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Finance and Business across Cultures



**Ministry of Education and Science,
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*Manual for Studying the Course “English for
Specific Purposes” for Students of the Speciality
“Finance”*

**Luhansk
State Institution
“Luhansk Taras Shevchenko National University”
2012**

УДК 811.111(075.8)

ББК 81.2Англ–923

О-72

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“Finance and Business across cultures”: Manual for Studying the Course “English for Specific Purposes” for Students of the Speciality “Finance” / T. Yu. Osadcha, V. E. Sergeeva ; State Institution “Luhansk Taras Shevchenko National University”. – Luhansk : Luhansk Taras Shevchenko National University Press, 2012. – 238 p.

The manual is designed for studying the course “English for Specific Purposes” for the first and second-year students of the speciality “Finance”. It consists of 10 units, includes a wide range of professional texts, intended both for reading in a class and for independent work of students. Various exercises prepare students for speaking on professional topics and contribute greatly to their cross-cultural competence.

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*Recommended for print
by Luhansk Taras Shevchenko National University
Teaching and Training Council
(Official Record No. 2, November 7, 2012)*

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Foreword

The manual is designed for studying the course “English for specific purposes” for the first and second-year students of the speciality “Finance”. The purpose of this manual is a teaching process organizing in both “English for special purposes” classroom and during independent work of students. Special attention is paid to acquisition of a special professional vocabulary; texts reading, translation and comprehension skills developing, speaking and creative thinking skills forming. Students are taught to solve professional problems arguing and reasoning in English.

The manual is designed according to the credit-module system. All the material of the manual is divided into 3 modules, which consist of 10 units. The manual includes texts on special topics, lexical and grammar tasks, creative thinking development tasks, translation, speaking, listening/comprehension and writing skills development tasks.

The purpose of the tasks that are given after texts is evaluation of students’ comprehension, written and oral translation, and communication skills.

After each unit check-ups on vocabulary and grammar of the unit are given.

The manual suggests special tasks on students’ cross-cultural competence skills development.

The manual also includes a glossary and texts for listening/comprehension activities.

The texts of the manual are authentic; they meet students’ cognitive and professional needs.

Module 1. Money

Unit 1: Money

Pre-reading activities

Money

Task 1. Put the correct word in each space. Look up all the unknown words in the dictionary.

account back banknotes borrowed change coin currency earn lent note salary spend sum wages waste win

1. In the USA, "quarters" (25 cents) and "dimes" (10 cents) are types of _____.
2. In the United Kingdom, "a tenner" means a ten pound _____.
3. The US dollar, the Yen and the Euro are types of _____.
4. Hundred dollar bills and twenty pound notes are _____.
5. 2,000,000 Swiss francs is a large _____ of money.
6. I need to _____ some Euros into Australian dollars.
7. My friend _____ a hundred pounds from me.
8. I _____ a hundred pounds to my friend. When she can, she'll pay me _____.
9. I buy a lottery ticket every week, but I never _____ anything.
10. Most dentists _____ at least £30,000 a year.
11. _____ are paid to employees weekly. _____ are paid to employees monthly.
12. In business, you have to _____ money to make money.
13. A: Do you have a bank _____?
 B: Yes. I bank with the Bank of Scotland.
14. In my opinion, eating in expensive restaurants is a _____ of money.

Task 2. Match the words on the left with the words on the right.

1. a small	a. a profit
2. an income	b. amount of money
3. donate	c. cash

4. high	d. cost of living
5. make	e. credit card
6. pay by	f. losers
7. pay in	g. money to charity
8. winner and	h. of £ 25000 a year

Task 3. Choose the correct word.

- Spain now uses the euro. Pesetas are no longer _____.
a. good money **b.** legal money **c.** legal tender
- I bought a TV which doesn't work. I'll take it back to the shop to get _____.
a. my money returned **b.** a refund **c.** a repayment
- In a shop, to get a refund, you usually have to show the _____.
a. receipt **b.** recipe **c.** payment ticket
- I'm paying for my new car in 36 monthly _____.
a. installments **b.** pieces **c.** parts
- I earn a lot of money, but I have a lot of _____.
a. payouts **b.** expenses **c.** paying
- In Japan, the US dollar is _____.
a. foreign money **b.** strange money **c.** a foreign currency
- In Britain, it's not usual to discuss your personal _____.
a. money **b.** finances **c.** money arrangements
- You can _____ a house and _____ a car.
a. hire / rent **b.** hire / hire **c.** rent / rent or hire
- Here's the fifty dollars I _____.
a. owe you **b.** pay you back **c.** must return
- The best things in life are _____.
a. free **b.** not for sale **c.** not bought and sold

Task 4. Find the opposites of these words.

1. lender	a. sellers
2. saver	b. spender
3. losses	c. borrower
4. profits	d. losses
5. low prices	e. winnings
6. buyers	f. high prices

Task 5. Refresh your Grammar.

1. Money is any marketable good or token used by a society. (Present Simple of the verb 'to be'; Participle II).
2. Since the needs arise naturally, societies create one or several money objects when none exists. (Present Simple).
3. Commodity money was the first form of money to emerge. (Past Simple of the verb 'to be').
4. The widespread acceptance of fiat money is most frequently enhanced by the central authority. (Present Simple Passive).

Task 6. Fill in the gaps using verbs in brackets in the right tense or non-finite form.

1. My future speciality (to be) Finance and Banking.
2. This (to be) the money I (to borrow) from you last week. I (to want) to pay it back.
3. Money (to use) by a society as a medium of exchange.
4. It (to be) not easy to earn money but it (to be) much more difficult to save it.
5. A penny (to save) is a penny (to earn). (a proverb).
6. A dollar (to be) rather high last month.

Task 7. Learn the active vocabulary.

1. token	СИМВОЛ
2. medium of exchange	средство расчетов
3. store of value	средство сбережения
4. unit of account	единица учета
5. needs	потребности
6. arise	возникать
7. authority	власть
8. to compel	заставлять
9. frequently	часто
10. value	стоимость, ценность
11. utility	полезность
12. to recognize	признавать
13. interdependent	взаимозависимый, взаимосвязанный

14. commodity money	товарные деньги
15. to emerge	появляться, возникать
16. inherent value	внутренняя стоимость, собственная ценность
17. to simplify	упрощать
18. transactions	сделки
19. barter	бартерная сделка
20. perishable goods	скоропортящиеся товары
21. to convert	превращать
22. durable money	долговременные деньги
23. gold backing of currency	золотое обеспечение денег
24. notes	банкноты
25. fiat money	неразмennые бумажные деньги
26. invention	изобретение
27. widespread	широко распространенный
28. acceptance	принятие, акцепт
29. to enhance	усиливать
30. under penalty of law	под страхом наказания по закону
31. taxes	налоги
32. tribute	дань

Reading / comprehension activities

Task 8. Read, translate the following text and retell it.

Money

Money is any marketable good or token used by a society as a medium of exchange, store of value and unit of account. Many goods or tokens have some of the characteristics outlined above. However no good or token is money unless it can satisfy all three criteria.

Since the needs arise naturally, societies create one or several money objects when none exists. In other cases, a central authority creates a single money object and compels its use; this is more frequently the case in modern societies with paper money.

The value of money emerges in no small part from its utility as a medium of exchange, however its utility as a medium of

exchange depends on it having recognized market value. Hence these two aspects of money are interdependent.

Commodity money was the first form of money to emerge. Under a commodity money system, the object used as money has inherent value. It is usually adopted to simplify transactions in a barter economy; thus it functions first as a medium of exchange. It quickly begins functioning as a store of value, since holders of perishable goods can easily convert them into durable money. In modern economies, commodity money has also been used as a unit of account. Gold-backed currency notes are a common form of commodity money.

Fiat money is a relatively modern invention. A central authority (government) creates a new money object that has minimal inherent value. The widespread acceptance of fiat money is most frequently enhanced by the central authority mandating the money's acceptance under penalty of law and demanding this money in payment of taxes or tribute.

When using money anonymously, the most common methods are gold, cash (either coin or banknotes) and stored-value cards.

Task 9. Say if the following statements are true or false. Correct the false ones. Retell the text.

1. Money is used by a society only as a medium of exchange.
2. There are two types of money: commodity money and fiat money.
3. The value of money emerges from its utility as a medium of exchange.
4. In modern economies, commodity money has also been used as a store of value and a unit of account.
5. Gold-backed currency notes are a common form of fiat money.
6. Fiat money is a relatively modern invention.
7. Commodity money has inherent value.
8. Fiat money has minimum inherent value.
9. You can use money only in cash.

Vocabulary activities

Task 10. Choose the right alternative to complete each sentence.

1. Coins stamped from metal or printed on paper and accepted when buying and selling is called

a. money **b.** capital **c.** income

2. Money in notes and coins is called

a. cash **b.** capital **c.** reserves

3. The dollar, the mark and the yen are all

a. currencies **b.** funds **c.** monies

4. Money borrowed from a bank is a

a. deposit **b.** income **c.** loan

5. Borrowed money that has to be paid back constitutes a

a. debt **b.** fund **c.** subsidy

6. All the money received by a person or a company is known as

a. aid **b.** income **c.** wages

7. The money earned for a week's manual work is called

a. income **b.** salary **c.** wages

8. The money paid for a month's (professional) work is a

a. loan **b.** salary **c.** wages

9. Money placed in banks and other savings institutions constitutes

a. capital **b.** deposits **c.** finance

10. Money paid by the government or a company to a retired person is a

a. pension **b.** rebate **c.** subsidy

11. The money needed to start a company is called

a. aid **b.** capital **c.** debt

12. The money paid to lawyers, architects, private schools, etc. is called

a. fees **b.** installments **c.** wages

13. Regular part payments of debts are called

a. deposits **b.** loans **c.** installments

14. Part of a payment that is officially given back (for example, from taxes) is called a

a. gift **b.** installment **c.** rebate

15. Estimated expenditure and income is written in a

a. budget **b.** reserve **c.** statement

16. A person's money in a business is known as his or her

a. deposit **b.** fund **c.** stake

17. Money given to producers to allow them to sell cheaply is called a

a. loan b. rebate c. subsidy

18. Money given to developing countries by richer ones is known as

a. aid b. debt c. subsidy

Task 11. Find the meaning of the following phrases and make up sentences with some of them:

Money

active money –	flat money –
to advance money –	to hire the money –
amount of money –	in money terms –
bank money –	interest money -
bank money order –	investment of money –
bargain for money –	to keep money with bank –
bargain money –	to lay aside money –
blocked money –	to lay out money –
borrowed money –	to lend money –
borrower of money –	to mint money –
broad money –	money allowance –
broken money –	money pressure –
to build a money balance –	money transfer –
circulating money –	money turnover –

to collect money –	money unit –
commodity theory of money –	money velocity –
debt money –	pin money –
depreciation of money –	queer money –
dole money –	to roll in money –
to draw money from account –	spare money –
earnest money –	token money –

Task 12. Put a word combination from the previous task in each space.

1. For some jobless people _____ is their only income.
2. The job of collectors is _____ from shops and stores.
3. The task of the mint is _____.

Task 13. Translate the following sentences. Underline set expressions with the word ‘money’ and make up your own sentences with them.

1. In the period of financial crisis it is hard to make money.
2. Having worked in this company for several years he could make good money.
3. Now, when he is in the money he doesn’t want to see his relatives who are rather poor.
4. His horse took first money.
5. For my money, she is a very beautiful and intelligent girl.
6. You didn’t do what you’ve promised. You did nothing to get this money. It is money for jam.
7. If you want your company to grow you should constantly invest money into your business. You know, money makes money.

8. Do you have enough money in your money box to buy a present for your mother?
9. – We are going to the restaurant. Do you want to join us?
- I'm afraid I can't. I'm moneyless.
10. – What synonyms to the word 'rich' do you know?
- Well, there are some. For example, 'moneyed' or 'moneybag'.
11. I guess this business is a money-maker. In other case they'd never start it.
12. This film is money's-worth. It's very entertainment, interesting and thrilling.
13. Don't worry. When I get to a big city I'll send you a money order.
14. Don't be so greedy or you are going to become a money-grubber, and this isn't a good quality.
15. – Do you know these respectable people at that table?
- I guess they are the moneyed interest of this city.
16. This famous novel is really a money-spinner. Everybody seems to have read it.

Task 14. Put each of the following words or phrases into its correct place in the text below.

Money

banks beads buy coins change currency
 depositing earn exchange rate goods
 investments money paper bills
 savings accounts sell shells value

Money is what people use to a. _____ things. People spend money on b. _____ and services. Many people save part of their money by c. _____ it in a bank. People d. _____ money by performing services. They also earn money from e. _____, including government bonds, and from f. _____.

g. _____ can be anything that people agree to accept in exchange for the things they h. _____ or the work they do. Ancient peoples used such varied things as i. _____, j. _____, and cattle as money. Today, most nations use metal coins and

k._____. Different countries' l._____ and bills look different and have different names.

A person can m._____ his money for the money of any country according to the n._____. Usually, such rates are set by the central o._____ of the country. The p._____ of a country's q._____ may change, depending on the economic and political conditions in that country.

Task 15. Use the word combinations from the previous task to make up sentences of your own.

- to earn money
- to save money
- to change money
- to spend money
- to deposit money in a bank

Listening/ comprehension activities

Money

Task 16. Learn the following words and phrases.

1. disadvantages	недостатки
2. to store up	накапливать
3. buying power	покупательная способность
4. to be worth	стоить
5. to stamp	отпечатывать
6. to be doubtful	сомневаться
7. acceptable	принимаемый, могущий быть акцептованным
8. community	общество, сообщество
9. savings	личные сбережения
10. means	средство
11. to compare	сравнивать
12. deferred payment	отсроченный платеж
13. claim	платежная квитанция, заявление о платеже
14. to be exercised	быть осуществленным

Task 17. Listen to the text and answer the questions.

1. What kinds of money do you know?
2. We use money as means of storing up buying power, don't we? What does this mean?
3. Why are people sometimes doubtful about saving money and putting it in a bank?
4. Give examples of the immediate community.
5. Is money generally acceptable by all persons within the immediate community?
6. What other function of money except a store of value do you know?

Task 18. Retell the text using answers from the previous task.

Grammar: Present Simple (I do)

<p>I/we/you they work he/she/(it) works Do I/we/you they work? Does he/she/(it) work? I/we/you they don't work he/she/(it) doesn't work</p>

Task 19. Put the verb into the correct form. Translate the sentences.

Examples: The office opens (open) at 9 o'clock and closes (close) at 6.

We don't go (not/go) to the cinema very often.

How many languages does he know (he/know)?

1. I _____ (like) ice-cream but I _____ (not/buy) it very often.
2. What kind of service _____ (this office provide)?
3. How much pocket money _____ (you/get) from your parents every day?
4. What _____ (you/do)? I'm an engineer.

5. Where _____ (you/come) from? I _____ (come) from Ukraine.
6. If you _____ (need) money, why _____ (you/not/get) a job?
7. If your pocket money is limited you _____ (not/buy) everything you want.

Task 20. Use the following sentences to make questions, begin them with the words in brackets.

1. A lawyer provides some kind of service. (What kind of service?)

2. I get paid for my job very well (How much)?

3. Tom works. (Where?) _____
4. We face many economic problems nowadays (Why?)

5. I don't go to my part-time job every day. (How often?)

6. They produce goods. (What goods?) _____
7. I need some money. (How much money?)

Task 21. Translate into English.

1. Поставщик услуги предоставляет какой-либо вид услуг за определенную плату.
2. Они платят за эту работу очень хорошо.
3. Эта компания производит различные товары.
4. Он работает на полставки.
5. Мне нужны деньги, чтобы сделать подарок другу.
6. Наша страна сталкивается со многими экономическими проблемами сегодня.
7. Чем вы занимаетесь? – Я доктор.
8. Откуда вы? – Я из Украины.
9. Сколько иностранных языков вы знаете?
10. Сколько денег вы зарабатываете в год?

Speaking: English business acronyms and financial buzzwords
Task 1. Learn the following acronyms and make up a sentence or a short dialog with each of them.

ASAP : As Soon As Possible

EBIT : Earnings Before Interests and Taxes; Shows the result of the company before Interest expenditures and Income Taxes. It differs from...

EBITDA : Earnings Before Interests, Taxes, Depreciation and Amortization; ...that gives a more precise idea of final result (earnings or loss). It takes into account these two aspects of business in addition.

BOY : Beginning Of the Year; Generally January, but in any case is considered the beginning of the financial year (for statements purpose).

EOY : End Of the Year; Generally December, but in any case is considered the end of the financial year (for statements purpose).

YTD : Year To Date; term generally used to indicate all the expenses a firm incurred in during a year (P&L)

R/E : Rate of Exchange (also called FX exchange)

CFO: This is the senior manager who is responsible for overseeing the financial activities of an entire company. This includes signing checks, monitoring cash flow, and financial planning. The CFO is similar to a treasurer or controller.

Task 2. There are many buzzwords in financial English. To understand your English speaking partner and negotiate successfully you should know many of them. Read the meaning of some buzzwords. Work in pairs and make up your own dialogs with each of them.

1. What Does A Ton Of Money Mean?

A slang term used to describe a significant amount of money. The amount implied typically depends on the person, company or situation.

We may all have a different idea of what constitutes a "ton of money", but according to the Bureau of Engraving and Printing, a ton of \$1 bills amounts to \$908,000 - nearly \$1 million! If you're talking about a ton of coins, then it's a different story - a ton of

quarters is worth \$40,000, and one ton of pennies (363,000 pennies to be exact) is worth \$3,630.

2. What Does *In The Pink* Mean?

An informal expression used to describe a situation in which an investor or an economy is in a good financial position. More generally, it refers to being in the best of health or condition.

Blue chip stocks and healthy economies are examples of in-the-pink (or rosy) financial positions.

3. What Does *IOU* Mean?

An abbreviation of the phrase "I owe you."

An IOU in the business community is actually a legally binding agreement between a borrower and a lender. The terms of the loan are set out in a contract, and, once it's signed, the two parties must abide by the terms of the contract or face legal repercussions. For example, when a corporation issues bonds, it is in essence issuing an IOU to bondholders. The IOU or bond contract sets out the terms, including the principal that will be owed, the interest that will be paid, and the time at which these payments will occur.

4. What Does *Bank of England - BoE* Mean?

The Bank of England is the central bank for the United Kingdom. It has a wide range of responsibilities, similar to those of most central banks around the world. For example, it acts as the government's bank and the lender of last resort, it issues currency and, most importantly, it oversees monetary policy.

Sometimes known as "the Old Lady of Threadneedle Street", (which refers to the bank's location; The Bank of England is located in the middle of the city of London on Threadneedle Street) the BoE is the UK's equivalent of the Federal Reserve in the United States.

Task 3. Many buzzwords are connected with different financial and social conditions of people. Learn them. Work in pairs and make up your own dialogs with each of them.

1. What Does *Sandwich Generation* Mean?

The generation of middle-aged individuals who are pressured to support both aging parents and growing children.

Those of the sandwich generation are caught between the obligation to care for their parents--who may be ill, unable to perform various tasks or in need of financial support--and children, who require financial, physical and emotional support. These obligations demand considerable time and money. With the added burdens of work and personal issues, as well as the need to contribute to their own retirement, the individuals of the sandwich generation are under significant stress.

