

# EXAM REPORT

The pass rates for all the Papers except VI showed a marked improvement over the April diet. The standard of scripts continues to be mixed. Candidates who had prepared thoroughly scored well. However, as with previous diets, there was a significant number of students who scored very low marks indicating a complete lack of exam preparation. It continues to be unclear why these students present themselves for examination.

Attention should also be drawn to the importance of exam technique. Where a question gives the instruction *compare and contrast*, the answer is expected to include detailed comparative material. Candidates should also note that little credit is given for listing general principles if reference to case study details is required.

Paper I showed an improvement over the previous diet with a pass rate of 49%. A number of poorly prepared candidates pulled down the average mark per question significantly. It is interesting to note that if students achieving 35% or less had not presented themselves for examination then the pass rate would have been 67%. Many students were unable to demonstrate a basic understanding of consolidation techniques that make up a significant portion of the syllabus.

Paper II showed a marked improvement in performance over the April diet with a pass rate of 67%. Although the paper was tackled well by the majority of candidates there was some evidence that a number of students did not manage their time effectively and struggled to complete the paper. Candidates should note the number of marks awarded per question and allot their time accordingly.

Paper III was straightforward and candidates had prepared well producing a pleasing pass rate of 78% for this diet.

Paper IV produced a pass rate of 66%. Candidates who had adequately prepared were able to demonstrate a good understanding of the material examined. However it should be noted that the section covering European Banking Law was generally answered less well than the other sections.

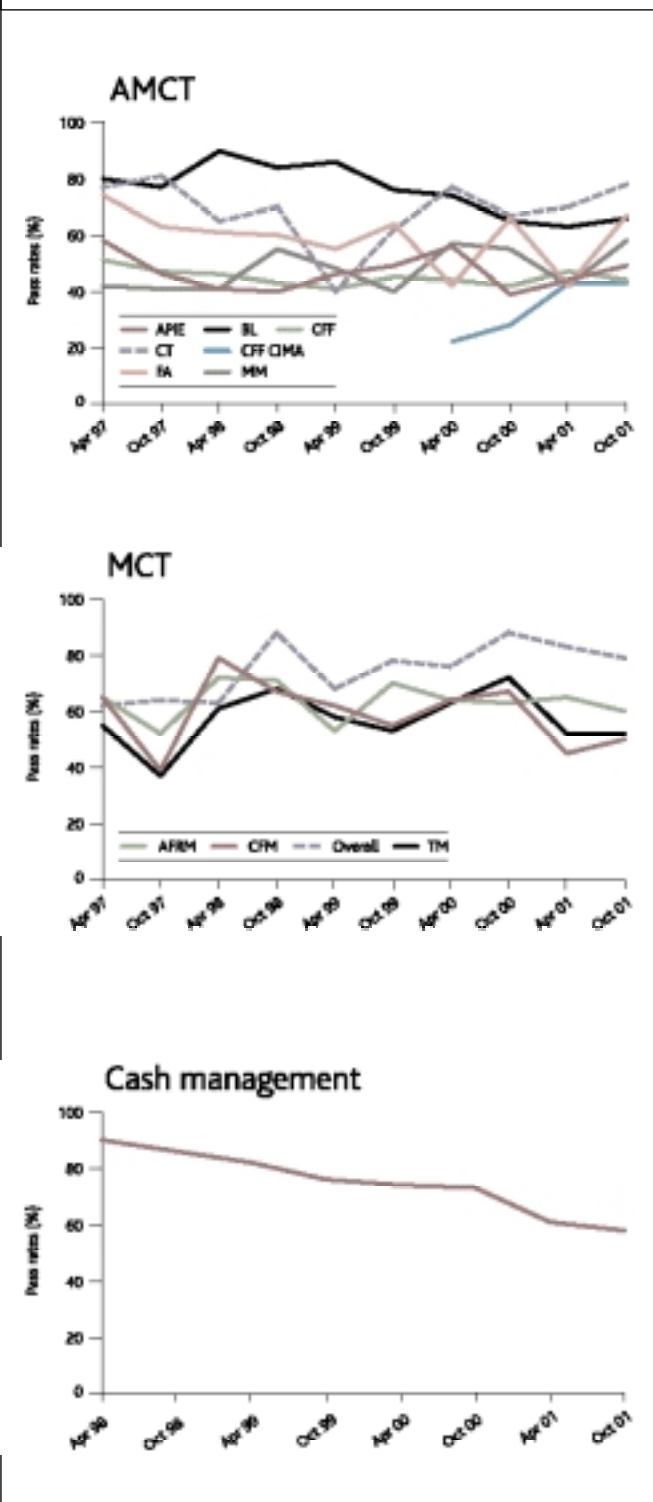
The overall pass rate for Paper V was relatively high at 58%. There was a marked improvement in basic numerical competence over recent diets but the handling of more complex calculations was disappointing, especially where set within the context of a mini case study.

