishaka Vidyalaya emerged champions. The debate topic of the grand finale was “It is necessary to completely abolish the Executive Presidency”, a timely topic proposed by Dharmaraja College, Kandy and opposed by Vishaka Vidyalaya, Colombo. Prabashini Gunathilaka was awarded the “Best Debater” and was gifted with Rs. 50,000 and a free scholarship of AAT worth Rs. 25,000. Winners were gifted with Rs. 500,000 and Dharmaraja College, Kandy walked away with Rs. 250,000. Both schools were given Rs. 250,000 worth of scholarships each.

Inter-school debating competition, another CSR project of AAT Sri Lanka was organized with a view to shape the listening, speaking and debating skills of the students around the country. AAT Sri Lanka, being the main sponsor is engaged in producing middle level accountants to the country over two and half decades consistently.



AAT BUSINESS SCHOOL AWARDS - 2014

The Certificate Awarding Ceremony of the AAT Business School was held on 18th March 2015 at the AAT Sri Lanka Auditorium, recognizing the efforts and accomplishments of its alumni. The Chief Guest, Mr. Kishu Gomes - Managing Director/CEO of Chevron Lubricants Lanka PLC, awarded certificates to over 200 students who successfully completed programmes in Management, Information Technology and English Communication conducted by the Business School.

AAT Business School was officially inaugurated on the 22nd of January 2014 by Mr. Warren Allen, the President of The International Federation of Accountants (IFAC),

2012-14. Committed towards enhancing competencies and recognition of those seeking individual development, its mission is to provide the students a successful career pathway to become competent Accountants and Management professionals. The Business School offers a number of unique programmes, designed and conducted by experts in the respective fields, using interactive and diversified teaching methods within stimulating learning environments. AAT Business School continuously strives to empower aspiring professionals of the country, creating a sustainable pipeline of competent future leaders.



AAT SRI LANKA OPENS UP AN INFORMATION CENTER IN THE EASTERN PROVINCE

Continuing its expansion of branches at regional level to produce Middle Level Accountants, in order to cater to the increasing demand AAT Sri Lanka opened up an information Centre at Ampara, through the District Chamber of Commerce, Ampara.

Mr. Lalith T. Fernando, President AAT Sri Lanka declared open the AAT Sri Lanka Ampara Information Centre on 14th June 2015 at No.D.731/3 Kandy Road, Ampara.

The new Centre offers opportunities to students and members to obtain information, materials and all AAT publications under one roof. This would specially help those from the region who seek knowledge in accounting to step into the accounting profession.



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AAT SRI LANKA
Annual Conference 2015

“Fast tracking financial success”

AAT Sri Lanka Annual Conference 2015

The **13th Annual Conference** of the Association is scheduled to be inaugurated on **12th October 2015** followed by the Technical Sessions on **13th October 2015** at **Hotel Galadari**, Colombo on the theme **Fast tracking financial success**.

The timely theme of AAT Sri Lanka Annual Conference is **enriched with 4 technical session deliberations** namely;

- Business model innovation
- Practical steps to professional conduct
- Lead, communicate, negotiate: your path to success
- Lean management in the age of agility



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Cricket Encounter - 2015

AAT Sri Lanka Annual Cricket Encounter 2015 organized by Members' Welfare Committee for the 6th consecutive year, was successfully held at Shalika Grounds, Narahenpita, Colombo 05, on 20th June 2015. The main objective of organizing the tournament is to build up Unity, Harmony and Social Interaction among AAT Sri Lanka members.

AAT Sri Lanka Members' welfare A Team and Members' Welfare B Team qualified for the grand final and The Members' Welfare-A Team emerged champions of the tournament. The performance of the following members was outstanding.



Man of the Series – Mr. Nirmal Kosala (Members' Welfare C)
Man of the Final – Mr. H.L.P.D Abhyasinghe (Members' welfare A)
Best Batsman – Mr. Viranga Kasun (Members' Welfare A)
Best Bowler – Mr. P.P.M Kumara (Members' Welfare A)



Sunil Wanigabadu

President - AAT Members' Benevolent Society

THE ASSOCIATION OF ACCOUNTING TECHNICIANS OF SRI LANKA MEMBERS' BENEVOLENT SOCIETY

Life is filled with uncertainties. And misfortune often strikes without warning, causing deep sorrow and distress to victims and their loved ones. In these sad and dire times, Oh! For a hand that'll help bring some relief.

Such a helping hand will come the way of members of AAT Sri Lanka when the **Benevolent Society of the Association of Accounting Technicians of Sri Lanka** will be launched on 01st June 2015.

The objective of the Benevolent Society is the creation of a fund to lend-a-hand to needy members so as to help members and their families in need of financial and moral support which in turn will help foster fellowship among members.

Among the benefits accruing to members are financial relief in times of sickness and distress; donation to family in the event of a member's death and several other relief measures.