2. What Does *Yuppie* Mean?

A slang term denoting the market segment of young urban professionals. A yuppie is often characterized by youth, affluence and business success.

Coined in the 1980s, the term yuppie was used as a derogatory title for young business people who were considered arrogant, undeservedly wealthy and obnoxious. Yuppies were often associated with wearing high fashion clothing, driving BMWs and gloating about their successes. The term has become less of a stereotype and now promotes the image of an affluent professional.

3. What Does *Young And Wealthy But Normal - YAWN* Mean?

A class of self-made millionaires that live relatively modest lives. Instead of spending wealth on gaining luxurious items and living expensive lifestyles, these individuals prefer to make contributions to charitable causes and spend time with their families.

The concept of social responsibility may have contributed to the emergence of this new class of wealthy individuals. All in all, these individuals can be a great benefit for society because they redistribute a vast amount of wealth for social good. However, it may be difficult to become a YAWN because it can be very tempting for wealthy young people to be drawn to more extravagant lifestyles.

4. What Does *Affluenza* Mean?

A social condition arising from the desire to be wealthier, successful or to "keep up with the Joneses". Affluenza is symptomatic of a

culture that holds up financial success as one of the highest achievements. People said to be affected by affluenza typically find that the very economic success they have been so vigorously chasing ends up leaving them feeling unfulfilled, and wishing for yet more wealth.

Affluenza is arguably present in the United States, where the culture is one that prides itself on possessions and financial success. Mainstream media outlets, such as television broadcasts, tend to show how pervasive the idea has become. While affluenza cannot be quantified easily, those wishing to avoid the condition should look to be the master of, not a slave to, the things they have or wish to obtain.

5. What Does *Yupcap* Mean?

A slang term for a young urban professional who cannot afford property. Yupcaps are individuals in their late twenties or early thirties with a post secondary education and a well-paying job who are unable to purchase a property due to factors such as high real estate prices, limited personal savings and limited credit history, all of which can make it difficult to get approved for a mortgage. Despite having a steady stream of income in a good paying job, yupcaps often find it extremely difficult to purchase a home in the marketplace.

6. What Does *Boomerang* Mean?

An American slang term that refers to an adult who has moved back in with his or her parents (who are part of the baby boomer generation) instead of living independently. The phrase, when applied to an individual, makes reference to the fact that the person lived independently for a period, but subsequently returned home due to the financial costs associated with maintaining a separate household.

While boomer parents may be pleased emotionally to have their boomerangs back in the household, boomerangs can often pose a significant financial burden on their parents.

Unit 1. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

Foreign currency, to change Euros into dollars, a bank account, a waste of money, legal tender, to have a lot of expenses, lender, borrower, medium of exchange, store of value, unit of account, commodity money, inherent value, gold backing of currency, fiat money, taxes, fiat currencies, a loan, an income, to spend money on goods and services, savings accounts, exchange rate.

2. Make sure that you know the following words and word combinations, translate them into English.

Занимать деньги у кого-либо, давай деньги займы кому-либо, тратить деньги, зарабатывать деньги, большая сумма денег, законное средство платежа, платить с помощью кредитной карточки, платить наличными, получать прибыль, показать квитанцию, ежемесячные взносы, покупатели, продавцы, прибыли и убытки, кредит, доход, банковский депозит, капитал.

3. Translate into English.

1. Трудно заработать деньги, но еще труднее их сэкономить.
2. Копейка рубль бережет (пословица).
3. Курс доллара был достаточно высокий в прошлом месяце.
4. Деньги используются обществом в качестве средства расчетов.
5. Моя будущая специальность – финансы и кредит.

4. Choose the right variant:

1. What ____ you do? – I'm a manager.
a. does b. do c. don't
2. What kind of goods ____ your company produce?
a. do b. is c. does
3. Where ____ you come from?
a. do b. does c. are
4. I ____ work every day.
a. don't b. doesn't c. not
5. What department _____ these employees work in?
a. do b. is c. does

Individual work

1. Read the following information about personal finance and then complete the sentence with words from the box.

Personal finance

All the money a person receives or earns is his or her **income**. This can include:

- salary: money paid monthly by an employer, or wages: money paid by the day or the hour, usually received weekly
- overtime: money received for working extra hours
- commission: money paid to salespeople and agents – a certain percentage of the income the employee guarantees
- a bonus: extra money given for a meeting a target or for good financial results
- fees: money paid to professional people such as lawyers and architects
- social security (AmE: welfare): money paid by the government to unemployed and sick people
- a pension: money paid by a company or the government to a retired person.

Salaries and wages are often paid after deductions such as social security charges and pension contributions.

Amounts of money that people have to spend regularly are **outgoings**. These often include:

- living expenses: money spent on everyday needs such as food, clothes and public transport
- bills: requests for the payment of money owed for services such as electricity, gas and telephone connections
- rent: the money paid for the use of a house or flat (AmE: apartment)
- a mortgage: repayments of money borrowed to buy a house or flat
- health insurance: financial protection against medical expenses for sickness or accidental injuries
- tax: money paid to finance government spending.

commission bonus currency earn mortgage tax overtime pension rent salary social security

1. After I lost my job, I was living on _____ for three months. This was difficult, because the amount was much than the _____ I had before.
2. I used to work as a salesperson, but I wasn't very successful, so I didn't _____ much _____.
3. If the company makes 10 % more than last year, we'll all get a _____ at the end of the year.
4. It'll take me at least 25 years to repay the _____ on my house.
5. Many European countries now have the same _____, the euro.
6. My wages aren't very good, so I do a lot of _____.
7. Nearly 40 % of everything I earn goes to the government as _____.
8. The owner has just increased the _____ on our flat by 15 %.
9. When I retire, my _____ will be 60 % of my final salary.

4. Are the following statements true or false?

1. Bank deposits are not classified as money.
2. People earning wages get paid more often than people earning a salary.
3. People working on commission always get paid the same amount.
4. When you stop working at the end of your career, you receive a pension.
5. Most people pay a rent and a mortgage.

Unit 2: Features of money

Pre-reading activities

Money and work

Task 1. Put words into the spaces.

a year	by	good money	hourly	for
makes	on the staff	package	payroll	on
salary	staff member	wage	well paid	well

Set 1:

1. She's _____ 40k a year.
2. She's on forty thousand _____.
3. Her monthly _____ is about £3,300.
4. She _____ forty thousand pounds a year.
5. Parker Publishing offer an excellent remuneration _____ to executives.

Set 2:

6. He works _____ Parker Publishing.
7. He's employed _____ Parker Publishing.
8. He's _____ of Parker Publishing.
9. He's on the _____ of Parker Publishing.
10. He's a Parker Publishing _____.

Set 3:

11. Parker Publishing pay their delivery drivers a good _____ rate.
12. Parker Publishing pay their delivery drivers _____.
13. Parker Publishing delivery drivers are on _____.
14. Parker Publishing delivery drivers are _____.
15. Parker Publishing delivery drivers get a good weekly _____.

Task 2. Choose the best words to go into the spaces.

1. Tony doesn't pay tax. He gets paid _____.
a. cash in pocket **b.** cash in hand **c.** cash in fingers.
2. Anna is a _____ illustrator. She works for many different _____.
a. freelance / customers **b.** free / clients **c.** freelance / clients
3. Anna is _____.
a. self-employed **b.** self-working **c.** self-paid

4. Steve works for BurgerPlanet. He only earns about £6 _____.
- a. for an hour b. an hour c. the hour
5. Working in a fast-food restaurants is usually a _____ occupation.
- a. bad-pay b. short-pay c. low-pay
6. Many company executives receive a performance-related _____.
- a. bonus b. gift c. extra
7. Extra benefits from employers such as free health insurance, free cars and free mobile phones are called _____.
- a. presents b. extras c. perks
8. Factory workers who get paid for each item they make are _____.
- a. in pieces b. on piecework c. on pieces

Task 3. Translate the following sentences into English.

1. Она зарабатывает 40 000 фунтов в год.
2. Он работает в компании Паркер Паблшин.
3. Эта компания платит хорошую зарплату своим курьерам.
4. Он получает зарплату на руки.
5. Анна не штатный работник, она работает для разных клиентов.
6. Джон зарабатывает 10 фунтов в час.
7. Работа в ресторанах быстрого питания считается низко оплачиваемым занятием.
8. Многие компании платят своим работникам премии в зависимости от качества их работы.
9. Некоторые компании предоставляют своим работникам дополнительные льготы.
10. Работникам фабрики платят за каждый отдельный экземпляр товара, это называется сдельная работа.
11. Думаю, вам следует просить повышения зарплаты (ask for a pay rise).

Task 4. Refresh your Grammar.

1. To function as money, the monetary item should possess a number of features. (should + infinitive).
2. Precious metals can be coined from bars, or melted down into bars again. (can + Present Simple Passive).
3. One unit or piece must be equivalent to another. (must + infinitive).
4. Gold and silver have been chosen again and again throughout history as money. (Present Perfect Passive).
5. Those societies inevitably prosper under what is often called a golden age. (Present Simple; Present Simple Passive).
6. Money facilitates and encourages trade. (Present Simple).

Task 5. Fill in the gaps using verbs in brackets in the right tense.

1. I think you (to earn) enough to buy this cell phone.
2. Salary in this company (to pay) to its employees regularly.
3. Goods of this company (to choose) by customers again and again since they (to launch) last month.
4. They usually (to get) their salary in cash, though they (to have) credit cards.
5. He (to employ) by IBM company, he (to work) for it for several years.
6. She (to make) £40 thousand a year. Her salary (to be) rather high.
7. When a society (to prosper) it (to call) a golden age.
8. Food items, expensive spices, or even fine silks, (to be not) generally suitable as money.
9. People usually (to spend) money to buy goods and services.
10. Gold and silver (to be) suitable as money because they (to have) a stable value.
11. Many people (to save) part of their money by depositing it in a bank.

Task 6. Learn the active vocabulary.

1. monetary item	денежная сумма
2. to possess	обладать
3. features	характеристики
4. liquid	ликвидный
5. easily tradable	легко используемый для обмена
6. low spread	низкая степень разрыва
7. fungible	заменяемый
8. precious metals	драгоценные металлы
9. value to weight ratio	соотношение ценности и веса
10. highly convenient	очень удобный
11. in this regard	в этом отношении
12. divisible	делимый
13. without destroying	не уничтожая
14. to be coined	быть отчеканенным
15. bars	слитки
16. to be melted down	быть расплавленным
17. real estate	недвижимость
18. measure	мера
19. to be verifiably countable	быть поддающимся подсчету
20. durable	долговечный
21. perishable	скоропортящийся
22. subject to decay	поддающийся разрушению
23. intrinsic	внутренний, свойственный
24. luxury item	предмет роскоши
25. scarce	недостаточный
26. rare	редкий
27. to counterfeit	подделывать
28. genuine	подлинник
29. to prosper	процветать

Reading / comprehension activities

Task 7. Read, translate the following text.

Desirable features of money

To function as money, the monetary item should possess a number of features:

- To be a medium of exchange:

It should be liquid, easily tradable, with a low spread between the prices to buy and sell. A low spread typically occurs when an item is fungible.

It should be easily transportable; precious metals have a high value to weight ratio. This is why oil, copper, or bricks are not suitable as money. Paper notes have proved highly convenient in this regard.

- To be a unit of account:

It should be divisible into small units without destroying its value; precious metals can be coined from bars, or melted down into bars again. This is why leather, or animals are not suitable as money.

It should be fungible: that is, one unit or piece must be equivalent to another, which is why diamonds or real estate are not suitable as money.

It must be a certain weight, or measure, to be verifiably countable.

- To be a store of value:

It should be long lasting, durable, it must not be perishable or subject to decay. This is why food items, expensive spices, or even fine silks, are not generally suitable as money.

It should have a stable value; a value intrinsic in itself, such as a luxury item, scarce, or rare.

It should be difficult to counterfeit, and the genuine must be easily recognizable.

For these reasons, gold and silver have been chosen again and again throughout history as money in more societies and in more cultures and over longer time periods than any other items; and those societies inevitably prosper under what is often called a golden age.

One key benefit of these features of money is that it facilitates and encourages trade; because barter is inefficient.

Task 8. Find the English equivalents for the following in the text:

- обладать рядом характеристик –
- иметь свойство легко использоваться для обмена –
- низкая степень разрыва между ценами при покупке и продаже –
- высокий уровень соотношения ценности драгоценных металлов и их веса –
- быть отчеканенным из слитков или расплавленным в слитки снова –
- одна денежная единица должна быть равна другой –
- не подходить в качестве денег –
- иметь определенный вес или меру, чтобы поддаваться подсчету –
- иметь стабильную ценность, ценность свойственную самому предмету –
- этот предмет должно быть трудно подделать –
- подлинник должен быть легко распознаваем –
- общества неизбежно процветают –
- облегчать и стимулировать торговлю –

Task 9. Describe the features of money using the following plan.

Plan

1. features of money as a medium of exchange
2. features of money as a unit of account
3. features of money as store of value
4. benefits of these features of money

Vocabulary activities

Currencies

Task 10. Put the words into the spaces below.

cost of living denominations Euro zone legal tender monetary unit rounding up
--

A hard currency

The euro is the 1 _____ of the majority of countries within the European Union. Notes come in 2 _____ of 5, 10, 20, 50, 100 and 500 euros. The currency was introduced on 1st January 2002, and shortly afterwards the national currencies of the

countries in the 3 _____ ceased to be 4 _____. One effect of the introduction of the euro was "euro inflation", with the 5 _____ rising sharply as a result of the 6 _____ of prices.

Task 11. Choose the best words.

1. When the government doesn't control the exchange rate in any way, the currency is _____.

a. freely convertible b. totally convertible c. absolutely convertible

2. The Japanese yen is trading for less than its usual value. You can talk about _____.

a. a small yen b. a bad yen c. a weak yen

3. The Mexican peso is trading for more than its usual value. You can talk about _____.

a. a big peso b. a good peso c. a strong peso

4. A sovereign is a coin made of 7.3 grams of gold, and is worth a lot of money. However, its _____ is just one pound.

a. front value b. face value c. written value

5. Changes in the values of currencies are called _____.

a. currency fluctuations b. currency alterations c. currency changes

6. An Internet site which does currency calculations based on the latest exchange rates is called a _____.

a. currency changer b. currency converter c. currency setter

7. When you change money, you usually have to pay a _____.

a. commission b. percentage c. fee

8. When changing money, banks tend to offer a _____ exchange rate than bureaux de change.

a. better b. nicer c. fatter

Task 12. Say which two of the following are not a way of saying €1.50?



1. One euro fifty
2. One-and-half-euros

3. One euro fifty cents
4. One euro and fifty cents
5. One point fifty euros
6. One point five euros
7. A euro with fifty

Task 13. Find out today's exchange rates. Write words or numbers into spaces.

1. At the moment there are _____ euros to the pound.
2. The pound is standing _____ against the dollar.
3. You'll get just _____ two dollars to the pound.
4. A dollar is worth just _____ fifty pence.
5. How many euros will I _____ for £100?
6. How much is \$39.95 _____ pounds?
7. I'd like to change these pounds _____ euros please.
8. I'd like to exchange these pounds _____ euros please.

Listening/ comprehension activities

Currency

Task 14. Learn the following words and phrases.

1. currency supply	поступление валюты
2. to facilitate	облегчать, способствовать
3. exchange rate	обменный курс
4. to be exercised	осуществляться
5. in either case	в любом случае
6. monetary policy	валютная политика
7. to be referred to	зд. называться
8. monetary authority	главное денежно-кредитное учреждение страны
9. varying degrees	различные степени
10. direct oversight	прямой надзор
11. legislative branch	законодательная власть
12. executive branch	исполнительная власть
13. distinct	отличный
14. to declare	объявлять
15. legal tender	законное средство платежа

Task 15. Say if the following statements are true or false, correct the false ones. Retell the text.

1. In most cases, each private central bank has monopoly control over the supply and production of its own currency.
2. In cases where a country does have control of its own currency, that control is exercised only by a central bank.
3. In almost all Western countries, the monetary authority is largely independent from the government.
4. Several countries can't use the same name for their own distinct currencies.
5. Several countries can use the same currency.
6. One country can't declare the currency of another country to be legal tender.

Writing activities

Financial idioms and expressions

Task 16. Translate the following sentences into Russian. For each sentence, decide whether the people being described are rich or poor.

1. We'll have to tighten their belts. **RICH / POOR**
2. He's raking it in at the moment. **RICH / POOR**
3. They're very hard up. **RICH / POOR**
4. He's finding it hard to make ends meet. **RICH / POOR**
5. She's absolutely loaded. **RICH / POOR**
6. They're a lot better off than most. **RICH / POOR**
7. She's rolling in money. **RICH / POOR**
8. He's fallen on hard times. **RICH / POOR**
9. They've got money to burn. **RICH / POOR**
10. She seems very down at heel. **RICH / POOR**
11. We're totally broke. **RICH / POOR**
12. They don't have two pennies to rub together. **RICH / POOR**

Task 17. Choose the best words to go into each space. Translate the following sentences into Russian.

1. "In the red" means your bank account is overdrawn. "In the _____" means your account is in credit.
a. blue b. black c. green
2. They're a very rich company. \$10,000 is just _____ to them.

- a.** small money **b.** coins **c.** loose change
3. At the moment plasma-screen TVs are a _____ on the market. Everybody who wanted one has now got one.
- a.** glut **b.** surplus **c.** excess
4. Suppliers have been _____ the market with cheap MP3 players.
- a.** filling **b.** flooding **c.** dumping
5. The market for holiday apartment rentals is now _____.
- a.** over-full **b.** too many **c.** saturated
6. The new computer game console has been a huge hit. Just before Christmas, you couldn't get one for _____.
- a.** gold **b.** diamonds **c.** love nor money
7. The publishers of *School for Wizards* have _____ the book's success, and have negotiated a series of lucrative merchandising deals.
- a.** maximized cash with **b.** cashed in on **c.** cashed up
8. Following the success of Banco Credito's internet share-trading service, a lot of other banks have jumped _____ and launched similar services.
- a.** on the bandwagon **b.** into the sea **c.** onto the table
9. In those days, you could buy a house for £50,000 and let it out for £800 a month. It was a license to _____.
- a.** make money **b.** mint money **c.** print money
10. If we want a new photocopier, we'll have to ask the Resources Manager. She _____.
- a.** holds the purse strings **b.** guards the money **c.** opens the purse
11. It doesn't matter how much we spend on designing the front cover. Money is _____.
- a.** no limit **b.** no object **c.** no maximum
12. A large payment to somebody when they leave a job is called a _____.
- a.** golden goodbye **b.** golden hand **c.** golden handshake
13. I get an accountant to fill in my tax return for me. I don't have a very good _____ for figures.
- a.** mind **b.** brain **c.** head
14. Do I have any savings? Yes, I've got a little put by for a _____.
- a.** rainy day **b.** bad day **c.** hard time

Grammar: Future Simple (I will do)

We use **will** when we decide to do something at the time of speaking:

- Oh, I've left my books at home, I'll **go** and get them.
- What would you like to drink? - I'll **have** a Coke, please.

The negative of **will** is **won't** (or will not).