The pass rate for Paper VI at 44% was lower than the April diet. Question 1 had a surprisingly high failure rate as candidates seemed unsure about elementary calculations like dividend cover. Although many students demonstrated good theoretical knowledge of the material in this paper they struggled to apply this knowledge to the case studies in the paper. Candidates should ensure that they spend time before the examination practising calculations by using past papers and progress tests.

Paper VI (CIMA) produced a pleasing pass rate of 43%.

**MEMBERSHIP EXAM.** The results of this diet were similar to those of the April diet and displayed the same themes. Students generally scored best on the descriptive sections of the papers. Almost invariably, where they stumbled it was in the areas that required them to evaluate complex situations and reach intelligent value judgements. Pass rates were 50% in Paper VII, 60% in Paper VIII and 79% in Paper IX.

EXAM RESULTS 1993-2001: PASS RATES



Question 1 of Paper VII clearly illustrated the weaknesses of the students that failed. The question related to the valuation of a satellite communications company with few obvious comparators. Candidates struggled with the ambiguities of valuing a business in a risky sector without clear benchmarks. Many failed to use the several different perspectives on value available within the question but more failed to examine why those measures produced widely different answers and therefore failed to critique the possible valuations. On the positive side, Question 3, which required a discussion of the application of capital structure theory had been well studied – 90% of candidates passed that question.

Paper VIIIA also found students stumbling on the initial case study question where students were required to exercise their judgement in choosing a refinancing strategy for a weakly performing group with a chaotic loan structure. Application and judgement were required but often were found lacking. Throughout Paper VIII, poor students tended to ramble rather than focus on the issues and often failed to address key parts of the question. Of those who passed, however, most presented solid scripts and there were a few that really sparked.

Paper IX had the highest pass rate. This paper is the most descriptive and is generally well answered. We were not disappointed this time. Question 1, as usual on business models, elicited some excellent examples and Questions 2 & 3, a case study on a telecommunications company, were well handled.

The conclusions, then, contain a repeating theme. Students are learning the theory well and so performing well in the descriptive questions, but the MCT is about more than that. It is about being able to apply the techniques in complex real world situations, to demonstrate judgement and to produce a pragmatic course of action. Students should focus on thoughtful application as much as on book learning. To end on the positive, however, the pass rate was 52% and those who passed are to be commended.

**CASH MANAGEMENT EXAM.** The pass rate for the October 2001 exam was 58%. In order to pass candidates must have achieved a pass mark in Question 1 regardless of their overall performance. Question 1 required the student to apply international cash management knowledge to a complex real world case study and provide a practical and viable solution. Many candidates struggled to do this and the pass mark for this question was only 66%. Future candidates should spend time developing a practical understanding of the material in the syllabus. As with previous diets there were a significant number of poor results indicating a complete lack of preparation for the exam.

