



UNIVERSITY of CAMBRIDGE
ESOL Examinations

Experts in Language Assessment

International Certificate in Financial English

Past Examination Paper Writing

May 2007

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INTERNATIONAL CERTIFICATE IN FINANCIAL ENGLISH

May 2007

Test of Writing

Past Paper Pack

Contents

Test of Writing, Question paper

Test of Writing, Notes on assessment and sample scripts

Candidate Name _____

Centre Number	Candidate Number

UNIVERSITY OF CAMBRIDGE ESOL EXAMINATIONS

English for Speakers of Other Languages

INTERNATIONAL CERTIFICATE IN FINANCIAL ENGLISH **D020/2**

Test of Writing

Saturday

12 MAY 2007

Morning

1 hour 15 minutes

Candidates answer on the question paper.
No additional materials are required.

TIME 1 hour 15 minutes

INSTRUCTIONS TO CANDIDATES

Do not open this question paper until you are told to do so.

Write your name, Centre number and candidate number in the spaces at the top of this page.

Read the instructions carefully.

Answer the Part 1 question and the Part 2 question.

Write your answers in the spaces provided on the question paper.

Write clearly in **pen**, not pencil. You may make alterations, but make sure your work is easy to read.

INFORMATION FOR CANDIDATES

Part 1 carries 40% of the total marks available and Part 2 carries 60% of the 1

FOR EXAMINER'S USE	
Part 1	
Part 2	

This question paper consists of 3 printed pages, 3 lined pages and 2 blank pages.

Turn Over ►

Part 1

Question 1

You **must** answer this question.

You work for a firm of accountants. One of your clients, Greenberg Products, has contacted a venture capital firm, FWC, with a view to expanding its manufacturing side by building a new factory. You have received the following letter from FWC.

Read the letter from Gloria Kutsakova, a director of FWC, on which you have made some notes. Then, using **all** the information in your notes, write a letter to Ms Kutsakova on behalf of your client, Greenberg Products.

Your clients, Greenberg Products, have put in an application for capital to build a new factory.

Firstly, we were interested to see that, over the past two years, while the rest of the industry has been in difficulties, the company has had steady growth. Could you explain this?

Could you also explain why the last set of accounts shows an increase in staffing overheads?

The estimated construction costs for the new factory seem higher than we would expect. Can you clarify this?

We understand that there are three shareholders with a minority interest and it is important for us to know how they might react to an outside investor like ourselves having a stake in the business.

Finally, we know that the market for Greenberg's products is extremely competitive and we are not certain that the figures for projected market share are realistic.

We look forward to your reply.

Yours sincerely

Gloria Kutsakova
Director
FWC

explain

not a problem - say why

give reason

will need specialists

extensive market research already done

Write a **letter** of between **120** and **180** words in an appropriate style on the opposite page. Do not write any postal addresses.

Question 1

Lined area for writing the answer to Question 1, consisting of multiple horizontal dashed lines.

Part 2

Question 2

You **must** answer this question.

You work for an accountancy firm. One of your clients is setting up a new business, a retail company, and has asked for your advice on what to consider when purchasing accounting software.

Write a **report** for your client. Your report should:

- outline the functions your retail client needs from an accounting software package
- suggest what other factors it is important to consider before purchasing the software
- describe what type of staff training may be necessary
- say what help your firm can offer the client.

Write your answer in **200 – 250** words in an appropriate style on the following pages.

Question 2

[A large area of the page is reserved for writing, indicated by 25 horizontal dashed lines.]

A series of 25 horizontal dotted lines spanning the width of the page, intended for writing.

BLANK PAGE

You may use this blank page to write notes, or, if necessary, to finish your answers.

BLANK PAGE

ASSESSMENT OF WRITING

Trained examiners award a mark to each piece of writing using two mark schemes – the General Mark Scheme and the Task-specific Mark Scheme. The General Mark Scheme summarises performance with reference to **content, organisation and cohesion, range and accuracy of vocabulary, range and accuracy of grammatical structures** and **effect on the target reader** across six bands. The Task-specific Mark Scheme focuses on criteria specific to each task.

The band scores awarded are translated to a mark out of 20 for Part 1 and a mark out of 30 for Part 2. A total of 50 marks is available for Writing. The General Mark Scheme is interpreted at Council of Europe Levels B2 and C1. A summary of the General Mark Scheme is reproduced below. Examiners work with a more detailed version, which is subject to regular updating. Band 5 and 6 represent adequate and good performance at C1 while bands 3 and 4 represent adequate and good performance at B2. Band 2 and below represent an inadequate performance on the ICFE Test of Writing.