We often use will in these situations:

- Offering to do something: I'll **help** with this bag.
- Agreeing or refusing to do something: I'll **bring** your book tomorrow.
- Promising to do something: I'll **pay** you back on Saturday.
- Asking someone to do something (Will you?): **Will you give** me this book, please?

Task 18. Complete the following sentences with I'll + a suitable verb. Translate the sentences.

write find phone go get help hold

1. We don't have any data about this. I think _____ some data to use them in the report.
2. It's too late to telephone this company today. _____ them in the morning.
3. 'Did you write that letter to our suppliers?' 'Oh, I forgot. Thanks for reminding me. _____ it right now'.
4. I'm afraid I don't have time for this meeting. I think _____ it next week.
5. 'Can you help me to make this report?' 'I think _____ to do it tomorrow'.
6. 'We need some additional statistics on this problem'. 'I think _____ it by the end of the day'.
7. I've arranged to play tennis but now I don't want to play. I think _____ to the cinema tonight.

Task 19. Translate into English.

1. Я сделаю эту работу завтра.
2. Мы получим данные и сможем использовать их в отчете.
3. Я принесу тебе книгу в понедельник.
4. Наша компания пришлет вам копию договора на следующей неделе.
5. Я думаю, они поедут туда в следующем месяце.
6. Мы проведем собрание завтра.
7. Он напишет письмо прямо сейчас, обещаю.
8. Они не пойдут в кино, они будут играть в теннис.

Speaking: International English

“There has never been a language spoken by so many people in so many places.” Professor David Crystal, the Cambridge Encyclopedia of language.

Task 1. Complete the following sentence. Use the words in the box if you like. Then compare with other students in the class.

1. For me, learning English is _____.

a pleasure a hobby an opportunity an investment a necessity an effort a problem a pain a nightmare
--

2. Why are you learning English?

In general I want to:

learn write read improve feel make

- a. _____ more confident when I speak
- b. _____ improve my listening skills
- c. _____ lots of new vocabulary
- d. _____ fewer grammar mistakes
- e. _____ better, clearer English
- f. _____ read without using a dictionary.

3. In particular, I need English for:

taking travelling socializing doing giving writing
--

- g. _____ on business
- h. _____ business on the phone
- i. _____ emails, faxes and letters
- j. _____ with clients and colleagues
- k. _____ part in meetings
- l. _____ short presentations.

Task 2. Try the quiz about the world's major languages.

1. Approximately how many languages are there in the world?
650 b. 6 500 c. 65 000 d. 650 000
2. Which language has the biggest number of native speakers?
3. How many people speak English as a first, second, or a third language?
0,5 billion b.1 billion c. 1.5 billion d. 2 billion
4. In a recent survey, how many Europeans said everyone should speak English?
49% b. 69% c. 89% d. 99%
5. How much of the world's mail is written in English?
25% b. 50% c. 75% d. 90%
6. How much of the world's email is written in English?
50% b. 60% c. 70% d. 80%
7. How many languages 'disappear' every year?
a. 2 b. 5 c. 10 d. 20

Task 3. To check your answers read and translate the following text.

English Inc.

English is to international communication what VHS is to video, Microsoft to software and Pentium to the microchip. It is, for better or worse, the 'industry standard'. And those who don't speak at least a little risk losing business to the increasing number who do. A quarter of the planet currently speaks English. That's one and a half billion people, two-thirds of whom speak it as a foreign language.

In a recent survey, 69% of Europeans said they thought everyone should speak English. More than half of them already do. For most, it's not a question of choice but of necessity, as English has rapidly become the first language of business, science and popular culture. Three-quarters of the world's mail is in English. So are four out of five emails and most of what you find on the internet.

However, not everyone welcomes this linguistic monopoly. The French Ministry of Finance, for instance, recently surprised the international business community by banning English terms like email and internet. In fact, seven teams of language experts have been employed to come up with French alternatives.

The French has a point. Twenty languages disappear every year because nobody speaks them anymore. At that rate, by the end of the 21st century almost a third of the world's six and a half thousand languages will be dead. Even in Germany, where Denglish is fashionable, and phrases like *jointventure*, *powerpartner* and *fitness-training* are common, the leader of Free Democrats has expressed concern about the flood of anglicisms descending on us from the media, advertising, product description and technology. Some go so far as to call it a form of violence. Maybe it is, and big business certainly accelerates the process.

The number of native speakers of the world's top ten languages.

1. Chinese 726 m
2. English 427 m
3. Spanish 266 m
4. Hindi 182 m
5. Arabic 181 m
6. Portuguese 165 m
7. Bengali 162 m
8. Russian 158 m
9. Japanese 124 m
10. German 121 m

Task 4. Discuss the following questions:

1. Do you think the article overstates the importance of English?

2. What other languages might eventually take over from English as the international language of business?
3. Do you agree that big business accelerates the advance of the English language?

Task 5. Read to six business people talking about their attitudes to learning English. Take notes. Whose opinion is closest to your own? Write down in one phrase what each speaker thinks about learning English and his or her nationality:

	one phrase	his or her nationality
1st speaker:		
2nd speaker:		
3rd speaker:		
4th speaker:		
5th speaker:		
6th speaker:		

Speaker 1. Well, to be honest, learning English isn't my idea of fun. I mean, rock concerts are fun. Learning English isn't fun. It's hard work. But it's worth it. I don't need English every day in my job right now. But if I want to get on in my career, I know I'm going to need it more and more. English is where the money is, so I just think of it as an investment in my future. We Swiss are very practical like that.

Speaker 2. Well, I accept that English is the language of the media, but I'm not so sure about business. Personally, I know a lot of business people who speak almost no English at all. 25 % of the world speaks English. OK, but that means 75 % don't. The way I see it, if I'm trying to sell you something, I should speak your language. But if you come to Ecuador to sell me something, then you should speak Spanish.

Speaker 3. Coming from a tiny country like the Netherlands means we've always had to speak foreign languages. So it's nothing new for us. The same goes for people from Luxembourg, Belgium,

Scandinavia. Eighty per cent of Dutch people speak English. Most of us speak some German too, or French. We certainly don't expect anybody to speak Dutch! In fact, the firm I work for recently introduced English as the official company language. So now I speak English all day – to other Dutch people!

Speaker 4. I'm afraid I really don't like English that much. I find the pronunciation very difficult. It's certainly not as beautiful a language, which is Italian. And, anyway, I think it's more difficult as you get older to learn foreign languages. But my company wants me to learn English, so I don't really have much choice. If a quarter of the world speaks it, I suppose I must too. But I'll always think in Italian.

Speaker 5. I don't know why people who speak European languages complain about learning English. Try learning it when your native language is Korean! Actually, I find I can speak English OK, if I'm doing business with other non-native speakers. But with native English speakers, I do feel at a disadvantage.

Speaker 6. Well, actually, I love English. It's true the pronunciation is quite hard to get right, but the grammar is much simpler than my language, Hungarian – at least at the beginning. That's the thing about English – it's easy to speak a little quite quickly. It gets harder later, of course.

Task 6. Complete the following expressions which were used in text above.

- a. Learning English isn't my idea ___ fun.
- b. I want to get _____ in my career.
- c. English is the language ___ the media.
- d. It's certainly not ___ beautiful a language as Italian.
- e. I think it's more difficult ___ you get older.
- f. I'll always think _____ Italian.
- g. With native English speakers, I do feel ___ a disadvantage.
- h. That's the thing _____ English – it's easy to speak a little quite quickly.

Unit 2. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

To work for a company, to be employed by a company, a performance-related bonus, perks, to be on piecework, to ask for a pay rise, monetary item, precious metals, value to weight ratio, real estate, durable, perishable, a stable value, a value intrinsic in itself, to facilitate and encourage trade, the gap between the official and unofficial rates, monetary unit, currency fluctuations, backing of currency.

2. Make sure that you know the following words and word combinations, translate them into English.

Месячная зарплата, система вознаграждений, штатный работник, хорошая почасовая оплата, получать деньги на руки, внештатный работник, низкооплачиваемая профессия, легко используемый для обмена, быть отчужденным, предмет роскоши, твердая валюта, экономить, купаться в деньгах, деньги - не проблема, иметь сбережения на черный день, ни за какие деньги, очень прибыльное дело.

3. Translate into English.

1. Я думаю, ты зарабатываешь достаточно, чтобы купить новый мобильный телефон.
2. Зарплата в этой компании выплачивается работникам регулярно.
3. Обычно они получают зарплату наличными, хотя у них есть кредитные карты.
4. Он работает в компании IBM, поэтому его зарплата достаточно высокая.
5. Обычно люди тратят деньги на то, чтобы купить товары и услуги.
6. Многие люди откладывают часть зарплаты и кладут эти деньги в банк.
7. Золото и серебро имеют стабильную стоимость.

Unit 3: Money supply

Pre-reading activities

Central banking and money supply: definitions

Task 1. Complete these sentences about Central Banks using the words in the box.

Central Banks such as the Bank of England, the Federal Reserve Board in the US, and the Bundesbank in Germany:

act fit implement issue control function influence supervise

1. _____ as banks for the government and for other banks.
2. _____ monetary policy – either the government's as in Britain, or their own, if they are independent, as in Germany and the USA.
3. _____ the money supply, measured by different aggregates such as M0, M1, M2, M3, etc.
4. _____ the minimum interest rate.
5. _____ as lender of last resort to commercial banks with liquidity problems.
6. _____ coins and banknotes.
7. _____ floating exchange rates by intervening in foreign exchange markets.
8. _____ the banking system.

Task 2. Complete this paragraph using these words.

assets cash interest liquid maturity reserve

Because a commercial bank can lend most of the money deposited with it to other borrowers, who in turn may lend it to another borrower, each sum of money deposited in a bank is multiplied several times. To ensure the safety of the banking system, central banking impose 1 _____ requirements, obliging commercial banks to deposit a certain amount of money with the central bank at zero 2 _____. Central banks in different countries also impose different 'prudential ratios' on commercial banks. These are ratios between deposits and liquid 3 _____ that are considered sufficient to meet demands for 4 _____. (Bank's assets are its loans, which should, in theory, all be paid back one day, and its liabilities are the customers' deposits, which can all

be withdrawn one day). For example, a bank's capital ratio is between its capital and reserves on the one hand, and its total assets on the other. The reserve asset ratio is between deposits with a 5 _____ of under two years, called 'eligible liabilities', and reserve assets, which include cash and assets that are 6 _____ - i.e. quickly convertible into cash – such as reserve deposits held by the central bank, and securities such as treasury bill.

Task 3. Put the words from the box into the spaces in sentences about money supply.

bonds commercial monetarist prices tight velocity
--

Following the 1 _____ argument that the average level of 2 _____ and wages is determined by the amount of money in circulation, and its 3 _____ of circulation, many central banks now set money supply targets. By increasing or decreasing the money supply, the central bank indirectly influences interest rates, demand, output, growth, unemployment and prices. The central bank can reduce the reserves available to 4 _____ banks by changing the reserve requirements. This reduces the amount of money that banks can create and makes money 5 _____ or scarce. Alternatively, the central bank can engage in what are called open market operations, which involve selling short-term government 6 _____ (such as three-month Treasury bills) to the commercial banks, or buying them back.

Task 4. Put the words from the box into the spaces in sentences about the situation when money is tight.

credit inflation output unemployment interest rates the exchange rate aggregate demand

When money is tight,
7 _____ rise, because commercial banks have to borrow at a higher rate on the inner-bank market.
8 _____ falls, because people and businesses borrow less at higher rates.
9 _____ falls, because people and businesses buy less as they have less money.

10 _____ falls too, because with less consumption, firms produce less.

11 _____ rises, because companies are producing and selling less, and so require less labor.

12 _____ falls, because there is less money in circulation.

13 _____ will probably rise, if there is the same demand but less money, or if there is higher demand, as foreigners take advantage of the higher interest rates to invest in the currency. Increasing the money supply, by making more reserves available, has the opposite effects.

Task 5. Learn the financial idioms. Refresh your Grammar. Translate the sentences into Russian.

1. bottom line - the line in a financial statement that shows net income or loss

The bottom line in the company's financial statement was much worse than expected. ('to be' in Past Simple; comparative degree of an adjective; Past Simple Passive).

2. to bring home the bacon - to earn the family living, to earn a salary
I have been working hard all month bringing home the bacon for my family. (Present Perfect Continuous; Participle I).

3. to cost an arm and a leg - to cost a lot of money
My new stereo system cost an arm and a leg. (Past Simple).

4. to cut (someone) a check - to write a check (usually used for a company which automatically produces a check with a computer)
The company cut me a check to pay me for my extra work. (Past Simple; infinitive).

5. Dutch treat - a situation where each person pays his or her own share of the expenses

The movie was a Dutch treat so I did not have to pay for my date. ('to be' in Past Simple; modal verb 'to have to' in Past Simple).

Task 6. Learn the active vocabulary.

1. money supply	денежный ресурс, денежная масса
2. available	располагаемый
3. demand deposits	бессрочные вклады

4. to break down	подразделять
5. monetary policy measure	показатель денежно-кредитной политики
6. monetary aggregate	денежный агрегат
7. to range	располагаться
8. layout	схема
9. bank vault	банковское хранилище
10. monetary base	денежная база
11. checking deposit	вклад на текущем счете
12. checkable deposit	вклад, поддающийся учету
13. traveler's check	туристический, дорожный чек
14. to conform	соответствовать
15. to repay debt	возмещать долг
16. debit card	платежная карточка
17. to complete a transaction	выполнить операцию
18. savings deposit	сберегательный депозит (нечековый)
19. time deposit	срочный депозит
20. money market deposit	депозит финансового рынка
21. substitute	заменитель
22. repurchase agreements	соглашение о продаже и обратной покупке
23. liquid asset	ликвидный актив

Reading / comprehension activities

Task 7. Read, translate the following text and retell it in several sentences.

Money supply

In economics, money supply, or money stock, is the total amount of money available in an economy at a particular point in time. There are several ways to define "money", but standard measures usually include currency in circulation and demand deposits.

Money supply data are recorded and published, usually by the government or the central bank of the country. Public- and private-sector analysts have long monitored changes in money

supply because of its possible effects on the price level, inflation and the business cycle.

Since most modern economic systems are regulated by governments through monetary policy, the supply of money is broken down into types of money based on how much of an effect monetary policy can have on each. Narrow measures include those more directly affected by monetary policy, whereas broader measures are less closely related to monetary-policy actions.

Each measure can be classified by placing it along a spectrum between narrow and broad monetary aggregates. The different types of money are typically classified as Ms. The number of Ms usually range from M0 (narrowest) to M3 (broadest). The typical layout for each of the Ms is as follows:

- M0: currency (notes and coins) in circulation and in bank vaults, plus reserves which commercial banks hold in their accounts with the central bank (minimum reserves and excess reserves). M0 is usually called the monetary base - the base from which other forms of money (like checking deposits, listed below) are created - and is traditionally the most liquid measure of the money supply.
- M1: currency in circulation + checkable deposits (checking deposits, officially called demand deposits, and other deposits that work like checking deposits) + traveler's checks. M1 represents the assets that strictly conform to the definition of money: assets that can be used to pay for a good or service or to repay debt. Although checks linked to checking deposits are gradually becoming less popular, debit cards linked to these deposits are becoming more popular. Like checks, debit cards, as a means to complete a transaction through their links to checkable deposits, can also be considered as a form of money.
- M2: M1 + savings deposits, time deposits less than \$100,000 and money market deposit accounts for individuals. M2 represents money and "close substitutes" for money. M2 is a key economic indicator used to forecast inflation.
- M3: M2 + large time deposits, institutional money-market funds, short-term repurchase agreements, along with other

larger liquid assets. M3 is no longer published or revealed to the public by the US central bank.

Task 8. Find the following terms in the text:

- the total amount of money available in an economy at a particular point in time –
- currency in circulation and demand deposits –
- measures directly affected by monetary policy –
- measures less closely related to monetary-policy actions –
- currency (notes and coins) in circulation and in bank vaults, plus reserves which commercial banks hold in their accounts with the central bank –
- the base from which other forms of money are created –
- monetary aggregate that represents money and "close substitutes" for money –

Task 9. Find the English equivalents for the following in the text:

- включать в себя деньги в обращении и бессрочные вклады -
- информация о денежном ресурсе записывается и публикуется правительством или Центробанком –
- денежный ресурс делится на несколько типов денег –
- различные типы денег обычно классифицируют как «М» - М0 называется денежной базой –
- наиболее ликвидная часть денежного ресурса –
- активы, которые можно использовать, чтобы заплатить за товары или услуги или чтобы возместить долг –
- платежные карточки можно рассматривать как форму денег –
- сберегательные, срочные депозиты и депозиты финансового рынка для частных лиц –
- инвестиционные фонды денежного рынка –
- краткосрочные соглашения о продаже и обратной покупке –
- более крупные ликвидные активы –

Listening/ comprehension activities

The Bank of England

Task 10. Learn the following words and phrases.

1. public ownership	государственная собственность
2. responsibilities	сферы деятельности, сферы ответственности
3. government	правительство, правительственный
4. to handle	управлять
5. income and expenditure	доходы и расходы
6. Exchequer	казначейство
7. to maintain accounts	иметь счета
8. cash settlements	расплата наличными
9. overseas banks	заграничные банки
10. monetary institutions	финансовые учреждения
11. to manage the national debt	управлять государственным долгом
12. government securities	государственные ценные бумаги
13. to mature	наступать (о сроке платежа)
14. to undertake new issues	брать новый заем
15. regular payments on interest	регулярные выплаты процентов
16. holders	владельцы
17. Treasury bills	векселя казначейства
18. the lender of last resort	кредитор неприкосновенного запаса государства
19. shortage of cash	нехватка денежных средств
20. foreign exchange market	валютный рынок
21. to intervene	вмешиваться
22. to carry out monetary policy	проводить валютную политику
23. legal powers	законные права
24. to supervise	контролировать
25. to supply with information	предоставлять информацию

Task 11. Listen to the text ‘The Bank of England’ and fill in the gaps. Retell the text.

1. The _____ bank in the UK is the Bank of England.
2. It _____ many responsibilities.
3. It handles the _____ and expenditure of Exchequer and other government departments.
4. The clearing banks maintain _____ at the Bank of England.
5. It manages the national _____.
6. It is the lender of _____ resort.
7. It acts as the government’s agent in the foreign _____ market.
8. It has the responsibility for carrying out the government’s _____ policy.
9. It has legal powers to _____ the operations of other banks.
10. Other banks have to respond to _____ given to them by the Bank.

Task 12. Match the terms from the text with their corresponding definitions.

1. bank	a. the total amount of money owned by the government of a country
2. the Bank of England	b. the national bank of the UK
3. the national debt	c. the British government department that is responsible for collecting taxes and paying out public money
4. the Exchequer	d. establishment for keeping money, valuables safely

Writing activities

Task 13. Translate the following sentences into English.

Money supply



1. M0 – это банкноты и монеты в обращении и в банковских хранилищах; плюс денежные резервы, которые коммерческие банки держат на своих счетах в Центробанке.
2. M1 – это наличные деньги в обращении, дорожные чеки, депозиты до востребования, прочие чековые депозиты.
3. M2 = M1 + нечековые сберегательные депозиты, срочные вклады в банках, депозиты финансового рынка.
4. M3 = M2 + краткосрочные государственные облигации, инвестиционные фонды денежного рынка и более крупные ликвидные активы.



