UEMOA

UNION ECONOMIQUE ET MONETAIRE OUEST AFRICAINE

**DIPLOME D'ETUDES SUPERIEURES DE COMPTABILITE ET GESTION FINANCIERE DE L'UEMOA (DESCOGEF)**

**SESSION 2016 -2017**

# EPREUVE : ANGLAIS

**Durée : 4 heures**

**Septembre 2017**

**Cette épreuve comporte 4 dossiers obligatoires.**

# DESCOGEF : ENGLISH EXAM

## TIME ALLOWED : 4 HOURS

## INSTRUCTIONS FOR CANDIDATES

- Answer all questions
- All answers should be correctly numbered, but do not need to be in numerical order
- There is credit for correct spelling, punctuation and grammar
- You need to communicate appropriately
- Check your work carefully
- The use of an English or bilingual dictionary is not allowed

## I. – READING COMPREHENSION

**Task one**

1. Read the article about how to find a new company to invest in. Match the paragraph headings (a-g.) with the paragraphs (1-7).

a. A number of people prefer to spread the risk, investing in a portfolio of companies
b. A great idea doesn't mean great profits
c. Find out which products will be popular by looking at what people who use the product like about it
d. If a company slows down, get rid of your shares
e. Put yourself in the place of customers in the future, not the customers now
f. Companies need to keep being innovative
g. Make sure the company has some rich investors

1.____________________________

The first task, investment experts say, is predicting which new products will be successful. Get out and talk to people who are using the product and see what they like about it. For products aimed at businesses, you'll need more technical expertise; the opinion of the man on the street won't matter for enterprise software, for example.

2.____________________________

Wall Street has a long history of companies and products that looked promising but then failed. It's very difficult to predict. Investors need to put themselves in the shoes of future customers. If everyone already agrees that a product is groundbreaking and innovative, it's too late for investors. You don't want to own something which looks good now.

3.____________________________

Even the most innovative product, doesn't guarantee profits for investors, especially because creative, visionary executives are rarely able to handle the problems that rapid growth can cause. Coming up with a hit product is one thing. Profitably manufacturing, marketing and distributing it is another.

4.______________________________

One obstacle companies must be careful about is the competition. And, if your product becomes popular, it will almost certainly attract rivals. For example, Research In Motion must continually introduce new versions of its BlackBerry TM to fight off rival smartphones. The only option for most companies is to keep innovating, trying to stay one step ahead of competitors. Companies that can achieve that goal are rare.

5.______________________________

Investors should look for innovative companies with strong finances or ones that are supported by rich investors, that gives you the staying power and helps you continue to innovate, one example is BYD Co., a Chinese battery maker partly owned by Berkshire Hathaway which is led by billionaire investor Warren Buffett.

6.______________________________

Big companies are often much better at making many small improvements than coming up with one big blockbuster innovation. In theory, stock prices reflect a company's long-term prospects. And when innovation is happening rapidly, the future is often very difficult to predict. It's important to keep a close eye on the planned products of a company. If a company shows any signs of slowing down its pace of innovation, it's a good idea to sell.

7.______________________________

Many find new products far too risky and uncertain to bet on specific companies. One alternative strategy is to invest in a broad range of companies. But it's hard for investors to ignore innovation when choosing stocks. No company – even in relatively stable, boring industries – will survive without coming up with new products and services.

***Source : Investing, Finding the Next iPod, Bloomberg Businessweek***

**Task 2. Read the article again and decide if these statements are true or false**

1. It is important to talk to the target customers before you invest in a product or company
2. Lots of products and companies looked like good investment opportunities at first but then were unsuccessful
3. Investing in popular products is a good idea
4. Companies need to be constantly innovative
5. Before you invest in a company, check that it has wealthy backers
6. Big companies are more likely to invent innovative products
7. Companies in stable sectors do not have to worry about having new ideas.

**Task 3. Match the terms 1-5 with their definitions a-e.**

| | |
|---|---|
| 1. carry out an investment appraisal | a. receive a sum for lending money |
| 2. buy shares | b. put money into a variety of investments |
| 3. receive a dividend | c. assess investment choice |
| 4. earn interest | d. pay for financial parts of a company |
| 5. invest in a portfolio | e. be paid a sum of money for a share |

**Task 4. Complete the text about investing with the terms from task 3.**

Before you decide what to do with your money. It is important to 1.____________________: what is the level of risk involved ? Are you happy about this level ? Many experts suggest that when you 2.___________________the degree of diversification of investments is important so that the risk is spread.

If you 3.________________________in a company and the company is successful, you can expect to 4._____________________annually.