Band	ICFE General Mark Scheme	
6	The task set is fully realised and the ideas are relevant and well developed. Ideas are logically organised and a wide range of vocabulary and complex structures is used effectively. Register is consistently appropriate. There would be a very positive effect on the target reader.	
5	There is good realisation of the task set and the main ideas are relevant and developed. Ideas are logically organised and a good range of vocabulary and structures is used accurately. Register is, on the whole, appropriate. There would be a positive effect on target reader.	
4	There is reasonable realisation of the task set and the main ideas are relevant with some development. Ideas are generally logically organised and a reasonable range of vocabulary is used. There may, however, be some non-impeding errors in spelling and/or word formation. Register is reasonably appropriate. Simple and complex structures are used but flexibility may be limited. It would achieve the desired effect on target reader.	
3	There is an adequate realisation of the task set and the main ideas are relevant but some may lack clarity. Ideas are generally logically organised and an adequate range of vocabulary is used but word choice may lack precision in places. There is an adequate range of structures used although errors in grammar occur and may cause difficulty for the reader. Register may be inconsistent / inappropriate. It would, on the whole, achieve the desired effect on the target reader.	
2	The task is not adequately addressed and, while there is evidence of organisation, it is not wholly logical. The range of vocabulary is limited but minimally adequate for task. The range of structures is limited and at times repetitive. Register is often inconsistent / inappropriate. There would be a negative effect on the target reader.	
1	The attempt at the task is poor and ideas are not organised coherently. The range of vocabulary is inadequate for or unrelated to the task and the range of structures is very limited. Register is inappropriate for task. There would be a very negative effect on the target reader.	
0	The attempt achieves nothing and there is too little language for assessment or it is totally irrelevant or totally illegible.	

Writing Sample Scripts

Part 1

Script A

Dear Gloria,

As the accountants for Greenberg products, we are glad to receive your letter and honored to answer the questions you raised.

- Firstly, it is true that the company has had steady growth in terms of both the manufacturing scale and the sales. This is greatly due to the reason that the company has increased its research and development power and become the leading company in this industry because of the new high technologies.
- Secondly, since the company is experiencing the steady growth, the headcounts for both the temporary and permanent positions have been increased. More people need more money to manage and that is why an increase in staffing overheads has been presented in the set of accounts.
- Thirdly, we will invite specialists to help build the new factory, which increases the estimated construction costs, and causes them higher than the expectation.
- Fourthly, we consider it is not a problem. The meeting of shareholders has been held and the resolution of contacting your firm for the capital had been reached through the consensus of over two-thirds of the shareholders presented on the meeting. Therefore, you may not worry about the reactions of the shareholders with a minority interest.
- Last but not the least, the question you raised is also the area we concern. We have done an extensive market research, which shows that the figures for projected market share are true. The reason is explained in the first answer above. The new high technologies help the company win more market share in the competitive market.

We hope the answers above could really help you to know more about Greenberg products and make the proper decision

Thanks and Regards,
Accountants for Greenberg Products

Script A

This is a reasonable realisation of the task set. All the main ideas are included and developed quite well. The answer is written in an appropriately formal tone and is clearly organised with logical paragraphs and adequate use of cohesive devices. The range of vocabulary is reasonable although there are some non-impeding errors. Some errors in grammar occur in verb tenses but these do not impact on the communication of the message.

Band 4

Script B

Dear Ms Kutsakova,

We are glad to received your letter, and we will explain you questions in the following sentences.

Over the past two years, our company remaining steady growth. This is because of we has range of customers whom work with us for many years. They believe our quality of work. Also, our company has good reputation in the construction area. We are the No.1 choice of the companies which is want to built a new factory.

The reason of increased staffing overheads we can not explained clearly in this letter. Because our accounting staff and shareholder on processing to check it. I will email you when I got the result.

The costs we gave to you is based on our calculation. The construction materials we used are high quality. It is much expensive than ungurated material. But we think it is the most important thing for building, we need to make sure our product is safe. I think that must what you thinking of.

There is no problem for investor outside like yours having a stake in the business. The three shareholder welcome outside investors whom want to invest our company. From their point of view, it means our company has good value.

For the final question, our extensive market research already, I will put it at back of this letter as attached file. You can check it.

Yours sincerely.