Grammar: Past Simple (I did)

Regular verbs: worked

Irregular verbs: **went**

I/he/she/it **was**

we/you/they **were**

It rained.

Did it rain?

It didn't rain.

Task 14. Put one of these verbs (in Past Simple) in each sentence. Translate the sentences.

collect sell can buy make need summarize use

1. We _____ this car when I was 18 and I _____ drive it since then.
2. John _____ the data and _____ a very good report.
3. We _____ money so we _____ that branch of our company.
4. He _____ and _____ a lot of statistics on this problem to predict future trends in this sphere of economics.

Task 15. Write questions in Past Simple. Translate them.

1. How long / you / collect the data on the demand for these commodities? _____
2. You / use only secondary data in your report?

3. The number of people for a survey / large enough?

4. What / you / do / to understand this problem better?

5. The government / formulate appropriate economic policies to solve this problem? _____
6. You / have enough money to buy everything you needed?

Task 16. Put the verb into the correct form (Past Simple). Translate the sentences.

1. We (not / do) a complete survey because we (not / have) enough time.
2. They (not / answer) this question because they (not / be) ready for it.
3. The economist (not / predict) these changes because he (not / have) all the data at hand.
4. The company (not / be) interested in the investments because they (not / understand) what profit it would make.
5. He (not / want) to conduct a survey because he (not / have) enough knowledge.

Task 17. Translate into English.

1. У нас не было средств, поэтому мы не выполнили полное исследование рынка.
2. Что ты сделал, чтобы решить проблему?
3. У тебя достаточно денег, чтобы купить все необходимое для конференции?
4. Наша компания не была заинтересована в инвестициях.
5. Мы не хотели проводить конференцию, потому что у нас не было достаточно времени.
6. Правительство сформулировало экономическую политику для решения данной проблемы.

Speaking: Entertaining

Task 1. Read the following text and then answer the questions.

Corporate entertaining

Most modern companies are operating a ‘Customer Relationship Management Program’ and in running a CRM program the human content part of that is very important. Many companies have realized that it can cost four or five times as much to gain a new client as it is to keep an old one, and therefore entertaining has become a very important part of that customer relationship management mix.

There are top six events that are popular form of entertaining: the Wimbledon Tennis Championships, Royal Ascot, the Open Golf, Henley Royal Regatta, Chelsea Flower Show and the Grand Prix. But more and more new events are happening all the time – opera, jazz, rock and pop events where people take and entertain their clients.

It doesn’t matter if you are a small business or a multinational. You need to retain your clients and customers if you are to grow your business.

Questions:

1. What kind of entertainment program do most companies have?
2. Why do companies spend money on corporate entertaining?
3. What other events are mentioned in the text in addition to the ‘big six’?
4. Why is corporate entertaining important for small businesses?

Task 2. Put the following into a logical order for entertaining in a restaurant.

• Look at a menu	
• Ask for the bill (BrE) / check (AmE)	
• Book a table (BrE) / make a reservation (AmE)	<i>1</i>
• Leave a tip	
• Have the main course	
• Have a dessert	
• Order a starter	
• Have an aperitif	

Task 3. Imagine you are offering a guest a drink. Match the options with the drinks. Then make up short dialogs.

Example: - What would you like to drink?

- I'd like coffee, please.

- Black or white?

- Black, please.

- | | |
|-------------------|-----------|
| • black/white | 1. beer |
| • still/sparkling | 2. wine |
| • red/white | 3. water |
| • single/double | 4. tea |
| • bottled/draught | 5. coffee |
| • with milk/lemon | 6. whisky |

Task 4. Match the options with the food. Make up short dialogs.

- | | |
|--------------------------------|-------------|
| • boiled/grilled/roasted/fried | 1. sauce |
| • spicy/bland | 2. potatoes |
| • rare/medium rare/well done | 3. meat |
| • boiled/fried/baked | 4. pasta |
| • salty/sweet | 5. steak |

Task 5. Read the following dialog at a conference. Make up a similar dialog.

A: Jane, I'd like you to meet one of our best customers, Linda Erickson from SPT in Sweden.

B: Hello, Linda. Nice to meet you. I've heard a lot about you.

C: Not all bad I hope!

B: Not at all. It's good to be able to put a face to a name.

C: Absolutely!

Task 6. Look at the expressions below. Which are said by a) a host? b) a guest? Match the sentences in logical pairs.

1. Can I get you a drink?
2. Yes, it's just down there on the left.
3. It all looks good. What do you recommend?
4. Would you like me to show you round?
5. Help yourself to some food.

6. Would you like to have dinner with us tomorrow night?
7. Yes, please. I'll have a white wine.
8. Can I have a lift to the airport?
9. Yes, I'd love to see some of the sights.
10. Could you tell me where the toilet is, please?
11. How's business?
12. Yes, that would be wonderful!
11. It's very kind of you to offer, but there's a taxi coming for me.
12. We are having a great year.

Task 7. Work in pairs. Role-play the conversation below. You are at a conference. You recognize someone you met at a conference two years ago.

Participant A

- You met B two years ago at a conference on Customer Care in Frankfurt.
- You own a small firm, which sells office equipment.
- It's your first day at the conference – you arrived late last night.
- You haven't seen the city yet.
- You are staying at the Grand Hotel in the city centre (a good choice: room service and the facilities are excellent).
- You are leaving in three days time.
- The conference will be very interesting.

Participant B

- You met A two years ago at a conference on Customer Care in Frankfurt.
- You are the sales manager for a large telecommunications company.
- You have been at the conference for three days.
- You have visited the city (beautiful old cathedral, interesting museum, excellent restaurants, but very expensive).
- You are staying at a small hotel outside the city (a bad choice: room too small, too far from the centre of the city).
- You are leaving tomorrow.
- The conference is boring – the speakers talk too much and go overtime.

Unit 3. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

To implement monetary policy, to control the money supply, to fix the minimum interest rate, lender of last resort, commercial banks, the amount of money in circulation, money supply, to influence interest rates, demand, output, growth, unemployment and prices, open market operations, foreign exchange market.

2. Make sure that you know the following words and word combinations, translate them into English.

Функционировать в качестве банка для правительства, выпускать монеты и банкноты, влиять на плавающий курс валют, руководить всей банковской системой, средний уровень цен и зарплат, скорость обращения денежных средств, денежный ресурс, мера денежной массы в обращении, кредитор неприкосновенного запаса государства.

3. Translate into English.

1. Финансовый отчет показал, что ситуация хуже, чем ожидалось.
2. Он один зарабатывает на жизнь в этой семье, поэтому эта работа так важна для него.
3. Этот дом стоит целое состояние, мы не можем купить его прямо сейчас, нужно (мы должны) заработать еще денег.
4. Мы ходили в ресторан и платили каждый за себя.

4. Choose the right variant:

1. You solved the problem! What _____ you do to do it?
a. do b. will c. did
2. I _____ have enough information to answer that question.
a. don't b. didn't c. did
3. The economist _____ predict the changes of the last year.
a. can't b. couldn't c. won't be able
4. _____ you have enough time to do what you wanted?
a. does b. do c. did

Individual work

1. Read the information about central banks and then match the two parts of the sentences.

Central banking

Commercial banks have to keep reserves – a certain amount of their deposits – for customers who want to withdraw their money. These are held by the central bank, which can also change the reserve-asset ratio – the minimum percentage of its deposits a bank has to keep in its reserves.

If one bank goes bankrupt, it can quickly affect the stability of the whole financial system. And if depositors think a bank is unsafe they might all try to withdraw their money. If this happens it's called a bank run or run on the bank, and the bank will quickly use up its reserves. Central banks can act as lender of last resort, which means lending money to financial institutions in difficulty, to allow them to make payments. But central banks don't always bail out or rescue banks in difficulty, because this could lead banks to take risks that are too big.

Central banks manage a country's reserves of gold and foreign currencies. They can try to have an influence on the exchange rate – the price at which their currency can be converted into other currencies. They do this by intervening on the currency markets, and moving the rate up or down by buying or selling their currency. This changes the balance of supply – how much is being sold – and demand – how much is being bought.

1. The central bank will sometimes lend money	a. if they could always be sure of rescue by the central bank.
2. Banks would probably start taking too many risks	b. if there is a run on a commercial bank.
3. Central banks are usually responsible for	c. if monetary policy is successful.
4. The central bank can alter	d. printing and distributing banknotes.
5. There will be low and stable inflation	e. the amount of money commercial banks are able to lend.

2. Complete the text from the website of Federal Reserve, the central bank of the United States.

Today the Federal Reserve's duties fall into general areas:

- conducting the nation's 1 _____ policy;
- 2 _____ and regulating banking institutions and protecting the credit rights of consumers;
- maintaining the 3 _____ of the financial system;
- providing certain 4 _____ services to the US government, the public, financial institutions, and foreign official institutions.

3. Make up word combinations. One word can be used twice. Then use the word combinations to complete the sentences below.

bank	markets
currency	run
exchange	system
financial	policy
monetary	rate
	stability

1. _____, including setting interest rates, is designed to maintain _____.

2. If there's a _____ and the bank goes bankrupt, this can have a rapid effect on the whole _____.

3. On one day, the Bank of England lost over £ 1 billion (more than half of the country's foreign reserves) in the _____, trying to protect the _____ of the pound.

Unit 4: E-money

Pre-reading activities

E-money: definitions

Task 1. Put the correct word in each space. Look up all the unknown words in the dictionary.

electronically networks value term digital

Electronic money (also known as e-money, electronic cash, electronic currency, 1 _____ money, digital cash or digital currency) refers to money or scrip which is exchanged only 2 _____. Typically, this involves use of computer 3 _____, the internet and digital stored 4 _____ systems. Electronic Funds Transfer (EFT) and direct deposit are examples of electronic money. Also, it is a collective 5 _____ for financial cryptography and technologies enabling it.

internet credit card mail order cardholder

Card-based EFT – электронный перевод денежных средств

Credit cards. EFT may be initiated by a 6 _____ when a payment card such as a 7 _____ card or debit card is used. This may take place at an automated teller machine (ATM) or point of sale (POS), or when the 8 _____ is not present, which covers cards used for 9 _____, telephone order and 10 _____ purchases.

Task 2. Put the following words into appropriate spaces.

Refund Withdrawal Sale Enquiry Mini-statement

Cashback Payment Inter-account transfer

Deposit E top-up Administrative

Card-based EFT transactions: a number of transaction types may be performed, including the following:

- 1 _____: where the cardholder pays for goods or service
- 2 _____: where a merchant refunds an earlier payment made by a cardholder
- 3 _____: the cardholder withdraws funds from their account, e.g. from an ATM.

- 4 _____: where a cardholder deposits funds to their own account (typically at an ATM)
- 5 _____: where a cardholder withdraws funds from their own account at the same time as making a purchase
- 6 _____: transferring funds between linked accounts belonging to the same cardholder
- 7 _____: transferring funds to a third party account
- 8 _____: a transaction without financial impact, for instance balance enquiry, available funds enquiry, linked accounts enquiry, or request for a statement of recent transactions on the account
- 9 _____: where a cardholder can use a device (typically POS or ATM) to add funds (top-up) their pre-pay mobile phone
- 10 _____: where a cardholder uses a device (typically an ATM) to obtain details of recent transactions on their account
- 11 _____: this covers a variety of non-financial transactions including PIN change

Task 3. Learn the active vocabulary.

1. to store	накапливать
2. securely	надежно, безопасно
3. convenience	удобство
4. flexibility	гибкость
5. retailers	фирмы–акцептанты, розничные продавцы
6. settlement	взаиморасчет
7. receipt of value	квитанция
8. immediate	немедленный
9. ordinary cash	обычные наличные деньги
10. to complement	дополнять
11. cost-savings	снижение издержек
12. service providers	провайдеры услуг
13. monetary value	денежная стоимость
14. Integrated Circuit (IC) Chip	Чип интегральных микросхем, чип ИМС

15. electronic purse	электронный кошелек
16. cardholders	держатели карточек
17. to load	загружать
18. new dimension	новое измерение
19. to obtain	получать
20. to check	проверять
21. balance reader	считывающее устройство
22. lightweight device	легкое устройство
23. point-of-sale (POS) device	электронный терминал торговой точки
24. signature	подпись
25. to access	получать доступ
26. to withdraw	снимать
27. to pay in	вносить деньги на текущий счет
28. to order and pay immediately	заказывать и платить немедленно
29. wallet	бумажник
30. person-to-person payments	адресно- персонифицированные платежи
31. log of the last ten transactions	журнал последних 10 операций
32. lock code	код замка

Reading / comprehension activities

Task 4. Read, translate the following text and retell it in several sentences.

Electronic cash

Mondex is electronic cash, stored securely in a smart card. Mondex offers all the convenience, control and flexibility of cash in the familiar form of card.

Retailers will receive funds immediately without the need for authorization or settlement when consumers pay for goods and services with a Mondex prepayment card. The receipt of value in a Mondex transaction is as immediate and certain as ordinary cash –

but Mondex value can be banked easily at any time of the day or night.

Mondex complements credit and debit cards, delivering new levels of efficiency, cost-savings and marketing opportunities for all retailers and service providers.

a. In the new Mondex payment system, monetary value is stored in an Integrated Circuit (IC) Chip known as an electronic purse. Purses are held by all participants in the system – personal cash holders, retailers, service providers and banks.

For personal cardholders the purse will be a standard, plastic IC card. This can be loaded with electronic value via a Mondex telephone – bringing a new dimension in money management and electronic cash transactions – or in much the same way as cash is currently obtained, for example, a cash machine or a bank branch.

b. To check how much money remains on the card, all cardholders will receive a Mondex balance reader – a small lightweight device in the form of a key ring.

c. When paying for goods or services, the exact amount is simply transferred from the card to the retailer’s purse in a Mondex point-of-sale (POS) device. No PIN, authorization or signature is required – just like cash.

d. Telephones will be especially adapted to enable cardholders to access their bank account at any time; to withdraw or pay-in value down the telephone line; order and pay immediately for goods and services from a retailer; send and receive money to or from friends and family. For a retailer, a Mondex telephone means that value can be deposited directly onto their account at any time of the day and night.

e. The Mondex wallet will make person-to-person payments possible. Electronic cash can be transferred between any Mondex card and a separate purse held in the wallet. The wallet will also read the balance on the card and/or the wallet as well as maintain a log of the last ten transactions.

f. Mondex electronic purses contain a 4-digit ‘lock code’. By pressing the lock on device such as a wallet or telephone, the cardholder’s money is kept secure and their transactions private.

Task 5. Match the following sub-headings with paragraphs (a – f) in the text.

1. Mondex purse
2. Mondex point-of-sale device
3. Lock
4. Mondex balance reader
5. Mondex wallet
6. Mondex telephone

Task 6. Mark these statements T (true) or F (false) according to the information in the text. Find the part of the text that gives the correct information.

1. Mondex can be used to pay for goods and services.
2. Shopkeepers can be paid without delay.
3. You need to sign to authorize payment.
4. To check how much money is stored on your card you have to telephone your bank.
5. You can load money onto your card using a special telephone.
6. Money can be transferred in or out of your bank account 24 hours a day.
7. Mondex can only be used to pay money to businesses such as shops or service providers.
8. A disadvantage is that you cannot record the transactions you have made.
9. You can protect your money from thieves by using a 'lock code'.

Task 7. Translate into English.

- безопасно и надежно хранить на смарт-карте
- электронный кошелек
- проверить сколько денег осталось на карточке
- переводить деньги с карточки на электронный кошелек организации-продавца
- считать баланс денежных средств на карточке
- сохранять журнал последних 10 операций
- содержать 4-значный код-замок

Vocabulary activities

Task 8. Write these words and phrases in the appropriate columns.

retailer purse convenience make a payment bank withdraw
 deposit cost-savings service provider telephone POS device
 security reader flexibility transfer money

participants	devices	benefits	transactions

Task 9. Complete the sentences with an appropriate word or phrase from task 10.

1. Electronic money provides more _____ than cash because the lock function makes it difficult to steal.
2. The _____ is used by the retailer to receive payment from customers.
3. A company that offers a service is called a _____.
4. When you pay money into your bank account, we say that you make a _____.
5. The Mondex system offers _____ because it is easy to use. Also the wallet and reader are not heavy to carry.
6. Mondex is used to _____ between personal cash holders as well as from consumers to retailers.

Task 10. Use an appropriate word or phrase from the text to complete each sentence.

1. When you pay by credit card, you must sign the payment slip to a _____ the payment.
2. The number 4791 consists of four d _____.
3. Once you have s _____ your debts, you no longer owe money.

4. The b_____ of my account was £100. I have now paid out £ 40, so £ 60 remains.

Task 11. Find a word or phrase from the text that has a similar meaning.

1. amount of money	f
2. adds to	c
3. ATM	c m
4. not heavy	l
5. record	l

Task 12. Match the first half of each sentence with the most appropriate second half.

1. Using the Mondex telephone you can withdraw money	a. in the IC chip which is known as a purse
2. Retailers can deposit money	b. into their account at any time
3. Retailers can use the Mondex system to receive payment	c. to friends and family
4. The wallet can be used to transfer funds	d. from your account
5. Electronic cash is stored	e. from customers
6. You can send money over the telephone	f. between any two personal cardholders

Listening/ comprehension activities

Keep Your Financial Data Safe Online

Task 13. Learn the following words and phrases.

1. to trade stocks	торговать акциями на фондовой бирже
2. to buy groceries	покупать продукты питания
3. to pay bills	платить по счетам
4. to keep your identity safe	сохранить личную информацию о счетах в безопасности
5. to make purchases	делать покупки
6. trusted sites	проверенные сайты
7. to intercept	перехватывать

8. reputable	уважаемый
9. payment processors	производители платежей
10. regardless	независимо от того
11. padlock icon	иконка «замок»
12. to verify	проверять
13. to spot	определять
14. identity thieves	воры, получающие доступ к личной информации по банковскому счету
15. sensitive information	важные сведения
16. to pretend	притворяться
17. ploy	трюк, уловка
18. to log, log in	регистрировать, вводить
19. to can	остановить
19. leery	подозрительный
20. unsavory	сомнительный
21. creators	создатели

Task 14. Say if the following statements are true or false, correct the false ones.

1. You can trade stocks sitting at home.
2. You can't buy groceries sitting at home.
3. Payment processors like PayPal or Google Checkout are rather reputable.
4. There should be the padlock icon on the bottom of your browser to verify that the page is safe.
5. When logging into bank or credit card accounts you should be asked for information that you usually aren't required to provide to log in.
6. Don't pay any attention to "spam" (or junk email) that works its way into your email inbox.
7. Spam can also contain Trojan horses (viruses).
8. When you're online you need to keep your identity safe.

Task 18. Write sentences with ‘already’.

Example. - Don’t forget to include these data in your report. – I’ve already done it.

1. Why don’t you collect another set of data?
I _____.
2. Shall I hire a new staff for this project?
No, I _____.
3. Don’t forget to ask them these questions.
I _____.

Task 19. Make questions about things that someone has done in his life. Use the words in the brackets.