**CHRIS BUNTON, CHAIR OF MCT EXAMINATION BOARD.**  
**CAROLINE SHUFFREY, CHAIR OF AMCT AND CASH MANAGEMENT EXAMINATION BOARD.**

*The Association of Corporate Treasurers wishes to extend its congratulations to the following people who have passed the respective examinations:*

## AMCT PASS

Distinctions Paper 5 ■ Paper 6 ■

**Wan Razly Abdullah** | The Northern Trust Company ■  
**Christopher Alderson** | Nedcor Bank Ltd  
**Jonathan Aldwinckle** | Dr KW  
**Daniel Allison** | Marsh Ltd  
**Timothy Allison** | RMC Group plc ■  
**Philip Andrew** | British American Tobacco plc  
**James Andrews** | ABN AMRO Bank NV  
**Judith Aspin** | The Co-operative Bank plc  
**Ovinder Assi** | The Albert Fisher Group plc  
**Jayshal Atara** | NTL Group Ltd  
**Colin Baker** | Lloyds TSB Bank plc  
**Fiona Barnes-Gilchrist** | National Australia Group (Europe) Ltd  
**Andrew Berkley** | KPMG ■  
**Amanda Berry** | HFC Bank plc  
**Graeme Blackwood** | The Weir Group plc  
**Edwin Bolton** | Syngenta Ltd  
**Hugh Brady** | PricewaterhouseCoopers  
**Safak Brown** | Glynwed International plc  
**Nicolle Burns** | Rolls Royce plc  
**Robert Cartwright** | Shanks Group plc  
**Wendy Sau Ping Cha**  
**Fiona Chan** | Coca-Cola HBC SA

**Tinashe Able Chimankire** | NDH Equities (Private) Ltd  
**Chau Shyan Choo Kim Pin** | Wilkins Kennedy  
**Stephen Cliff** | Barclays Bank plc  
**Robin Cook** | HSBC Bank plc  
**James Courtenay-Evans** | Royal Bank of Scotland plc  
**Antony Cox** | Taylor Clark plc ■  
**Rachael Crisp** | Instinet Global Services Ltd  
**James Cross** | Menzies Aviation Group  
**Andrew Daley** | Standard Bank London Ltd  
**Alex De Vries Robbe** | Barclays Bank plc  
**Paul Devenport** | Bank of Scotland  
**Gerard Dover** | Syngenta International AG  
**Darren Fenton** | Van Der Moolen  
**Mark Field**  
**Jane Fogg** | Rolls Royce plc  
**Peter Gallimore** | Deloitte & Touche  
**Christopher Gaunt** | Lasmo plc  
**Robert George** | Bacon & Woodrow ■■  
**Charles Goh** | Swire Pacific Ltd  
**Jonathan Goldblatt** | Portico Housing Association Ltd  
**Antony Goldstein** | KPMG  
**K Gopakumar** | Bank Muscat (SAOG)

**Angus Grant** | KPMG  
**Thomas Greene** | Smith & Nephew plc ■  
**Phillip Gunter-Rees** | Ernst & Young  
**Kevin Hambling** | Yorkshire Bank plc ■  
**Catherine Harley** | Unilever plc  
**Dennis Hegarty** | Danske Bank ■  
**Leanne Heywood** | Lex Vehicle Leasing  
**Lisa Hill** | Co-operative Bank plc  
**Gavin Hill** | Syngenta International AG  
**Simon Howarth** | Syngenta International AG  
**David Hunt**  
**Matthew Hurn** | Dixons Group plc  
**Guy Ingram** | Agilent Technologies UK Ltd  
**Lancelot Jackman** | Deloitte & Touche  
**Gareth James** | Financial Services Authority ■  
**Jyoti Jiwani** | Lloyd's of London  
**Manjinder Johal** | Old English Inns plc  
**Claire Johnson** | NatWest Bank plc  
**Topi Jokiranta** | Regus plc  
**Tariq Kazi** | BNP Paribas ■  
**James Koni** | Bank of Zambia  
**Sarah Kuijlaars** | Shell International B.V.  
**Kah Thuan, Augustine Law** | Standard Chartered Bank  
**William Lawson** | National Australia Group (Europe) Ltd  
**Robert Marshall** | Premier Farnell plc ■  
**Andy Matthews** | British Telecommunications plc  
**Andrew McGeoghan** | Consignia plc  
**Kerry McKenzie** | Cairn Energy plc  
**Katherine Medley** | Princes Group Ltd  
**Yuksel Metin** | Balli Group plc  
**Grant Misell** | Cheshire Building Society  
**Alistair Morrison** | Conoco (UK) Ltd  
**Michelle Morrison** | AEA Technology plc  
**James Musabe**  
**James Newman** | Deloitte & Touche ■  
**Po Yan, Peggy Ngan** | Dairy Farm Company Ltd  
**Libhin Nic Gabhann** | Lloyd's of London