Script B

This is an inadequate attempt at the task and has a negative effect on the reader. The third task point is incorrect and so the task is not adequately addressed overall. Although the answer is organised into paragraphs, the ideas are sometimes difficult to follow because there are errors in vocabulary, the range of structures is limited and there are frequent errors in grammar which cause the reader some difficulty.

Band 2

Script C

Dear Ms Kutsakova,

Thank you very much for your letter. Indeed, our clients have managed to achieve remarkable results in the last two years mainly because of a new series of products introduced in the market not long ago. Since then, all of these products have enjoyed enormous popularity with consumers driving the profits up to an all-time high.

Certainly, the most obvious reaction to the high level of demand was expansion of the business, which usually entails an inevitable increase in all expenses, including the labour

overheads you have pointed out in your letter. However, these costs are expected to be fully covered by another anticipated rise in profits.

Greenberg products make highly technological products to stay competitive and the construction of a new factory with the most advanced developments in the field will require specialist expertise which is quite expensive.

The minority shareholders you have mentioned are primarily interested in profit maximisation and look forward to the construction of a new factory. This will help our clients to secure a solid market position, as extensive market research has shown, which is sure to lead to even higher profits for the shareholders.

Yours faithfully,

Script C

This is a full realisation of the task. The ideas are all relevant and well developed. The answer is logically organised with appropriate paragraphs and cohesive devices used flexibly. There is a wide range of vocabulary appropriate to the topic and a wide range of structures with only occasional inaccuracies which have no impact on communication.

Band 6

Script D

Ms Kutsakova,

It's my pleasure to receive your letter relevant to my clients, Greenberg Products. For your concerns in the letter, I will do my best to provide useful information on behalf of my clients.

The reason of steady growth in the past two years is mainly due to the company has good internal control system and the company keeps innovation in the R&D field and sales method.

The company's staffing overheads increased in the last period, which is due to the company carried out one new product recently and need more labour than before, as a result, the staffing overheads increased significantly.

For the estimated construction costs for the new factory, I think it's need specialists to assess the cost.

The company has three shareholders with a minority interest and total interest of them account to 5%, but the management of the company is affected by shareholders who held over 20%, so it's not a problem for outside investor like you.

The company has done enough extensive market research, and the figures for projected market is realistic.

Yours sincerely.

Script D

This is an adequate realisation of the task. The main ideas are relevant, although some lack development. The answer is organised into paragraphs with adequate use of simple cohesive devices. The vocabulary range is adequate but the word choice is not always precise and there are errors in grammatical structures which may cause the reader some difficulty.

Band 3**Part 2****Script E**

Report of purchasing accounting software.

Function of accounting software package:

During the recently research we found accounting software has lots of function which is suit for our company. It can do the any kind of accounting report at end of the month and year. Also, it is easy to check previous transactions. Staff can set up their own user name and password and then logged on different part of this software. The advantage of this function is to protect sensitive information can not seen by unauthority person.

Important consideration:

From the above paragraph, we knew that the software has varity function. But another important thing is update. Accounting technical developing very fast, we can not buy the latest edition every year, it will cost us much money. So before we purchasing the software we need ask the further information, such as update and customer services. At last, price is other important aspect we need consider of. There are thousands of accounting package in the market, we need compare their price, function, services, and other factors carefully before buying one.

Staff training:

We suggested three group of people necessary to training. Firstly, accounting department staff. They need use this software everyday, so should familier as soon as possible. Secondly, shareholders. They do not need learn how to imput a transaction, but they should know how to check the report and details. Thirdly, technical department. They only need to know how to update and easy problem solven. These three group people need training the different part of the software.

What we can do:

To sum up the above points, that are our suggestion for your business purchasing accounting software. Also, our firm can provide other help. For instance, we can help your company set up ledgers in the software, clarify item's belonging. If you do not how to regard a transaction using the computer also can ask us. All the staff in our firm are expert of using accounting package, so if you have any question just ask.

At the end of this report, we want to say choose a software which is apply all your needs and low value with high quality.

Script E

This is an adequate realisation of the task. The main ideas are relevant and developed but are not always clear because of some poor use of cohesive devices and grammatical errors throughout. In the second paragraph, the incorrect reference to 'we' rather than the client is very confusing. There is an adequate range of vocabulary but the register of the answer is sometimes inappropriate.

Band 3**Script F**

Report

Subject: accounting software selection

With plenty of accounting software packages available the choice must be influenced mainly by the nature of the business and its needs. As a retailer, your company will have to deal with a lot of sale and purchase transactions coming up to thousands in one day. Therefore, it is important to choose the software which is designed to handle this easily.