All members of AAT Sri Lanka, irrespective of age, are eligible to apply for Benevolent Society Membership. **Enrolment fee: Rs.250/-; Annual subscription: Rs. 1,200/-.**

In addition to subscription, Members of the Society are entitled to make contributions of a voluntary nature in such amounts and at such times as they think fit.

The contributions of members will be an investment akin to a Savings Deposit, which is repayable together with the interest accrued at any time should the member so request.

Some of the main features are:

TRUSTEES

The President of AAT Sri Lanka
The Vice President of AAT Sri Lanka
The President of the Benevolent Society (AATSLBS)

THE COMMITTEE OF MANAGEMENT

Mr. Sunil Wanigabadu – President
Mr. Ruwan Jayaratne – Vice President
Mr. Dayal Abhayasinghe – Secretary
Mr. L. D. Chandralal – Treasurer

Additional seven Committee Members to be elected.

RELIEF TO MEMBERS

- (1) Relief in the event of death of member (Legal nominee shall be entitled)
 - a) Total amount standing to the credit of the deceased member's account on the date of such death.
 - b) Insurance claim
 - c) Account of every member of the Society shall be debited with a sum of Rs. 100 and the total thereof credited to the account of the deceased member and paid out.
- (2) Relief in necessitous circumstances (in the case of a member seeking relief from the Society in necessitous circumstances)
 - a) An amount not exceeding 99% of the total amount standing to the credit of such member's account on the preceding 01st January.
 - b) The account of every other member of the Society shall be debited with a sum of not more than Rupees Fifty Rs.50/-) and the total thereof credited to the account of the member seeking relief and paid to such member.
- (3) Reimburse the Medical Expenses
To reimburse the medical expenses of a member of the Society according to the Insurance Policy and determined by the Management Committee.
- (4) Healthcare and Motivational activities for members.
- (5) Future Expansions.
Loan relief in necessitous circumstances.

Dear Member, Management committee has decided to wave of Joining fee and 50% of subscription from First Members of the society. If you need any clarification please contact Membership Division

"BE A MEMBER OF THE BENEVOLENT SOCIETY OF AAT SRI LANKA AND SHARE YOUR GRIEVANCES AMONG US"

FORM "A"

Date:

The Committee of Management
AATSL Members' Benevolent Society
No. 240, Ven. Muruththetuwe Ananda Nahimi Mawatha
Colombo 05

Dear Sirs,

APPLICATION FOR BENEVOLENT SOCIETY MEMBERSHIP

I being a member of the Association of Accounting Technicians of Sri Lanka do hereby apply to become a Member of the AAT Sri Lanka Members' Benevolent Society, and agree to be bound by its Constitution and by all directives of the Committee of Management issued from time to time in accordance with the Constitution.

NAME OF APPLICANT:

DATE OF BIRTH:

NAME AND ADDRESS OF LEGAL NOMINEE IN THE EVENT OF DEATH:.....
.....

I hereby agree to pay Rs.....annually or Rs.....monthly as my contribution.
Iamsendingherewith.....BankChequeNo.....
for Rs.....being my enrolment fee of Rs. 250/- and months/year's contribution.
Please acknowledge receipt.

I also undertake to maintain a satisfactory account to be eligible for insurance benefits.

WITNESSES

NAME

SIGNATURE

(1)

(2)

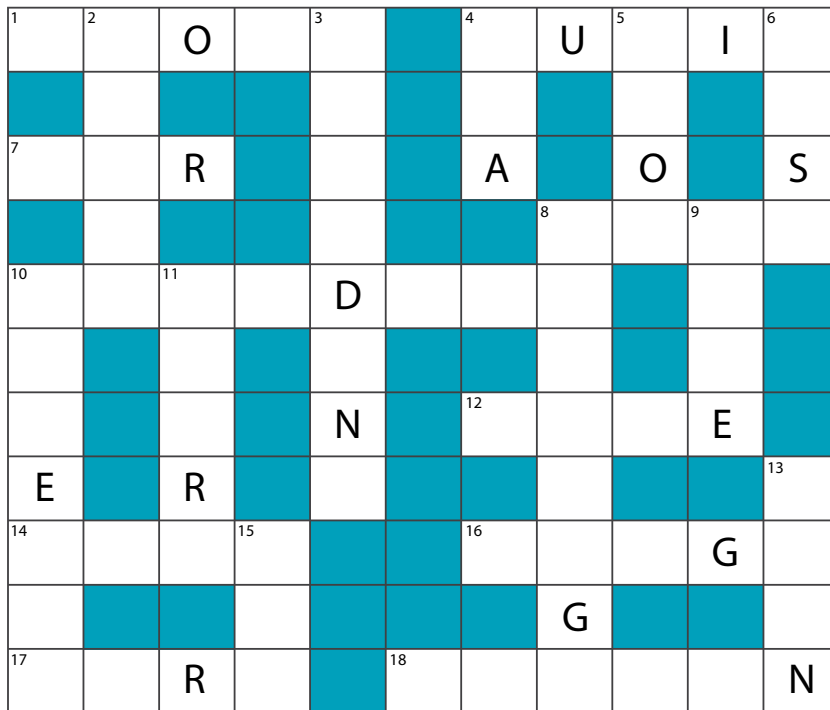
(Witnesses should be members of the Society)

NOTES: Annual subscription Rs.1,200/- and Enrolment fee Rs. 250/=. Your contribution could be paid annually.