**James Ogden** | Lloyds TSB Bank plc  
**Oyekemi Olatunbosin Olatunji** | Delta plc  
**Matthew Packham** | Lloyds TSB Bank plc  
**Daniel Perrott** | Royal Bank of Scotland plc  
**Andrew Pilsworth** | Six Continents plc ■■  
**Darrell Porter** | Barclays Capital  
**Adrian Powell** | Lloyds TSB Bank plc  
**Siobhan Power** | IBM Int'l Holdings Finance Co Ltd ■  
**Andrew Price** | TXU Europe Ltd ■  
**Ian Pritchard** | HSBC Bank plc  
**John Reed** | PricewaterhouseCoopers, Hamburg, Germany  
**David Roberts**  
**Clive Rodgers** | CDC Group plc ■  
**Michelle Russell** | Toyota Financial Service (UK) plc ■  
**Ian Sandles** | Barclays Capital ■  
**Jonathan Sankson** | Threadneedle Investment Services Ltd  
**Gurdeep Sehmi** | British Telecommunications plc  
**Paul Shaftoe** | Intel Corporation (UK) Ltd  
**Philip Shepherd** | Airtours plc  
**Marlon Ramotar Singh** | Booz Allen & Hamilton Inc  
**Richard Stenhouse** | Halifax plc  
**Vaclav Susen**  
**Andrew Tackaberry** | Royal Bank of Scotland plc  
**Nicholas Tandy** | PricewaterhouseCoopers ■  
**Julian Tasker** | Rexam plc  
**Seamus Toal** | Deutsche Bank  
**Paolo Tonucci** | Lehman Brothers  
**Hendrik van Calcar** | FLAG Telecom Ltd  
**Stanislav Varkalov** | PricewaterhouseCoopers  
**John Paul Von Benecke** | Abbott Laboratories Ltd  
**William Ward-Brew** | Anglo American plc  
**Steven Witts** | Hays plc  
**Kelly Woo** | asiabondportal.com  
**Nigel Woodward** | Yorkshire Bank plc  
**Richard Woolford** | Cordiant Communications Group plc  
**Byron-George Zattas** | Attiki Odos SA

## MCT PASS

Destinctions Paper 7 ■ Paper 8 ■ Paper 9 ■

**Christopher Corner** | Johnson Matthey plc  
**Colman Deegan** | Vodafone Group Plc ■■  
**Nicholas Guest** | Stagecoach Group plc ■  
**Daniel Jefferies** | ntl  
**Paul Johnston** | British American Tobacco Australia Ltd  
**Andrew Lakin** | Abbey National plc  
**Alistair McLean** | KPMG

**Andrew Naish** | Barclays Capital ■■  
**David Sams** | British Telecommunications plc ■  
**Rod Sherwood** | Elsevier Finance SA  
**Christopher Sparrow** | Legal & General plc  
**Richard Tolan** | HSBC Bank plc  
**Anthony Woolhouse** | Aileron Associates Ltd

The names of those students who passed the Cert CM examinations will appear in the February issue of *The Treasurer*.