People who are worried about speculation and who are risk-averse can think about putting their money in a savings account where they can still 5.______________________________

## II. – TERMINOLOGY PRATICE

**Task 1 : The text below is about a company in difficulty. First read the short text, then choose the best explanation for each term given below**

**Sam Air Grounded**

Sam Air is going to call in the receivers. The aircraft company does not have a serious bidder, after inviting partners to join a restructuring plan.
Sam Air's major creditor, Credit Bank International, refused to reschedule payments and has called in the debt. The company will probably go into liquidation soon. A rights issue failed three years ago when shareholders refused to put in more capital.

1. receivers
   a. directors of a company
   b. accountants who close down a company and give its assets to creditors and shareholders
   c. shareholders who receive the assets of a company that stops trading

2. restructuring
   a. reorganization of how the company is run
   b. reducing company costs by cutting the work-force
   c. reorganizing the ownership of equity capital and the way debts are financed

3. to reschedule payments
   a. to increase the amount of interest
   b. to change the terms for paying back a loan
   c. to ask for a loan to be taken over by another lender

4. to call in a debt
   a. to ask a creditor to pay what is owed
   b. to increase interest payments on a debt
   c. to agree to late payment of a debt

5. go into liquidation
   a. stop trading and have all assets given to creditors and shareholders
   b. be declared bankrupt
   c. change the type of activity of the business

6. rights issue
   a. an attempt to enter new markets
   b. an attempt to change the company into a workers' co-operative
   c. a way of getting extra money into a company by selling shares to existing shareholders at a low price

**Task 2. : Below are headings from newspaper reports on the business environment. Choose the best explanation of the keywords from a), b) or c)**

US growth hits new high

1. Growth means :
   a. increased gross domestic product (GDP), or the increase in total sales revenue
   b. improved exports for the US economy
   c. increased value of companies on the New York Stock Exchange

Consumer confidence down in Germany

2. Consumer confidence means :
   a. what people think about German industry
   b. what people think of their personal economic situation
   c. what shop owners think of business prospects

Japan's trade surplus falls

3. Trade surplus means :
   a. the positive balance in exports over imports
   b. the value of sales
   c. the share value of the top 100 Japanese companies

Tokai bank writes off Yen 8bn in bad debts

4. To write off debts means :
   a. get the money back from creditors
   b. forget the money, since the loans are not going to be paid back
   c. demand the money back immediately

Cleveland Best Inc. announces de-merger

5. A de-merger is :
   a. a temporary division
   b. a decision to split a company into two parts
   c. a return to two separate entities following a period as one company

Ireland's trade deficit with Germany smaller

6. A trade deficit is :
    a. where exports are larger than imports
    b. a positive balance in favour of sales over debts
    c. where the value of imports is greater than the value of exports

Oil industry confidence hit by over capacity and oil price slump

7. Over capacity means :
    a. the industry is not producing enough to meet demand
    b. production facilities are not working to their potential
    c. supply is greater than demand

Italian chemical conglomerate to break up

8. A conglomerate is :
    a. a large manufacturing company
    b. a multinational company
    c. a large holding company with many subsidiaries

Worldwide PC sales soar 70 %

9. To soar means :
    a. increase by a large amount
    b. go up a little
    c. fall dramatically

Corporate phone bills to fall

10. Corporate means :
    a. large
    b. big business
    c. personal, domestic and business

Worldwide corporate tax hits 40 %

11. Corporate tax means :
    a. special rate of tax on companies with large turnovers
    b. taxes on any business activity
    c. taxes on everyone, private individuals and companies

James Inc. makes $2bn from home entertainments sell-off

12. A sell-off is :
    a. a successful sales compaign
    b. a special promotion of low price goods
    c. a decision to sell a subsidiary in an industrial group

**Task 3. Match the words on the left with the correct definition (a-l). Use the grid below.**

| | |
|---|---|
| 1. central bank | a. education and skills development for young people and the unemployed |
| 2. exchange rate | b. the part of the economy that does not make goods, also known as the tertiary sector |
| 3. inflation | c. the money a government needs to borrow to pay for what it does |
| 4. interest rates | d. the value of a currency against other currencies |
| 5. invisible earnings | e. the annual cost of borrowing money from a bank |
| 6. manufacturing industry | f. a measure of retail price increases |
| 7. national debt | g. the principal national banking authority |
| 8. public sector borrowing requirement | h. the part of the economy that makes products and changes raw materials into products |
| 9. public spending | i. the number, or percentage, of people out of work |
| 10. service sector | j. government spending |
| 11. training | k. the total amount of money that a government owes |
| 12. unemployment rate | l. income in foreign currency for services such as banking, insurance, tourism |

## III – WRITING

In not more than 20/25 lines, discuss

- How people feel about taxes in your country ?
- What are some common tax problems people have in your country ?
- Any export advice to your respective governments ?

export

## IV – TRANSLATION

Translate into French the last two paragraphs of the reading passage.