1. (you / ever / be / to America?) _____
2. (you / read / any books on Management?) _____
3. (you / work / at this agency all the time?) _____
4. (how many times / you / be / here?) _____

Task 20. Answer the questions using ‘yet’.

1. Have you ever done a research?
2. Have you ever read this book?
3. Have you asked them to publish the data?
4. Has he bought a car?

Task 21. Write questions with ‘how long’ in Present Perfect.

1. He is on holiday. How long
2. She is married. How long ...
3. I live in Lugansk. How long
4. They are making a report on this problem. How long
5. John has a car. How long ...
6. We are conducting a survey. How long
7. I know about this problem. How long

Task 22. Rewrite the sentences with *since* or *for* .

1. John lives here (since he was born). John....
2. Bill is unemployed (since April). Bill
3. Ann is ill (for the last few days). Ann
4. My brother is studying at university (for two years). My brother ...
5. They are working at this project (for two months). They ...
6. I have this house (for three years). I ...

Task 23. Complete the sentences, use *so far*.

1. We did a lot of work yesterday but we _____ much so far today.
2. She worked hard last term but _____ this term.
3. I saw John yesterday but _____ today.
4. It rained a lot last week but it _____ so far this week.
5. I watched TV yesterday but I _____ so far today.

Task 24. Translate into English.

- a. Как долго ты учился, чтобы стать магистром в области менеджмента?
- b. Ты читал какие-нибудь книги по управлению производством?
- c. Сколько раз вы проводили анализ рынка?
- d. Вы когда-нибудь опубликовывали эти данные?
- e. Сколько времени он уже безработный?
- f. Пока мы провели только два исследования рынка.
- g. Я еще не смотрел телевизор сегодня.
- h. Мы не видели его еще сегодня.
- i. Директор пока еще не читал ваш отчет.
- j. Мы проработали над этим проектом два месяца.

Speaking: British and American currency

Task 1. Translate the following text into Russian in writing then write an annotation to this text in 5 sentences.

Pound sterling

The pound sterling (symbol: £; ISO code: GBP), often simply called the pound, is the currency of the United Kingdom, its Crown dependencies (the Isle of Man and the Channel Islands) and the British Overseas Territories of South Georgia and the South Sandwich Islands and British Antarctic Territory. It is subdivided into 100 pence (singular: penny).

The Gibraltar pound, Falkland Islands pound and Saint Helena pound are separate currencies, pegged to the pound sterling.

Sterling is the third-largest reserve currency, after the US dollar and the euro. The pound sterling is also the fourth-most-traded currency in the foreign exchange market after the US dollar, the euro, and the Japanese yen.

Name. The full, official name, pound sterling, (plural: pounds sterling) is used mainly in formal contexts and also when it is necessary to distinguish the United Kingdom currency from other currencies with the same name. Otherwise the term 'pound' is normally used. A common slang term is 'quid' (singular and plural) which is thought to derive from the Latin phrase "quid pro quo".

There is some uncertainty as to the origin of the term "pound sterling". Some sources say it dates back to Anglo-Saxon times, when coins called sterlings were minted from silver; 240 of these sterlings weighed one pound, and large payments came to be made in "pounds of sterlings". Other references, including the Oxford English Dictionary, say a sterling was a silver penny used in England by the Normans, and date the term to around 1300.

The currency sign is the pound sign £ with a single cross-bar. The pound sign derives from the blackletter "L", an abbreviation of Librae in Roman £sd units (librae, solidi, denarii) used for pounds, shillings and pence in the British pre-decimal duodecimal currency system. Libra was the basic Roman unit of weight, derived from the Latin word for scales or balance.

As a member of the European Union, the United Kingdom could adopt the euro as its currency. However, the subject remains politically controversial. Gordon Brown when Chancellor of the Exchequer ruled out membership for the foreseeable future, saying that the decision not to join had been right for Britain and for Europe.

Sterling is used as a reserve currency around the world and is presently ranked third in amount held as reserves. The percentage which pounds make up of total reserves has increased over recent years, due in part to the stability of the British economy and government, gradual increase in value against many currencies and relatively high interest rates compared to other major currencies such as the dollar, euro and yen. As from mid 2006 it is the third most widely held reserve currency, having seen a resurgence in popularity in recent years. Analysts say this resurgence is caused by carry-trade investors considering the pound as a stable high-yield proxy to the euro.

Task 2. Translate the following text into Russian in writing then write an annotation to this text in 5 sentences.

The United States dollar

The United States dollar (sign: \$; code: USD) is the unit of currency of the United States. The U.S. dollar is normally abbreviated as the dollar sign, \$, or as USD or US\$ to distinguish it from other dollar-denominated currencies and from others that use the \$ symbol. It is divided into 100 cents.

The U.S. dollar is the currency most used in international transactions. Although U.S. dollar is a fiat currency, several countries use it as their official currency, and in many others it is the de facto currency.

Etymology. The name Thaler (from German thal, or nowadays usually Tal, "valley", cognate with "dale" in English) came from the German coin Guldengroschen ("great guilder", being of silver but equal in value to a gold guilder), minted from the silver from a rich mine at Joachimsthal (St. Joachim's Valley, now Jáchymov) in Bohemia (then part of the Holy Roman Empire, now part of the Czech Republic).

The colloquialism buck (much like the British term "quid") is often used to refer to dollars of various nations, including the U.S. dollar. This term, dating to the 18th century, may have originated with the colonial fur trade. Greenback is another nickname originally applied specifically to the 19th century Demand Note dollars created by Abraham Lincoln to finance the costs of the Civil War for the North. The original note was printed in black and green on the back side. It is still used to refer to the U.S. dollar (but not to the dollars of other countries).

Grand, sometimes shortened to simply G, is a common term for the amount of \$1,000. The suffix k (from "kilo-") is also commonly used to denote this amount (such as "\$10k" to mean \$10,000). Banknotes' nicknames are the same as their values (such as five, twenty, etc.) The \$5 bill has been referred to as a "fin" or a "fiver" or a "five-spot;" the \$10 bill as a "sawbuck," a "ten-spot," or a "Hamilton"; the \$20 bill as a "double sawbuck," or a "Jackson"; the \$1 bill is sometimes called a "single," or a "buck," the \$2 bill a "deuce," "Jefferson," or a "T.J." and the \$100 bill is nicknamed a "Benjamin," "Benji," or "Franklin" (after Benjamin Franklin, who is pictured on the note), C-note (C being the Roman numeral for 100), Century Note, or "bill" ("two bills" being \$200, etc.). The dollar has also been referred to as a "bone" or "bones" (i.e. twenty bones is equal to \$20) or a "bean". Occasionally these will be referred to as "dead presidents," although neither Hamilton (\$10) nor Franklin (\$100) was President. The newer designs are sometimes referred to as "Bigface" bills, or "Monopoly Money".

At the present time, the U.S. dollar remains the world's foremost reserve currency. The majority of U.S. notes are actually held outside the United States. All holdings of US dollar bank deposits held by non-residents of the US are known as eurodollars regardless of the location of the bank holding the deposit (which may be inside or outside the U.S.)

The dollar is also used as the standard unit of currency in international markets for commodities such as gold and petroleum (the latter sometimes called petrocurrency is the source of the term petrodollar). Some non-U.S. companies dealing in globalized markets, such as Airbus, list their prices in dollars.

The U.S. dollar is an important international reserve currency along with the euro. The euro inherited this status from the German mark, and since its introduction, has increased its standing considerably, mostly at the expense of the dollar. Despite the dollar's recent losses to the euro, it is still by far the major international reserve currency, with an accumulation more than double that of the euro.

Task 3. Learn the following penny/cent idioms, translate the sentences with them into Russian and make up your own sentences in written form.

Penny/cent idioms

1. cost a pretty penny - to cost a lot of money

It is going to cost a pretty penny to get my car fixed.

2. cut (someone) off without a penny - to stop giving someone a regular amount of money, to leave someone no money in a will

The wealthy businessman cut his son off without a penny when the young man refused to work hard.

3. (not) have two cents to rub together - to not have much money

My friend does not have two cents to rub together and he is usually broke.

4. pennies from heaven - money that you do not expect to get

The money that I received from the government was like pennies from heaven and I was very happy.

5. penny for one's thoughts - a request to tell someone what he or she is thinking about

"I will give you a penny for your thoughts," I said to my friend who was looking out of the window.

6. a penny saved is a penny earned - saving money by not spending it is the same as getting money from working

A penny saved is a penny earned and it is better to be thrifty sometimes than to only work more hours.

7. penny-wise and pound foolish - to be careful or thrifty in small expenditures but careless or wasteful in large ones

My friend is penny-wise and pound foolish and she economizes on small things but wastes all of her money on big things.

8. pinch pennies - to be careful with money, to be thrifty

My grandmother always pinches pennies and never spends her money foolishly.

Task 4. Learn the following dollar idioms, translate the sentences with them into Russian and make up you own sentences in written form.

Dollar idioms



1. almighty dollar - money when it is viewed as more important than anything else

The man spent most of his life chasing the almighty dollar.

2. as phony as a three-dollar bill - phony, not genuine

The man who was asking for donations for the charity was as phony as a three-dollar bill.

3. as sound as a dollar - very secure and dependable

The company president believes that his business is as sound as a dollar.

4. bet one's bottom dollar - to bet all that one has on something because you are sure that you will win

I would bet my bottom dollar that the accounting manager will be late again today.

5. bottom dollar - one's last dollar

The man spent his bottom dollar on some new clothes to wear for his job interview.

6. dollar for dollar - considering the cost

Dollar for dollar the new hotel is the best bargain in this city for tourists.

7. feel like a million dollars/bucks - to feel wonderful, to feel well and healthy

Although I have been sick for a few weeks I feel like a million dollars today.

8. look like a million dollars - to look very good

The woman looked like a million dollars when she went to accept the award.

Unit 4. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

Digital stored value systems, Electronic Funds Transfer, cardholder, an automated teller machine (ATM), a point of sale (POS), mail order, internet purchases, Inter-account transfer, e top-up, recent transactions on the account, person-to-person payments, lock code, read the balance on the card, to receive payment from customers.

2. Make sure that you know the following words and word combinations, translate them into English.

Электронный перевод денежных средств с использованием карточки, продажа, возмещение, снятие денег со счета, внесение денег на счет, розничные продавцы, взаиморасчет, квитанция, провайдеры услуг, чип интегральных микросхем (чип ИМС), платить за товары и услуги, получать доступ к вашему банковскому счету, считывать баланс средств на карточке, делать покупки.

3. Translate into English.

1. Электронные деньги – это деньги, которыми можно обмениваться только с помощью компьютера, Интернета и цифровой системы сохранения информации о деньгах.
2. Система электронного перевода денег и система прямого вложения денег – примеры электронных денег.
3. Систему электронного перевода денег используют через банкомат или электронный терминал торговой точки.
4. Электронный перевод денежных средств с использованием карточки происходит при продаже, когда владелец карточки платит за товары или услугу.
5. Электронные деньги имеют больше преимуществ, чем наличные деньги, потому что функция «замок» затрудняет возможность их украсть.

Module 1. Individual reading

The first variant

Read, translate the text and summarize its content in several sentences. Make up the vocabulary of this text.

How to Make Money

Making money requires work - even in the stock market. Most successful investors study a variety of sources and ask a lot of questions.

Use the law of supply and demand to your advantage. Most of us are familiar with the law of supply and demand--the more there is of something, the cheaper it is; conversely, the rarer the product or service, the more expensive it is. For example, if you're aspiring to do something that many, many other people want to do (so much so that they do it for free, as a hobby) then it will be far more challenging for you to make money doing it. On the other hand, if you do something that most people don't want to do, or if you get very good at doing something most people don't do all that well, then you can make a whole lot more money. In other words, choose a career in pharmacy over photography.

Recognize that time is money. This critical piece of advice is attributed to Benjamin Franklin, who was an accomplished American inventor, journalist, printer, diplomat, and statesman--the ultimate multitasker. Your ability to manage your time (and stop procrastinating) is a critical ingredient in your ability to make money. Whether you have a job or are self-employed, keep track of what you're spending your time on. Ask yourself "Which of these activities make the most money, and which of them are a waste of time?" Do more of the former and less of the latter, simple as that. When you're focusing on high-priority tasks, get the job done well, and get the job done fast. By working efficiently, you're giving your employer or clients more time, and they'll appreciate you for it. Remember that time is a limited resource that you're always investing. Will your investments pay off?

Be proactive. Remember Murphy's Law: "Whatever can go wrong will go wrong." Make plans, complete with as many calculations as possible, then anticipate everything that can go wrong. Then make contingency or backup plans for each scenario.

Don't leave anything to luck. If you're writing a business plan, for example, do your best to estimate when you'll break even, then multiply that time frame by three to get a more realistic date; and after you've identified all the costs, add 20% to that for costs that will come up that you didn't anticipate. Your best defense against Murphy's law is to assume the worst, and brace yourself. An appropriate amount of insurance may be something worth considering. Don't forget the advice of Louis Pasteur, a French chemist who made several incredible breakthroughs in the causes and prevention of disease: "Luck favors the prepared mind."

Redefine wealth. In studies of millionaires, people are surprised to learn that most millionaires aren't doctors, lawyers, and corporate leaders with big houses and fancy cars; they're people who religiously live below their means and invest the surplus into assets, rather than liabilities. As you're taking the above steps to make more money, keep in mind that increased income does not necessarily equal increased wealth. Most people who flaunt their wealth actually have a low net worth because their debt to asset ratio is high--in other words, they owe a whole lot more money than they actually have. All of the previous steps have outlined aggressive strategies for making money, but you'll never get anywhere if you have a hole in your pocket.

They say that a penny saved is a penny earned. Actually, when you consider that you pay taxes on every penny you earn, you really do make more money by saving than by increasing your income, especially if the extra income will increase your tax rate dramatically.

Take advantage of tax laws if you're self-employed. Money saved on taxes is still money saved. You may be able to deduct many of your business expenses (use of your home, use of your car, office supplies, etc.) if you keep good records. You may also qualify for tax breaks, such as deducting your health insurance premiums on your tax return. These laws are in place to encourage commerce and business growth, so don't neglect their benefits.

Money can do a lot of things for you, but don't work yourself to death - you can't take it with you.

The second variant

Read, translate the text and summarize its content in several sentences. Make up the vocabulary of this text.

How to Save Money

Saving money is one of those tasks that's so much easier said than done. There's more to it than spending less money (although that part alone can be challenging).

Kill your debt first. Simply calculating how much you spend each month on your debts will illustrate that eliminating debt is the fastest way to free up money. Once the money is freed from debt payment, it can easily be re-purposed to savings.

Establish a timeframe. For example: "I want to be able to buy a house two years from today." Set a particular date for accomplishing shorter-term goals, and make sure the goal is attainable within that time period. If it's not attainable, you'll just get discouraged.

Figure out how much you'll have to save per week, per month, or per paycheck to attain each of your savings goals. Take each thing you want to save for and figure out how much you need to start saving now. For most savings goals, it's best to save the same amount each period. For example, if you want to put a \$20,000 down payment on a home in 36 months (three years), you'll need to save about \$550 per month every month. But if your paychecks amount to \$1000, it might not be a realistic goal, so adjust your timeframe until you come up with an approachable amount.

Keep a record of your expenses. What you save falls between two activities and their difference: how much you make and how much you spend. Since you have more control over how much you spend, it's wise to take a critical look at your expenses. Write down everything you spend your money on for a couple weeks or a month. Be as detailed as possible, and try not to leave out small purchases. Assign each purchase or expenditure a category such as: Rent, Car insurance, Car payments, Phone Bill, Cable Bill, Utilities, Gas, Food, Entertainment, etc. Keep a small notebook with you at all times. Get in the habit of recording every expense and saving the receipts. Sit down once a week with your small notebook and

receipts. Record your expenses in a larger notebook or a spreadsheet program.

Trim your expenses. Take a good, hard look at your spending records after a month or two have passed. You'll probably be surprised when you look back at your record of expenses: \$300 on ice cream, \$100 on parking tickets? You'll likely see some obvious cuts you can make. Depending on how much you need to save, however, you may need to make some difficult decisions. Think about your priorities, and make cuts you can live with. Calculate how much those cuts will save you per year, and you'll be much more motivated to pinch pennies.

Make a budget. Once you've managed to balance your earnings with your savings goals and spending, write down a budget so you'll know each month or each paycheck how much you can spend on any given thing or category of things. This is especially important for expenses which tend to fluctuate, or which you know you're going to have a particularly hard time restricting. (E.g. "I will only spend \$30 a month on movies/chocolate/coffee/etc.")

Open an interest-bearing savings account. It's a lot easier to keep track of your savings if you have them separate from your spending money. You can also usually get better interest on savings accounts than on checking accounts (if you get interest on your checking account at all). Consider higher-interest options such as CDs or money-market accounts for longer savings goals.

Pay yourself first. Savings should be your priority, so don't just say that you'll save whatever's left over at the end of the month. Deposit savings into an account (or your piggybank) as soon as you get paid. An easy, effective way to start saving is to simply deposit 10% of every check in a savings account.

Always OVER estimate your expenses and UNDER estimate your income. If you can afford to share things you have, from food to living space to appliances, try to do so. What goes around comes around when it's between close friends, soon enough, you'll find your friends doing the same, and everybody benefits.

If you receive unexpected cash, put all or most of it into your savings, but continue to set aside your regularly scheduled amount as well. You'll reach your savings goals sooner.

Module 2. Banking

Unit 5: Banking products

Pre-reading activities

Banking: definitions

Task 1. This exercise defines *the most important kinds of bank*. Complete the text using these words. Look up all the unknown words in the dictionary.

central banks commercial banks supranational banks building societies merchant banks universal banks finance house investment banks

Banking is accepting, for the purpose of lending or investment of deposits of money from the public, repayable on demand or otherwise and withdrawable by cheques, draft, and order or otherwise.

1 _____ supervise the banking system; fix the minimum interest rates; issue banknotes; control the money supply; influence exchange rates and act as lender of last resort.

2 _____ are businesses that trade in money. They receive and hold deposits in current and saving accounts, pay money according to customers' instructions, lend money and offer investment advice, foreign exchange facilities and so on. In some countries such as England these banks have branches in all major towns, in other towns there are smaller regional banks.

In some European countries, notably Germany, Austria and Switzerland, there are 3 _____ which combine deposit and loan banking with share and bond dealing, investment advice etc. Yet even universal banks usually form a subsidiary, known as a 4 _____, to lend money – at several percent over the base lending rate - for hire purchase or installment credit, that is, loans to consumers that are repaid in regular, equal monthly amounts.

In Britain, 5 _____ specialize in raising funds for industry on the various financial markets, financing international trade, issuing and underwriting securities, dealing with takeovers and mergers, issuing government bonds, and so on. 6 _____ in

the USA are similar, but they can only act as intermediaries offering advisory services, and do not offer loans themselves.

In Britain there are also 7 _____ that provide mortgages, i.e. they lend money to home-buyers on the security of houses and flats, and attract savers by paying higher interest than the banks.

There are also 8 _____ such as the World Bank or the European Bank for Reconstruction and Development, which are generally concerned with economic development.

Task 2. Complete the text using these words. Look up all the unknown words in the dictionary.