Please write cheques in favour of "AAT Sri Lanka Members Benevolent Society" and cross "A/C PAYEE ONLY"



AAT SRI LANKA Crossword Puzzle June 2015



RULES

- Mark as "AAT CROSSWORD PUZZLE 2015" on the Top (Left Side) of the Envelope addressed to Membership Division
- Send before the end of September, 2015
- Entries using original grid detached from "InSearch" only entertained

PRIZE

- A valuable gift for the winner

Contact Details:

Name:

Membership No:

Mobile:

E-mail:

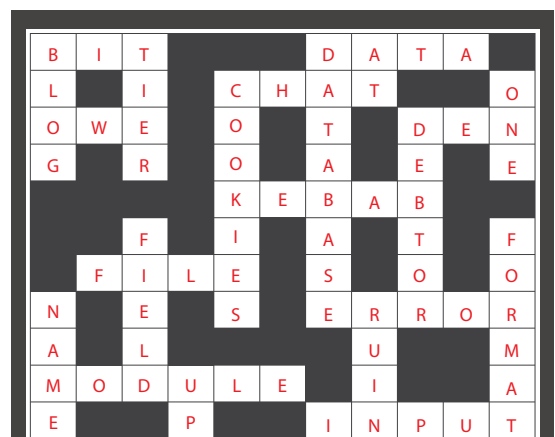


Across:

1. A type of computing without having local servers or personal devices to handle applications
4. an artistic form of auditory communication incorporating instrumental or vocal tones in a structured and continuous manner
7. Same level
8. Analysis of the general and competitive organizational environment
10. An individual who is physically in Sri Lanka for 183 days or more during any year of assessment
12. This tax is deducted at source
14. Requirement
16. This is an integration strategy
17. A currency used in the world
18. Somebody who is not trained or expert in a specific area

Down:

2. One method of financing
3. The share of profit from a company to its stockholders
4. A master's degree in business
5. not moving quickly
6. Total spent for goods or services
8. An elaborate and systematic plan of action
9. On one occasion
10. The entire amount of income before any deductions are made
11. The capital stock of a company is divided and ownership of which is evidenced by a certificate
13. Intense or sharp
15. Two items of the same kind



Crossword Puzzle December 2014

Winner

Membership No : LM 7565

Name : Mr. T.D.S.L Perera

Contact AAT Membership Division to collect your gift



ACCA offers an initial registration fee waiver to all AAT graduates!

**SPECIAL
REGISTRATION
OFFER!!**

Contact 2301920/ 0773874247

**The sky's
the limit.**

Think Ahead

ACCA

**Your sky.
Your limit.**

*Conditions Apply

10%

Discount
VOUCHER



*Conditions Apply



Browns

HOTELS & RESORTS



The Paradise Resort & Spa

- Deluxe Rooms - 16,000 per night for a DBL room
- Superior Duplex Rooms - 23,000 per night for a TPL room
- 28,500 per night for a QDPL room

*Conditions Apply

Offer is only valid from Sept 1st - Oct 31st



**Jetwing
HOTELS**

50% Discount at Amaloh by Jetwing or Yathra by Jetwing
Travel Period & Validity : July 2015 - October 2015

LIMITED OFFER

AAT Membership Card should produce with the coupon

- 10% Discount for the OPD Lab Test
- 10% Discount for the OPD X-Ray
- 10% Discount for the Health Packages
- 10% Discount from room rate for inward bill

Following are the benefits for the AAT Members, +

Conditions

- Discounts are relevant only for cash payments.
- Applicable only for 31st December 2015.
- Benefits are only relevant for the AAT Member.

AAT Membership Card should produce with the coupon



The Eden Resort & Spa

- | | |
|----------------|-----------------------------------|
| Superior Rooms | - 18,000 per night for a DBL room |
| | - 22,500 per night for a TPL room |



The Calm Resort & Spa

- | | |
|--------------|-----------------------------------|
| Deluxe Rooms | - 17,500 per night for a DBL room |
| | - 21,500 per night for a TPL room |

All rooms will be on a full board basis
This offer cannot be coupled with other offers
Contact Nadia for details : +94 765 3731 65

AAT Membership Card should produce with the coupon

50% Discount at Amaloh by Jetwing or Yathra by Jetwing

Not valid for gift vouchers

Cannot be combined with any promotions or discounts

Rooms need to be reserved in advance by calling 0112345720 and placing a booking

Discount is applicable on the starting room category and would not be extended on room upgrade supplements

Offer is valid for Sri Lankans / Expatriates only

Discount is not applicable for corporate outing and would be extended for a maximum of 2 rooms only

Travel Period & Validity : July 2015 – October 2015

AAT Membership Card should produce with the coupon



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*Figures as at March 31, 2014



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