Integration might be another issue to consider - with three shops to be opened next month and more to come later it is critical that interaction and consolidation of the information does not become a problem. No doubt, the software which will automatically generate various invoices and returns is a valuable asset. Finally, as a non-listed small business, you will not have to deal with reporting under IFRS, so there is no need to overpay for a software which is designed for that.

Apart from your specific needs you should consider the general situation. Software popularity rankings might guide you in the direction of good products. Software developers' reputation, size and performance might also be important. User-friendly interface, compatibility with operating systems and other factors are worth mentioning.

One major difficulty you are likely to face is staff training. Recent trends show that accounting software is becoming easier to use but still some courses and trainings will be necessary.

Our firm, although it does not sell the software, has considerable experience in working with different types of accounting solutions. We might be able to help you with choosing the software that fits your needs, installing and implementing it in your systems and even training your staff.

Script F

This is a full realisation of the task. All the ideas are relevant and well developed and the answer is logically organised with cohesive devices used flexibly. There is a wide range of vocabulary appropriate to the topic and used effectively and a wide range of complex structures used confidently and accurately. There are only occasional inaccuracies which have no impact on communication.

Band 6

Script G

Re: Points to be considered while purchasing Accounting software.

First of all, I would like to express my gratitude for your decision to start a new retail business.

To have an accounting software package is very sensitive one which involves number of points to be considered substantially.

An ideal software for a retail company should possess some qualities such as:

- It should be online.
- Can handle the bar codes for invoicing and updation of inventory level in system.
- Manage the incoming material.
- Have the provision to maintain the financial report for analysis purpose.

Being a newly incorporated business, the company should look at the price of software. It must be so economical which will not be overburden to new boss. Aftersale service agreement is a must and you should ask the question to vendors, that how long they will provide maintenance function in what time at what cost. Whether the revision of software function will be included in the maintenance agreement or not? Software compatibility to the hardware, that you already have, is another item having question mark. Prospective accounting software should be capable to interact with the hardware you already have. Otherwise you have to spent more in order to make your equipment communicate with the package.

While making a decision to go for a package, proper attention should be given to assess the complexity of the software. It should not be so complex that will create problems for your staff during usage. A user friendly accounting software will add a remarkable level of efficiency to the user. It will also cover the area of training the staff, and the staff will not require additional training except basic during implementation.

The above report is an advisory one. I must suggest you to stage the interview with interested vendors. I am pleased to say that my firm will always be there to help you to take this decision. We can provide you assistance for assessing the options which a software is offering to you. Further, implementation of the software, training of staff and retrieval of reports will be supported by us. Please do not hesitate to contact us in case of any query. We are open here to welcome your feedback.

Regards.

Script G

This is a reasonable realisation of the task. The main ideas are relevant and are developed quite well. The answer is organised into paragraphs although the beginning is not wholly appropriate and the bullet points are expressed in an awkward way. There is a reasonable range of vocabulary and structures with some complex language attempted. There are errors in grammar but these are mostly non-impeding.

Band 4

Script H

Report

To: retail company's director

From: accounting firm adviser

Date: 12 May 2007

Subject: What would consider when purchasing accounting software.

Introduction:

- What functions do you need from accounting software. In the accounting software package, normally, we need know clearly about the storage, the cash flow, the revenue increasing per month. For you, retail company, it very important with the function about communication with supplier. When the productions have been sold out, the supplier had sent the products in your company. That is known as JIT 'Just In Time'.
- Some factors considered before purchasing the software. Before purchasing the software, you firstly must know the functions wether satisfied with your requirements or not. Secondly, the software should be updata when it needs and there must be have experters to do so and how much cost above also should be considered.

Staff training.

- There is many way to operating software, however, the most saving way is staff training. I think the best way is that ask for a experter to teaching your staff in your company. In that way, it will reduce the time wasting, and may not affect their jobs, not only cost less than others, but also the teching is just for your accounting software.

Our helps.

- Our firm is an experiense accountancy company. You can take not just enquiries, and we also can help your company to direct annual report, audit and other things about accounting, including the choose of the software for you. I'm sure that it cost much less than you employ a staff to do so, and we must be more professional.

Script H

This is an inadequate attempt at the task. The ideas in the task have been addressed but they lack development and are unclear because of the frequent errors in grammar which cause difficulty for the reader. The range of vocabulary and structures is limited and the register is inappropriate at times. Overall the answer has a negative effect on the reader.

Band 2