Banking products

cash dispensers current account investment advice overdraft cheque deposit account credit card foreign currency mortgage standing order

My salary is paid directly into a low interest 1 _____. I can withdraw money from automatic 2 _____ with a cash card, so I hardly ever actually go into a bank. I pay regular, monthly bills by a way of a 3 _____: the bank pays them according to my instruction, and debits my account. I pay irregular bills by 4 _____. Nearly everyone I know in Britain has a chequebook, but when I lived in the Continent, I found that people hardly used them. They often paid cash, or paid bills at a post office with a paying-in slip.

I also have a 5 _____, which is useful for ordering things by post or on the telephone, and for traveling worldwide. I also use it in shops and restaurants, but try not to spend more than I can pay when the bill comes a month later, as this is a very expensive way of borrowing money. The annual interest is exorbitant – well over 20%.

I used to have a 6 _____ in a building society which paid higher interest than the current account at the bank, but had restrictions as to how and when I could withdraw my money. But then we bought a flat. I got a 90% 7 _____ from the building society: i.e. we had to pay a deposit of 10% with our own savings.

In fact I arranged an 8 _____ with the bank, which means I can occasionally withdraw more money than is actually in my account. Interest is calculated daily.

I always use the bank to buy 9 _____ when I go abroad, because their rates are better than the bureaux de change. I don't like travelers' cheques, and I've never had my money stolen – yet.

My bank keeps offering me 10 _____ about shares, bonds, unit trusts, mutual trusts, and so on. They don't seem to realize that if I could afford to buy all these things, I wouldn't need an overdraft.

Task 3. Learn the active vocabulary.

1. application	применение
2. entity	юридическое лицо
3. particularly	особенно
4. income	доход
5. expenditure	расход
6. to exceed	превышать, превосходить
7. excess	дополнительный, избыточный
8. equity claims	акции
9. to decrease	уменьшать
10. expenses	расходы
11. to increase	увеличивать
12. lender	кредитор
13. borrower	заемщик
14. intermediary	посредник
15. bonds	облигации, ценные бумаги
16. bond market	рынок ценных бумаг
17. to receive	получать
18. to pocket	присваивать
19. difference	разница
20. to aggregate	соединять
21. to accept	принимать
22. to allow	позволять
23. thus	таким образом
24. money flows	движение денег по каналам

	обращения
25. in time	вовремя
26. eventually	в конечном счете
27. stock	акционерный капитал
28. ownership	собственность
29. shares	акции
30. available	доступный
31. owner	владелец
32. asset side	колонка активов
33. balance sheet	балансовый отчет
34. in return	взамен
35. to expand	расширять
36. equity financing	финансирование за счет акционерного капитала
37. debt financing	финансирование путем получения займов
38. non-profit	некоммерческий
39. goals	цели
40. to achieve	достигать
41. appropriate	адекватный, соответствующий
42. with consideration	учитывая
43. institutional setting	тип учреждения

Reading / comprehension activities

Task 4. Read, translate the following text and retell it in several sentences.

Examples of some basic financial concepts

The activity of finance is the application of a set of techniques that individuals and organizations (entities) use to manage their financial affairs, particularly the differences between income and expenditure and the risks of their investments.

An entity whose income exceeds its expenditure can lend or invest the excess income. On the other hand, an entity whose income is less than its expenditure can raise capital by borrowing or selling equity claims, decreasing its expenses, or increasing its income. The lender can find a borrower, a financial intermediary, such as a bank or buy notes or bonds in the bond market. The lender receives

interest, the borrower pays a higher interest than the lender receives, and the financial intermediary pockets the difference.

A bank aggregates the activities of many borrowers and lenders. A bank accepts deposits from lenders, on which it pays interest. The bank then lends these deposits to borrowers. Banks allow borrowers and lenders of different sizes to coordinate their activity. Banks are thus compensators of money flows in space since they allow different lenders and borrowers to meet, and in time, since every borrower will eventually pay back.

A specific example of corporate finance is the sale of stock by a company to institutional investors like investment banks, who in turn generally sell it to the public. The stock gives whoever owns it part ownership in that company. If you buy one share of XYZ inc, and they have 100 shares available, you are 1/100 owner of that company. You own 1/100 of anything on the asset side of the balance sheet. Of course, in return for the stock, the company receives cash, which it uses to expand its business in a process called "equity financing". Equity financing mixed with the sale of bonds (or any other debt financing) is called the company's capital structure.

Finance is used by individuals (personal finance), by governments (public finance), by businesses (corporate finance), etc., as well as by a wide variety of organizations including schools and non-profit organizations. In general, the goals of each of the above activities are achieved through the use of appropriate financial instruments, with consideration to their institutional setting.

Task 5. Find the English equivalents for the following in the text:

- применение ряда техник –
- физические и юридические лица –
- вести финансовые дела –
- разница между доходом и расходами –
- давать в долг или инвестировать доходы –
- продавать акции –
- уменьшать расходы –
- увеличивать доходы –
- финансовый посредник –
- покупать ценные бумаги на рынке ценных бумаг –
- получать проценты –

- присваивать разницу –
- принимать вклады от кредиторов –
- предоставлять кредиты заемщикам –
- движения денег по каналам обращения –
- продажа акционерного капитала компании –
- право частичной собственности на имущество компании –
- колонка активов компании в балансовом отчете –
- расширять бизнес –
- финансирование за счет акционерного капитала –

Vocabulary activities

Task 6. Match the formal phrases on the left with the informal phrases on the right.

Operating an account

1. I deposited some money.	a. The money's been sent.
2. I withdrew some money.	b. I paid in some money.
3. The funds have been transferred.	c. It goes out of my account every month.
4. My account is overdrawn.	d. I went to a cashpoint.
5. It's paid by standing order.	e. I took out some money.
6. My account was debited.	f. I'm in the red.
7. My account was credited.	g. I checked my balance.
8. I used an ATM.	h. It went into my account.
9. I made a balance enquiry.	i. It went out of my account.

Task 7. Choose the best word combinations to go into each space.

1. Yesterday I came to the supermarket and saw that I didn't have any money on me. I had to _____ to take out some money.
2. You know, I can't borrow you money at the moment because I _____ myself.
3. I wanted to withdraw some money from my account, but first I had to _____ to know how much money is left.

Listening/ comprehension activities

The consumer credit boom

Task 8. Learn the following words and phrases.

1. to estimate	оценивать
2. trillion	триллион
3. personal debt	личный долг
4. mortgage	ипотека
5. ever-increasing	постоянно увеличивающийся
6. consumer credit	потребительский кредит
7. numerous ways	многочисленные способы
8. inevitable	неизбежный
9. increasing number	все большее количество
10. store card	магазинная карточка
11. APR (annual percentage rate)	ежегодная процентная ставка
12. to mount up	расти, увеличиваться
13. to push smb. into the red	все больше вводить в долги
14. repayment in full	выплата долга в полном объеме
15. to avoid	избегать
16. to have dealings	иметь деловые отношения, контакты
17. credit rating	оценка кредитоспособности
18. credit reference agencies	агентство кредитной информации
19. applicant	кандидат

20. repercussions	последствия
21. genuinely	действительно
22. to repay debts	выплачивать долги
23. ultimately	в конечном счете

Task 9. Say if the following statements are true or false, correct the false ones. Retell the text.

1. The people in the United Kingdom are estimated to own a huge amount of money in personal debt.
2. Much of this debt is in the form of consumer credit.
3. Another form of personal debt is mortgage.
4. There are an increasing number of people who are taking on more debt than they can service nowadays.
5. Credit cards and store cards especially can have very low APRs.
6. Creditors don't try to avoid lending money to people who won't be able to pay it back.
7. Every person who has ever had dealings with a financial institution (for example, had a bank account) has a credit rating.
8. Most creditors will check the applicant's credit rating before agreeing to a loan.
9. If people are genuinely unable to repay their debts, there is very much their creditors can do about it.
10. So the boom in consumer credit could have serious repercussions for lenders.

Task 10. Match the terms from the text with their corresponding definitions.

1. consumer credit	a. an agreement to borrow money, especially so as to buy a house, and pay interest on it to the lender
2. annual percentage rate	b. a figure that shows the amount of interest that you must pay when you borrow money
3. mortgage	c. an option about how likely a person is to repay his or her debts
4. credit rating	d. the numerous ways in which the British public are able to "buy now, pay later".

Grammar: Passive voice: present and past simple

Present Simple: am / is / are + done

Past Simple: was / were + done /

Modal verbs: may / can / should / could/ + be + done

Task 11. Make the following sentences Passive.

1. The bill includes this service. The service _____ in the bill.
2. People don't use this road very often. This road _____.
3. Our agency did this survey. This survey _____.
4. They built this house 3 years ago. This house _____.
5. He processed all the data 2 days ago. All the data _____.
6. The report includes the statistics on demand for this product. The statistics _____.

Task 12. Rewrite the following sentences in the Passive.

1. We can solve this problem very quickly. The problem _____.
2. People send their requests to the head office. The requests _____.
3. They couldn't hold the meeting. The meeting _____.
4. He didn't make the report. The report _____.
5. They changed the date of the meeting not long ago. The date of the meeting _____.
6. We made this questionnaire two months ago. This questionnaire _____.
7. We don't use two-way questions very often. Two-way questions _____.
8. The respondent didn't anticipate this question. This question _____.
9. You should make questions precise and clear. Questions _____.

Task 13. Translate into English.

1. Эти анкеты были составлены в прошлом месяце.
2. Закрытые вопросы не используются очень часто в наших анкетах.
3. Дата совещания не была изменена.
4. Этот вопрос не был включен в анкету.
5. Запросы были отосланы в главный офис.
6. Доклад был сделан вовремя.
7. Вопросы должны быть составлены четко и ясно.
8. Эта проблема может быть решена быстро.
9. Статистика по спросу на данный продукт включена в доклад.
10. Все данные были обработаны два дня назад.

Task 14. Make the following sentences Active.

1. A variety of activities should be carried out by HRM managers.
2. All these activities have to be carried out by small businesses themselves.
3. Employees should be acquainted with personnel policies of a company.
4. A broad spectrum of specialties can be included in Human Resources (HR) management.
5. All of those specialties may be handled by one HR professional.
6. This question is often discussed by the Management theory.
7. Talented employees are needed to meet the organizational mission.
8. The research on the biggest challenges in the next ten years for business was conducted by this agency.
9. Recruiting and retaining top talent should be made a number one priority by HR management.
10. The challenge for HR management can be seen in adjusting the strategy to accommodate changes in the workforce.

Speaking: Adjectives and nouns of nationality

1. Complete each sentence below with an adjective or a noun of nationality, using the information in the accompanying passages.

1. Packard Bell has already taken a significant share of the US computer market and has performed better, in some areas, than its main national rivals Compaq and Apple.

Compaq, Apple and Packard Bell are _____ computer companies.

2. Nordak is currently recruiting a senior manager who will head up the UK office of its foreign subsidiary.

Nordak is not of _____ origin.

3. The shares of Heineken NV have reached a record level in their home market in Amsterdam, Holland.

Heineken is a _____ company.

4. Whenever we set up a foreign subsidiary, we always make sure that it is managed by someone from the country concerned. That will be the case with our new operation in Finland.

Our new subsidiary will be managed by a _____.

5. The authorities in Japan now allow foreign firms to manage investment funds on the Tokyo market.

The Tokyo market was previously restricted to _____ firms.

6. This year we have decided not to attend the trade fair in Milan as the date coincides with a similar but more important event in Vienna in Austria.

We will be attending the _____ trade fair.

7. Our main markets are Eastern Europe and North America. However, we also do some business with Portugal.

The _____ are our best customers in Western Europe.

8. Although our company was originally from Sweden, four years ago we transferred all of our operations to Switzerland.

The company is no longer _____. Today it is _____.

9. Next year the presidency of the commission will be taken by Spain.

The commission's new president will be a _____.

10. The country is one of the most attractive destinations for business investment in the EU and its capital, Dublin, has excellent facilities.

Many companies are setting up _____ operations.

2. Match the words from the three columns below to make sentences. Transform the names of the countries into adjectives. Example: IBM is an American computer company.

Ferrari	Holland	beer
Philips	Britain	seaport
Carlsberg	Italy	TV channel
BBC1	Turkey	electronics company
Istanbul	Finland	mobile phone company
Nokia	Denmark	car manufacturer

3. Complete the sentences below using the expression in the box in the correct imperative form, positive or negative.

study	invest	be flexible
expect (2)	assume	judge
increase	beware	leave

- _____ attitudes like 'my way is the only way' behind.
- _____, be curious and fascinated instead.
- _____ some time in preparing yourself for encounters with other business and cultural styles.
- _____ your understanding of the countries and cultures you are visiting by attending cross-cultural seminars.
- _____ the general protocol and etiquette of the country or countries you are visiting.
- _____ delays, frequent changes in plans and cancellations.
- _____ to have easy access to your e-mail while on the road. In some cases it may be impossible to log on to your internet server remotely.
- _____ when negotiating prices.
- _____ that market or sales techniques that work in your country, work in others.
- _____ of drinking too much alcohol over a business lunch; you might need to make important decisions.

Unit 5. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

Fix the minimum interest rates, to control the money supply, to act as lender of last resort, receive and hold deposits in current and saving accounts, share and bond dealing, to raise funds for industry, to deal with takeovers and mergers, the World Bank or the European Bank for Reconstruction and Development, cash dispensers.

2. Make sure that you know the following words and word combinations, translate them into English.

Выпускать банкноты, влиять на обменные курсы, давать деньги в долг и предлагать услуги эксперта по инвестициям, различные финансовые рынки, выступать в качестве посредника, предлагать услуги ипотеки, кредитная карточка, ипотека, пользоваться банкоматом, личный долг.

3. Translate into English.

1. Финансовая деятельность – это применение ряда техник, которые физические и юридические лица используют, чтобы вести финансовые дела.

2. Юридическое лицо (компания), чьи доходы превышают расходы, может предоставить кредит или инвестировать деньги.

3. Кредитор получает определенный процент, заемщик платит больший процент, чем кредитор получает, а финансовый посредник присваивает разницу.

4. Банки являются координаторами денежных потоков в пространстве, поскольку они позволяют вести дела различным кредиторам и заемщикам, а также – во времени, поскольку каждый заемщик обязан в конечной счете заплатить свой долг.

5. Финансирование за счет акционерного капитала в сочетании с продажей ценных бумаг (или любая другая форма финансирования путем получения займов) называется структурой капитала компании.

Individual work

1. Read the following information and then complete the sentences.

Commercial and retail banking

When people have more money than they need to spend, they may choose to save it. They deposit it in a bank account, at a commercial or retail bank, and the bank generally pays interest to the depositors. The bank then uses the money that has been deposited to grant loans – lend money to borrowers who need more money than they have available. Banks make a profit by charging a higher rate of interest to borrowers than they pay to depositors. Commercial banks can also move or transfer money from one customer's account to another one, when the customer asks them to. Banks also create credit – make money available for someone to borrow – because the money they lend, from their deposits, is usually spent and so transferred to another bank account.

The capital a bank has and the loans it has made are its assets. The customers' deposits are liabilities because the money is owed to someone else. Banks have to keep a certain percentage of their assets as reserves for borrowers who want to withdraw their money. This is known as the reserve requirement. For example, if the reserve requirement is 10 %, a bank that receives a € 100 deposit can lend € 90 of it. If the borrower spends the money and writes a cheque to someone who deposits the € 90, the bank receiving that deposit can lend € 81. As the process continues, the banking system can expand the first deposit of € 100 into nearly € 1 000. In this way, it creates credit of almost € 900.

Before lending money, a bank has to assess or calculate the risk involved. Generally, the greater the risk for the bank of not being repaid, the higher the interest rate they charge. Most retail banks have standardized products for personal customers, such as personal loans. This means that all customers who have been granted a loan have the same terms and conditions – they have the same rules for paying back the money. Banks have to find a balance between liquidity – having cash available when depositors want it – and different maturities – dates when loans will be repaid. They also have to balance yield – how much money a loan pays – and risk.

1. If you need instant access to all your money, this is the _____ for you.
2. Our products for _____ include business overdrafts, loan repayments that reflect your cash flow, and commercial mortgages.
3. Our local branch managers are encouraged to help local businesses and are authorized to _____ and overdrafts.
4. We offer standardized loans: you can be sure you won't get less favorable terms and _____ than our other _____.
5. With standardized products, all customers are _____ the same interest rate.
6. Banks carefully study the financial situation of a company to _____ the risk involved

2. Match the two parts of the sentences.

1. Banks lend savers' deposits	a. banks have to assess the risk involved.
2. They also create credit by	b. depends on the reserve requirements.
3. How much credit banks can create	c. depends on how risky it is for the bank to lend the money.
4. Before lending money,	d. so they can't lend all their money in loans with long maturities.
5. The interest rate on a loan	e. lending the same original deposit several times.
6. Banks always need liquidity,	f. to people who need to borrow money.

3. Choose words from the box for each gap.

lend	borrow	owe	cash	withdraw	last resort	loan
	open	go bust	deposit	fix	bail out	
		reimburse	trade	yield		

1. Of course, we don't have that kind of money. We had to _____ it.
2. I showed the bank my business plan, and they offered to _____ me everything I asked for.
3. I had to stand in a queue for 15 minutes just to _____ a five pound cheque.
4. An important function of a central bank is to act as a lender of _____.
5. We nearly _____, but at the last minute the bank agreed to _____ us _____.
6. When I pointed out to the bank that it was their mistake, they agreed to _____ me all the extra charges I'd paid.
7. Investment banks usually _____ in stocks and bonds.
8. An investment with a high risk is usually compensated by way of a high _____.
9. I can't borrow any more; I already _____ the bank over £10 000.
10. This wonderful plastic card allows me to _____ cash all over Europe.
11. With all the money you got for your birthday you should go and _____ a savings account.
12. Did you know that they even have machines now where you can _____ as well as take out money?
13. They agreed to grant me a _____ for six months.
14. It is usually the role of the central bank to _____ the minimum interest rate.

Unit 6: Commercial banking

Pre-reading activities

Borrowing and lending, interest rates: definitions

Task 1. Choose the correct alternative to complete each sentence about borrowing and lending.

1. If you possess something, you can say that you _____ it.
a. owe b. own c. owner
2. If you have to reimburse or repay someone, you _____ money.
a. owe b. own c. yield
3. To let someone else have the use of your money for a certain period of time, after which it must be paid back, is to _____.
a. borrow b. lend c. credit
4. To take money that has to be repaid is, on the contrary, to _____.
a. borrow b. lend c. steal
5. An amount of money lent is a _____.
a. debit b. debt c. loan
6. A person who has borrowed money is a _____.
a. creditor b. debtor c. owner
7. Another word for a lender is a/an _____.
a. creditor b. debtor c. owner
8. The income received by someone who lends money is called _____.
a. dividend b. interest c. interests
9. The borrower has to pay back the loan itself, also known as the _____.
a. principal b. principle c. premium
10. The amount of money a lender receives for a loan or an investment, expressed as a percentage, is known as its return or _____.
a. credit b. income c. yield

Task 2. Choose words to complete each sentence. In some cases there is more than one possibility.

1. The Bank of England fixes a minimum interest rate, called the discount rate, at which it makes secured loans to
 - a. big companies b. private individuals c. commercial banks d. new businesses
2. British commercial banks lend to blue-chip borrowers (big, secure companies) at the The American equivalent is the prime rate.
 - a. base rate b. basic rate c. discount rate d. market rate
3. All other borrowers pay more, depending on the lender's estimation of their present and future solvency, also known as their creditworthiness or... or....
 - a. credit b. creditors c. credit standing d. credit rating
4. Borrowers can usually get a interest rate if the loan is guaranteed by securities or other collateral.
 - a. higher b. long term c. lower d. riskier
5. Banks make their profits from the difference between the interest rate charged to borrowers and that paid to depositors, also known as a or
 - a. margin b. mistake c. range d. spread
6. Long-term interest rates are generally higher than short-term ones, except when the central bank temporarily reduces money supply i.e. makes money or
 - a. loose b. scarce c. tight d. uncommon
7. These days many loans are made with ... or variable interest rates that change according to the supply and demand for money.
 - a. drowning b. floating c. sinking d. swimming
8. Borrowers and lenders can sometimes arrange limits beyond which rates cannot move. The upper limit is called or a
 - a. cap b. ceiling c. roof d. summit
9. The lower limit on a variable rate loan is known as a
 - a. bottom b. carpet c. floor d. maturity
10. A... is an arrangement that fixes both the upper and lower limits.
 - a. collar b. tie c. shirt d. suit

11. Central banks cannot determine the minimum lending rate for so-called Eurocurrencies – currencies held
 - a. outside their country of origin
 - b. in Europe
12. Banks are able to offer better rates to borrowers of Eurocurrencies because there are no ... imposed by the central bank.
 - a. discount rates
 - b. maturities
 - c. money supplies
 - d. reserve requirements

Task 3. Learn the financial idioms. Refresh your Grammar. Translate the sentences into Russian.

1. can take (something) to the bank - a statement is true, something is guaranteed to be successful.

I believe that we can take the new business plan to the bank (can + infinitive).

2. to control the purse strings - to be in charge of the money in a business or a household.

My sister controls the purse strings in her family (Present Simple).

3. to draw interest - (for money) to earn interest while it is on deposit at a bank

We put the money into our bank account so that it would draw interest (Past Simple; Future in the Past).

4. to float a loan - to get a loan, to arrange for a loan

I decided to float a loan to get some money to buy a new car. (Past Simple; infinitive).

5. to sock away (some money) - to save or store some money

I am trying to sock away some money for my holiday (Present Continuous).

Task 4. Learn the active vocabulary.

1. to transfer money	переводить деньги
2. interest rates	процентные ставки
3. to conduct payments	осуществлять платежи
4. real estate	недвижимость
5. safe facilities for money and valuables	услуги по хранению денег и ценностей
6. issuing of banknotes	эмиссия банкнот

7. money transmission services	услуги по переводу денег
8. checking account	текущий счет
9. savings account	сберегательный счет
10. to vary	варьироваться
11. investigate	изучить
12. compare	сравнить

Reading / comprehension activities

Task 5. Read, translate the following text and retell it.

Banking Services

It is an open secret that banks are the most important link in the world of money. This is because, first of all, banks nowadays perform the main part of the work of transferring money from a customer to a seller, by operating the system of payments in the economy.

Almost everyone in the world uses or has used banking services. Families keep their savings there, and banks pay them interest rates on their deposits and give them loans to buy expensive goods. Companies conduct payments through them. Commercial organizations, which work at the market and in production, take loans for their needs and conduct all payments with buyers and sellers through them. Landowners and owners of real estate take loans from the banks to buy an estate or to make use of it and pay back loaned money.

The various services provided by banks are summarized below:

- the provision of safe facilities for money and valuables;
- the lending of money: this is the most profitable activity of the banks and the one which provides most of their income;
- the issuing of banknotes;
- the provision of efficient money transmission services (e.g. cheques, credit cards).

In addition to these basic functions, modern banks provide a wide range of other financial services.

Remember that banks are private businesses. They are all different and each wants to get your business. You should check with

several banks to determine which bank offers the best services for your needs.

You should plan to open both a checking and savings account at the same bank, simply because it will be more convenient for you. For example, if you have a savings account and a checking account in the same bank, you can telephone and ask to transfer funds from your savings account to your checking account. Interest rates on savings and checking accounts vary from bank to bank. Investigate and compare various banks and their rates of interest on accounts before you decide where to open an account.

Task 6. Find the following terms in the text:

- amounts charged for borrowing money by the big banks and building societies, according to the base rate set in Britain by the Bank of England –
- a bank account which earns interest (1) –
- property in the form of land and houses –
- an arrangement or system that makes a bank service possible –
- a bank account which earns little or no interest and from which money can be taken out at any time by check –
- a bank account which earns interest (2) –

Task 7. Find the English equivalents for the following in the text:

- a. перевод денег от клиента к продавцу –
- b. управление системой платежей в экономике страны –
- c. хранить сбережения –
- d. платить процент по банковскому счету –
- e. предоставлять / брать кредиты –
- f. широкий спектр финансовых услуг –
- g. предлагать лучшие условия для ваших потребностей –
- h. открыть текущий и сберегательный счета в одном и том же банке –
- i. переводить деньги со сберегательного на текущий счет –
- j. изучать и сравнивать различные процентные ставки –

Vocabulary activities

Bank terms and conditions

Task 8. Match the method of payment with the definition.

1. Credit card	a. A piece of paper which transfers money from your account to somebody else's account.
2. Debit card	b. Similar to a credit card, but usually operated by a chain of shops or other retailer.
3. Charge card	c. The money is deducted from your bank account almost immediately.
4. Cheque	d. These can be exchanged for foreign currency, or in some cases used instead of cash.
5. Traveler's cheque	e. You owe the card provider money. You can pay it back in one installment, or over a longer period if you wish.
6. Charge account	f. You owe the retailer money.

Task 9. Choose the best word.

- Regular bank statements will be sent to you by post, listing recent _____ and you can view your statements online.
a. payments **b.** events **c.** transactions
- New current account customers can borrow up to £200 in the form of a low-interest _____.
a. overdraft **b.** overtake **c.** overspend
- The current rate of interest for _____ overdrafts is 6.7% APR.
a. permitted **b.** allowed **c.** authorized
- While your account is _____ credit, there are no charges.
a. under **b.** in **c.** with
- If your account is overdrawn, charges may _____.
a. happen **b.** apply **c.** occur
- When you acknowledge _____ of your new debit card...
a. receipt **b.** the receiving **c.** reception
- ...you will be sent a PIN (Personal _____ Number)

- a. identifying b. identifier c. identification
8. You will need to _____ your PIN each time you use the card.
a. put in b. type c. enter
9. Two or more customers may apply for a _____.
a. two-person account b. joint account c. together account
10. Current account _____ may apply for a Grimleys Credit Card.
a. holders b. owners c. users
11. Credit cards will be issued _____.
a. if you're rich enough b. if you have money c. subject to status
12. You may _____ your account at any time.
a. close b. finish c. end

Task 10. Choose the correct words. Translate the text.

Grimleys Bank: open an account today!

Open an account with Grimleys Bank, and start benefiting from our great *1 rates / levels* of interest and *2 small / low* charges. With over 3,000 *3 branches / outlets*, you'll never be far from us, and unlike many other *4 high street / town centre* banks, we're open all day on Saturdays.

Grimleys customers can *5 take money / make withdrawals* from more than a million *6 cash dispensers / money machines* worldwide, and of course you'll receive a *7 cheque book / book of cheques* and a *8 paying card / debit card* within a few days of opening your account.

Computer-users may be interested in our e-account - all the benefits of a regular Grimley's *9 current / day-to-day* account, with the added convenience of being able to view your *10 lists / statements* and *11 make / do* payments online.

Whether you're opening your first current account, *12 switching / changing* from another bank or simply want to take advantage of our *13 range / variety* of savings accounts, you'll be glad you chose Grimleys – the bank that always *14 makes / puts* the customer first.

Listening/ comprehension activities

Commercial Banking

Task 11. Learn the following words and phrases.

1. to hold deposits	держать вклады
2. transfer	перевод денег
3. current account / checking account	текущий счет
4. to withdraw cash	снимать наличные деньги
5. restrictions	ограничения
6. deposit account / time account / notice account	депозитный счет, срочный вклад
7. notice	уведомление
8. standing orders	регулярные заказы
9. direct debits	прямые дебиты
10. loan	ссуда
11. overdraft	овердрафт
12. security	безопасность, надежность
13. guarantee	гарантия
14. to overdraw	превышать ограничение
15. limit	предел
16. spread	разница, разрыв
17. differential	разность
18. to charge	взимать

Task 12. Say if the following statements are true or false.

1. Commercial banks receive and hold deposits, pay money according to customers' instructions, lend money etc.
2. A current account (US checking account) usually pays big interest.
3. A current account allows the holder to withdraw his or her cash with no restrictions.
4. Deposit accounts pay no interest.
5. Notice is not required to withdraw money from deposit accounts.
6. Standing orders and direct debits are ways of paying regular bills at regular intervals.
7. A bank loan is a fixed sum of money, lent for a fixed period, on which interest is paid.

8. Banks don't require any form of security or guarantee before lending.
9. An overdraft is an agreement by which a customer can overdraw a debt to an agreed limit.
10. Interest on the debt of an overdraft is calculated every week.
11. Banks make a profit from the spread or differential between the interest rates they pay on deposits and those they charge on loans.

Task 13. Match the terms from the text with their definitions.

1. commercial banks	a. written order to a bank to pay money
2. a deposit account	b. an account from which money may be withdrawn without previous notice
3. a cheque (check)	c. an agreement by which a customer can overdraw a debt to an agreed limit
4. a current account	d. payment made by a borrower for a loan expressed as a percentage
5. a loan	e. businesses that trade in money
6. an overdraft	f. to ask in payment
7. an interest rate	g. money deposited in a bank, not to be withdrawn without notice, on which interest is payable
8. to charge	h. money gained in business
9. a profit	i. difference (expressed in a percentage)
10. differential	j. a fixed sum of money, lent for a fixed period, on which interest is paid

Grammar: 'It is said that' and 'supposed to'

It is said that he works on this project.

He is said to work on this project.

You can use this structure with: *thought believed reported understood known expected alleged considered*

Let's go and see this film. It **is supposed to be** very good. = **it is said**

The train **is supposed to arrive** at 11 but it was 10 minutes late. = **it is planned**

You **are not supposed to park** here. = **are not allowed**

Task 14. Rewrite the following sentences.

1. It is said that telephone interviews are cheaper than personal interviews. Telephone interviews are said _____.
2. It is known that the interviewer has the opportunity of answering questions to respondents. The interviewer _____.
3. People say that Mr. Brown is very rich. Mr. Brown is supposed _____.
4. You are smoking. But you are not _____ here.
5. Why the report isn't made yet? You _____ to make it 2 days ago.

Task 15. Translate into English.

1. Говорят, что интервью по телефону дешевле, чем личные интервью.
2. Вы не должны курить здесь.
3. Вы должны были сделать этот отчет два дня назад.
4. Говорят, что он очень богат.
5. Эти данные должны помочь составить полный отчет.
6. Известно, что интервьюер может отвечать на вопросы респондентов.
7. Поезд должен прибыть в 11.
8. Вы не должны парковать машину здесь.

Speaking: Company Structure and the European Central Bank

Task 1. Read the following text. Then complete the chart using the information from the text and the words from the box.

Most companies are made up of three groups of people: shareholders (who provide the capital), the management and the workforce. At the top of the company hierarchy is the Board of Directors, headed by the Chairperson or President. The Board is responsible for policy decisions and strategy. It will usually appoint a Managing Director or Chief Executive Manager, who has overall responsibility for the running of the business. Senior managers or company officers head the various departments or functions within the company, which may include the following.

- a. marketing
- b. public relations
- c. information technology or IT
- d. personnel or human resources
- e. finance
- f. production
- g. research and development.

The management structure of a typical company is as follows (from top to bottom):

Managing Director	President	Board of Directors
Senior management	Middle management	
Chief Executive Manager		

1

2

3

4

5

6

Task 2. Circle the word that does not belong in each group:

1. firm 2. company 3. society 4. subsidiary
1. salary 2. manager 3. engineer 4. employee
1. finance 2. product 3. planning 4. marketing
1. ship 2. assemble 3. customer 4. purchase
1. plant 2. facility 3. patent 4. factory

Task 3. Match the following definitions to the groups of three words that you identified above.

- a. manufacturing sites ____
- b. stages in the manufacturing process ____
- c. people who work in a company ____
- d. types of business organization ____
- e. different departments in a company ____

Task 4. Match each of the following words that you circled with the following definitions.

1. _____ payment for work, usually monthly
2. _____ an item that has been made
3. _____ an organization or club with members who share similar interests
4. _____ a document that gives the exclusive right to make or sell a new product
5. _____ a person who buys goods or services

Task 5. Explain in your own words the structure of most companies using the word combinations from the previous tasks.

Task 6. Match the word combinations and its definitions:

• to be composed of	1. to state and carry out
• in accordance with	2. to have a head or a supervisor
• to maintain price stability	3. to be responsible for
• to define and implement	4. to consist of
• to be headed	5. money charged or paid for the use of money, expressed as a percentage

• to be in charge of	6. conforming to a law or regulation
• interest rate	7. to keep prices stable

Task 7. Read the text and complete the information below.

Organization of the European system of central banks (ESCB)

1 The ESCB is composed of the European Central Bank (ECB) and the national central banks (NCBs) of the European Union member states. In accordance with the ESCB Statute, the primary objective of the ESCB is to maintain price stability.

2 The basic tasks to be carried out by the ESCB are:

- to define and implement the monetary policy of the EU;
- to conduct foreign exchange operations;
- to hold and manage the official foreign reserves of the Member States;
- to promote the smooth operation of payment systems.

3 The ECB is run by a six-member executive board headed by the ECB President and Vice-president. The four other members are in charge of payment systems, banking supervision, international relations, organization, statistics, banknotes and information systems.

4 Interest rates are now set by the ECB's governing council which consists of the six-member executive board and the presidents of the national central banks of the participant countries.

Understanding main points.

1. The ESCB is composed of the _____ and the _____.
2. The ECB is run by the _____.
4. The members of the executive board are in charge of: _____
5. The ECB's governing council consists of
a. _____; b. _____.
6. The main objective of the ESCB is to _____.
7. The NCBs fulfill all functions except _____.
8. Interest rates are set by the _____.

Unit 6. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

To own money, creditworthiness, lower interest rate, margin, to reduce money supply, long-term interest rates, the supply and demand for money, reserve requirements, to peg currency against the dollar, economic performance, to transfer money, to conduct payments, safe facilities for money and valuables.

2. Make sure that you know the following words and word combinations, translate them into English.

Возмещать затраты, давать деньги в долг, брать деньги в долг, кредит, должник, заемщик (кредитор), процент, основная сумма кредита (без процентов), доход (от кредитования), учетная ставка, коммерческие банки, базовая ставка, имущественный залог, повышаться в цене, текущий счет, сберегательный счет.

3. Translate into English.

1. Мы считаем, что информация о финансах компании достаточно достоверна, мы можем вполне доверять ей.
2. Кто занимается финансовыми вопросами в этой компании?
3. Условия этого банка довольно выгодны для клиентов – они получают большой процент по своим вкладам.
4. Мы решили взять заем (кредит), чтобы получить деньги и купить квартиру.
5. Она откладывает деньги все это время, чтобы в будущем использовать их для оплаты за обучение.

4. Translate into English.

1. Известно, что эти данные не точны.
2. Понятно, что такое исследование займет много времени.
3. Считается, что маркетинг – одна из наиболее важных областей менеджмента.
4. Здесь не разрешается курить.
5. Ожидается, что уровень инфляции повысится.
6. Говорят, что эта рекламная кампания очень успешна.
7. Считается, что для компании очень важно выбрать правильную маркетинговую стратегию.

Individual work

1. Read the following information and then match the words in the box with the definitions below.

Interest rates

An **interest rate** is the cost of borrowing money: the percentage of the amount of a loan paid by the borrower to the lender for the use of the lender's money. A country's minimum interest rate (the lowest rate that any lender can charge) is usually set by the central bank, as part of monetary policy, designed to keep inflation low. This can be achieved if demand (for goods and services, and the money with which to buy them) is nearly the same as supply. Demand is how much people consume and businesses invest in factories, machinery, creating new jobs, etc. Supply is the creation of goods and services, using **labor** – paid work – and capital.

When **interest rates fall**, people borrow more, and spend rather than save, and companies invest more. Consequently, the level of demand rises.

When **interest rates rise**, so that borrowing becomes more expensive, individuals tend to save more and consume less. Companies also invest less, so demand is reduced.

If **interest rates are set too low**, the demand for goods and services grows faster than the market's ability to supply them. This causes prices to rise so that inflation occurs.

If **interest rates are set too high**, this lowers borrowing and spending. This brings down inflation, but also reduces output – the amount of goods produced and services performed, and employment – the number of jobs in the country.

The **discount rate** is the rate that the central bank sets to lend short-term funds to commercial banks. When this rate changes, the commercial banks change their own **base rate**, the rate they charge their most reliable customers like large corporations. This is the rate from which they calculate **all their deposit and lending rates** for savers and borrowers.

Banks make their profit from the difference, known as a **margin** or **spread**, between the interest rates they charge borrowers and the rates they pay to depositors. The rate that borrowers pay depends on their **creditworthiness**, also known as **credit standing**

or credit rating. This is the lender's estimation of a borrower's present and future **solvency**: their ability to pay debts.

The higher the borrower's solvency, the lower the interest rate they pay. Borrowers can usually get a lower interest rate if the loan is guaranteed by securities or other collateral. For example, mortgages for which a house or apartment is collateral are usually cheaper than ordinary bank loans or overdrafts – arrangements to borrow by spending more than is in your bank account. Long-term loans such as mortgages often have **floating or variable interest rates** that change according to the supply and demand for money.

Leasing or hire purchase (HP) agreements have higher interest rates than bank loans and overdrafts. These are when a consumer makes a series of monthly payments to buy durable goods (e.g. a car, furniture). Until the goods are paid for, the buyer is only hiring or renting them, and they belong to the lender. The interest rate is high as there is little security for the lender: the goods could easily become damaged.

Remember: BrE: base rate; AmE: prime rate

creditworthy floating rate invest labor spread output solvency interest rate

1. the cost of borrowing money, expressed as a percentage of the loan –
2. having sufficient cash available when debts have to be paid –
3. paid work that provides goods and services –
4. a borrowing rate that isn't fixed –
5. safe to lend money to –
6. the difference between borrowing and lending rates –
7. the quantity of goods and services produced in an economy –
8. to spend money in order to produce income or profits –

2. Name the interest rates and loans.

- a. _____: a loan to buy property (a house, flat, etc.)
- b. _____: borrowing money to buy something like a car, spreading payment over 36 months
- c. _____: commercial banks' lending rate for their most secure customers
- d. _____: occasionally borrowing money by spending more than you have in the bank
- e. _____: the rate at which central banks make secured loans to commercial banks

3. Are the following statements true or false? Find reasons for your answers in the text.

- 1. All interest rates are set by central banks.
- 2. When interest rates fall, people tend to spend and borrow more.
- 3. A borrower who is very solvent will pay a very high interest rate.
- 4. Loans are usually cheaper if they are guaranteed by some form of security or collateral.
- 5. If banks make loans to customers with a lower level of solvency, they can increase their margins.
- 6. one of the causes of changes in interest rates is the supply and demand for money.

Unit 7: Internet banking

Pre-reading activities

Internet banking: definitions

Task 1. Write the words into the spaces below.

applications _ authentication _ encrypted facilities _ passwords _ PINs protected _ transactions _ victims
--

a. Customers with facilities for Internet banking (also known as online banking) can use their bank's or building society's website to carry out payments and other 1 _____ over the Internet. This form of banking can be done outside business hours and from anywhere with Internet access. Features of Internet banking include payment of bills, funds transfers between a customer's own accounts, transfers to a third party's account, loan 2 _____ and viewing bank statements.

b. In addition to the Internet banking 3 _____ offered by high-street banks, a new generation of banks operate exclusively online. These banks tend to offer high interest rates on savings accounts and low rates on loans because their overheads are much lower than those of traditional banks.

c. Security has become a key issue in Internet banking. For most secure Internet sites, such as Internet shopping sites, single password 4 _____ is considered sufficient. In an increasing number of countries, this is no longer considered adequate for Internet banking. In these cases, entry to the site requires the input of one of a selection of passwords and multiple 5 _____. All information is 6 _____, making it almost impossible for a third party (i.e. a hacker) to access the information.

d. However, hackers can gain access to inadequately 7 _____ home PCs, and can record the password as it is typed in (key logging). Spyware and other malicious programs can record private banking details, and send them to a third party. A

more commonplace danger is written passwords and PINs falling into the wrong hands.

e. Internet banking is perceived by some as being too vulnerable to fraud to consider using. However, the number of 8 _____ of Internet banking fraud is very small. Statistically, in fact, conventional banking activities carry a higher risk of fraud than Internet banking – simple credit card fraud and various forms of identity theft are far more widespread. It is far easier to obtain banking and other details by going through a bag of rubbish and collecting old bank statements etc. than it is to obtain it by hacking.

f. Generally speaking, unless users are careless or gullible, Internet banking does not carry a great level of risk. Nevertheless, criminals continue to come up with inventive ways to access accounts. An example is “phishing” – using emails purporting to be from the customer’s bank to persuade people to hand over their 9 _____.

Task 2. Find words in the article which mean the same as the following.

1. money (**paragraph a**) _____
2. another person or company (**paragraph a**) _____
3. only (**paragraph b**) _____
4. business expenses (**paragraph b**) _____
5. more than one (**paragraph c**) _____
6. person who illegally access somebody else's computer (**paragraph c**) _____
7. a program which steals private information from a computer (**paragraph d**) _____
8. intended to do bad things (**paragraph d**) _____
9. financial crime (**paragraph e**) _____
10. stealing money by pretending to be somebody else (**paragraph e**) _____
11. common (**paragraph e**) _____
12. easily deceived / will believe anything (**paragraph f**) _____
13. pretending (**paragraph f**) _____
14. give (**paragraph f**) _____

Task 3. Match the verbs with the nouns.

1. access	a. a bill online
2. carry	b. a password
3. click on	c. a risk
4. enter / input / key in / type in	d. an electronic payment
5. fall into	e. an icon
6. make	f. funds
7. pay	g. the internet
8. transfer	h. the wrong hands

Task 4. Match the words on the left with words on the right.

1. a hig	a. business hours
2. a low risk of	b. fraud
3. an Internet-only	c. interest rates
4. offer higher-than-average	d. level of security
5. outside	e. savings account
6. vulnerable	f. to fraud

Task 5. Refresh your Grammar. Translate the sentences into Russian.

1. As soon as you receive this e-mail, you will be able to access your account and transfer money from you current bank account. (zero-conditional).
2. Once we have received these documents, we ll confirm without delay that your account is fully active. (zero-conditional).
3. By not processing cheques, we can pass the savings straight onto our customers. (Participle I; modal verb *can* + verb).
4. We've all stood in bank queues, trying to find a deposit slip. (Present Perfect; Participle I).
5. We've done everything we can to make our services as friendly and simple as possible. (Present Perfect' modal verb *can*; Infinitive).

Task 6. Learn the active vocabulary.

1. High Street Bank	коммерческий банк
2. to run	управлять
3. glossy leaflets	глянцевые буклеты
4. overheads	накладные расходы
5. bank charges	плата за услуги банка
6. to accrue	накапливать
7. to deduct tax	вычитать налог
8. to fill in the form	заполнять бланк
9. advanced	усовершенствованный
10. secure	безопасный
11. sophisticated security layers	сложные уровни защиты
12. encryption technology	технология шифрования
13. to submit	предоставлять
14. application form	форма заявки
15. confirmatory	подтверждающий
16. to access	получать доступ
17. to transfer	передавать
18. relevant documents	необходимые документы
19. without delay	без задержки, безотлагательно
20. instantaneously	мгновенно
21. without charge	бесплатно
22. to pass the savings	перевести сбережения
23. queues	очереди
24. deposit slip	бланк о взносе депозита
25. biro on a chain	шариковая ручка на цепочке
26. to get an appointment	встретиться
27. overdraft	овердрафт
28. convenient	удобный
29. friendly	благоприятный, удобный
30. simple	простой

Reading / comprehension activities

Task 7. Read, translate the following text and retell it.

First-E: the internet bank

a. Next time you're in a High Street Bank, look around you and think how much it must cost to run – a prestige address, a nice office for the manager, lots of staff and glossy leaflets. You might as well enjoy it – because you're paying for it. With first-e, overheads and bank charges just don't apply. This means better interest rates for you.

b. First-e offers high interest on every pound you put in. We accrue interest daily and pay it monthly, without deducting tax, as long as you fill in the form we give you.

c. We use the most advanced and secure systems available to protect your assets – so your money is just as safe as it is in a High Street Bank. A number of sophisticated security layers including advanced encryption technology are used to protect all first-e customers.

d. All you have to do is:

1. Complete and submit the on-line application form. You will then receive a confirmatory e-mail. As soon as you receive this e-mail, you will be able to access your account and transfer money from your current bank account.

2. Print, sign and post the relevant documents to us. Once we have received these documents, we'll confirm without delay that your account is fully active.

e. You can transfer funds on-line from one first-e account to another – easily, instantaneously and without charge. Similarly, you can use the on-line transfer facility to transfer funds to and from another bank account in the UK, free of charge. Transfers to another bank normally take three working days to complete.

Note that we do not currently accept cheques for the first-e savings account. Handling cheques is a slow and expensive practice. By not processing cheques, we can pass the savings straight onto our customers.

f. We've all stood in bank queues, trying to find a deposit slip and fill it in while we're standing up with a biro on a chain that doesn't work. We've all tried in vain to get an appointment with some junior manager for an overdraft.

First-e aims to change all of that, and make banking easy and convenient. We've done everything we can to make our services as friendly and simple as possible.

Task 8. Match the sub-headings of the text with the extracts (a-f).

1. transfer cash out conveniently and easily
2. designed for the internet, not the high street
3. opening an account is simple – it only takes an instant
4. manage your finances the easy way
5. high street interest rates
6. your money is safe with us

Task 9. Mark these statements true (T) or false (F) according to the text. Find the part of the text that gives the correct information.

first-e ...

1. has a prestige high street address in every town.
2. offers high interest rates on savings.
3. lets you open an account without the need for paper documents.
4. allows you to transfer funds on-line.
5. doesn't make any bank charges to its customers.
6. takes 3 days to transfer funds from one first-e account to another.
7. offers customers a cheque book.
8. protects customer security using encryption technology.

Vocabulary activities

Internet Banking

Task 10. Match the terms with their definitions.

1. overheads	a. money kept in the bank to earn interest
2. bank charges	b. money spent on the general running of a business, not related to producing goods or selling services
3. interest rate	c. what customers pay the bank in return for its services
4. assets	d. amount the bank will pay customers on their deposits
5. savings	e. arrangement that allows customers to take out more money from their account than they have put in
6. overdraft	f. funds belonging to an individual

Task 11. Find a word or phrase in the text that has a similar meaning.

1. put money into your account _____
2. fill in a form _____
3. present _____
4. as soon as possible _____
5. money in your account _____
6. free _____

Task 12. Find a word or phrase in the text that has the opposite meaning.

1. old-fashioned _____
2. risky _____
3. difficult _____
4. cheap _____
5. complicated _____
6. impersonal _____

Task 13. Choose the best explanation for each of these phrases from the text.

1. glossy leaflets
 - a. advertising material printed on expensive paper
 - b. attractive plants used to decorate a bank or office
2. we accrue interest daily
 - a. interest is added to your account each day
 - b. the bank earns interest on your account each day
3. encryption technology
 - a. writing data in a code that people can not access
 - b. using computers to transfer funds quickly
4. relevant documents
 - a. documents the bank sent
 - b. documents that have been signed
5. deposit slip
 - a. envelope you put money in when pay cash into your account
 - b. form you complete when pay money into your account
6. in vain
 - a. taking a lot of time
 - b. trying hard but without success

Task 14. Match the verbs and nouns.

1. offer	a. funds
2. deduct	b. interest
3. fill in	c. an account
4. protect	d. a form
5. open	e. assets
6. submit	f. cheques
7. transfer	g. tax
8. accept	h. an application

Task 15. Complete the sentences with an appropriate phrase from the previous task.

1. The bank _____ of 5 % on all deposits.
2. The customer was asked to _____ and hand it in at the desk.
3. With internet banking, it is possible to _____ on-line from one account to another.
4. In order to reduce costs, many internet banks don't _____.
5. To apply for a job, or to open a new account, you have to _____.
6. Many people _____ at a bank when they start their first job.
7. Interest is paid gross, which means that the bank does not _____.
8. Customers needn't worry about security, the bank uses sophisticated encryption technology to _____ their _____.

Task 16. Translate into English.

1. класть деньги на счет –
2. взимать плату за банковские услуги –
3. начислять проценты ежедневно –
4. выплачивать проценты ежемесячно –
5. удерживать налог –
6. заполнять бланк –
7. защищать вклады –
8. заполнить и отослать заявку –
9. получить доступ в своему счету –
10. переводить деньги с вашего текущего банковского счета –
11. распечатать, подписать и отослать соответствующие документы –
12. найти бланк о взносе депозита –

Listening/ comprehension activities

Banking channels

Task 17. Learn the following words and phrases.

1. array	множество
2. ATM	банкомат
3. device	устройство
4. public space	общественные места
5. bank teller	банковский служащий
6. wider range of services	широкий спектр услуг
7. to enable	давать возможность
8. to feed in the notes	вводить банкноты
9. to withdraw cash	снимать наличные деньги со счета
10. mail	почта
11. to deliver periodic account statements	доставлять периодические выписки по счету
12. to perform transactions	производить операции
13. billers	организации, рассылающие счета за услуги
14. credit union	кредитный союз
15. building society	строительная компания

Task 18. Listen to the text and say if the following sentences are true or false. Retell the text.

1. Banks offer a few different channels to access their banking and other services.
2. A branch of a bank offers a wide array of face-to-face service to its customers.
3. ATM provides customers a method of financial transactions in a public space.
4. Mail can't be used to send orders to the bank to pay money to third parties.
5. Telephone banking allows its customers to perform transactions over the telephone.

Grammar: Used to

Now he doesn't smoke. But he **used to** smoke 2 years ago.
We **used to live** in a small village but now we live in a big city.
Did he use to earn much when he worked at a plant?
They **didn't use to go** out very often they had to study much.

Task 19. Complete the sentences with *used to*.

1. The people of this area don't work at this factory any more. But they _____ a few years ago.
2. She _____ my boss but we don't work together any longer.
3. We live in a rural area now but we _____ in a big city.
4. Now there's only one team of managers in our agency but there _____ three.
5. He stopped to study hard. He _____ a year ago.
6. I know he doesn't live here now but _____ some time ago?
7. He's started spending a lot of money this year. But he _____ a few years ago.
8. I know he doesn't play the piano now but _____ when he was a child?

Task 20. Translate into English.

1. Раньше они работали в этом офисе.
2. Раньше было три команды менеджеров в этом агентстве.
3. Раньше она была моим начальником.
4. Раньше он не тратил много денег, как он делает это сейчас.
5. Раньше он работал с вами?

Speaking: Financial world

Task 1. Read the following text. Speak about most tradable currencies.

1. U.S. Dollar (USD)

Central Bank: Federal Reserve (Fed)

The Almighty Dollar

Created in 1913 by the Federal Reserve Act, the Federal Reserve System (also called the Fed) is the central banking body of the U.S. With the U.S. dollar being on the other side of approximately 90% of all currency transactions, the Fed's sway has a sweeping effect on the valuation of many currencies.

Sometimes referred to as the greenback, the U.S. dollar (USD) is the home denomination of the world's largest economy, the United States. As with any currency, the dollar is supported by economic fundamentals, including gross domestic product, and manufacturing and employment reports. However, the U.S. dollar is also widely influenced by the central bank and any announcements about interest rate policy. The U.S. dollar is a benchmark that trades against other major currencies, especially the euro, Japanese yen and British pound.

2. European Euro (EUR)

Central Bank: European Central Bank (ECB)

The Dollar's Nemesis

In addition to having jurisdiction over monetary policy, the ECB also holds the right to issue banknotes as it sees fit. Similarly to the Federal Reserve, policy makers can interject at times of bank or system failures. The ECB differs from the Fed in an important area: instead of maximizing employment and maintaining stability of long-term interest rates, the ECB works towards a prime principle of price stability, with secondary commitments to general economic policies.

3. Japanese Yen (JPY)

Central Bank: Bank of Japan (BoJ)

Technically Complex, Fundamentally Simple

Established as far back as 1882, the Bank of Japan serves as the central bank to the world's second largest economy. It governs

monetary policy as well as currency issuance, money market operations and data/economic analysis. The main Monetary Policy Board tends to work toward economic stability, constantly exchanging views with the reigning administration, while simultaneously working toward its own independence and transparency. Meeting 12-14 times a year, the governor leads a team of nine policy members, including two appointed deputy governors.

4. British Pound (GBP)

Central Bank: Bank of England (BoE)

The Queen's Currency

As the main governing body in the United Kingdom, the Bank of England serves as the monetary equivalent of the Federal Reserve System. In the same fashion, the governing body establishes a committee headed by the governor of the bank. Made up of nine members, the committee includes four external participants (appointed by the Chancellor of Exchequer), a chief economist, director of market operations, committee chief economist and two deputy governors.

5. Swiss Franc (CHF)

Central Bank: Swiss National Bank (SNB)

A Banker's Currency

Different from all other major central banks, the Swiss National Bank is viewed as a governing body with private and public ownership. This belief stems from the fact that the Swiss National Bank is technically a corporation under special regulation. As a result, a little over half of the governing body is owned by the sovereign states of Switzerland. It is this arrangement that emphasizes the economic and financial stability policies dictated by the governing board of the SNB. Smaller than most governing bodies, monetary policy decisions are created by three major bank heads who meet on a quarterly basis.

6. Canadian Dollar (CAD)

Central Bank: Bank of Canada (BoC)

The Loonie

Established by the Bank of Canada Act of 1934, the Bank of Canada serves as the central bank called upon to "focus on the goals of low and stable inflation, a safe and secure currency, financial stability and the efficient management of government funds and public debt." Acting independently, Canada's central bank draws similarities with the Swiss National Bank because it is sometimes treated as a corporation, with the Ministry of Finance directly holding shares.

7. Australian/New Zealand Dollar (AUD/NZD)

Central Bank: Reserve Bank of Australia / Reserve Bank of New Zealand (RBA/RBNZ)

Always A Carry Favorite

Offering one of the higher interest rates in the major global markets, the Reserve Bank of Australia has always upheld price stability and economic strength as cornerstones of its long-term plan. Headed by the governor, the bank's board is made up of six members-at-large, in addition to a deputy governor and a secretary of the Treasury. Together, they work toward to target inflation between 2-3%, while meeting nine times throughout the year. In similar fashion, the Reserve Bank of New Zealand looks to promote inflation targeting, hoping to maintain a foundation for prices.

8. South African Rand (ZAR)

Central Bank: *South African Reserve Bank (SARB)*

Emerging Opportunity

Previously modeled on the United Kingdom's Bank of England, the South African Reserve Bank stands as the monetary authority when it comes to South Africa. Taking on major responsibilities similar to those of other central banks, the SARB is also known as a creditor in certain situations, a clearing bank and major custodian of gold. Above all else, the central bank is in charge of "the achievement and maintenance of price stability". This also includes intervention in the foreign exchange markets when the situation arises.

Unit 7. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

Facilities for Internet banking, to carry out payments, viewing bank statements, high-street banks, to operate exclusively online, to offer high interest rates, to offer low rates on loans, password authentication, multiple PINs, inadequately protected home PCs, credit card fraud, to pay a bill online.

2. Make sure that you know the following words and word combinations, translate them into English.

Осуществлять операции через интернет, во внерабочее время, доступ к интернету, оплата счетов, перевод денежных средств между счетами одного клиента, заявка на получение ссуды (кредита), выписка по банковскому счету, банковские операции, безопасность, банкомат.

3. Translate into English.

1. Как только вы получите эту карточку, вы сможете снять деньги со счета или перевести деньги с вашего текущего банковского счета.
2. Мы сделали все возможное, чтобы защитить ваши деньги на счету.
3. Как только вы получите электронное письмо, вы сможете получить доступ к вашему банковскому счету.
4. Мы все стояли в длинных очередях в банках, пытаюсь найти бланк.
5. Не пользуясь чеками, мы можем переводить деньги прямо нашим клиентам.

4. Translate into English:

1. Раньше мы занимались такими исследованиями, а сейчас нет.
2. Раньше они представляли отчет о финансовой деятельности компании на каждом собрании.
3. Раньше они работали здесь, а сейчас нашли новую работу.
4. Раньше мы всегда получали эту информацию сразу.
5. Раньше он ездил за границу чаще.

Module 2. Individual reading

The first variant

Read, translate the text and summarize its content in several sentences. Make up the vocabulary of this text.

The National Bank of Ukraine



The legal status of the National Bank of Ukraine and the principles of its organization and activities are determined by the Constitution of Ukraine and the Law of Ukraine "On the National Bank of Ukraine".

The National Bank of Ukraine is a legal entity with separated property, which is the object of the state property. Its authorized capital amounts to UAH 10 million and is the state-owned property which is in the full economic competence of the National Bank.

According to Article 99 of the Constitution of Ukraine, adopted in 1996, the main function of the country's central bank is to ensure stability of monetary unit - the Hryvnia. To carry out its main function, the National Bank shall foster the stability of the banking system and, within its competence, the price stability.

According to the Law of Ukraine "On the National Bank of Ukraine", the National Bank is the central bank of Ukraine, a specific central body of the state administration, its issuing center which pursue common state policy in money circulation, credit, strengthening of monetary unit; it coordinates functioning of the banking system in general; determines exchange rate of the monetary unit against foreign currencies. The National Bank determines a kind of bank notes, their denomination, distinctive features and their protection system. The National Bank of Ukraine ensures the

accumulation and custody of the gold and currency reserves and the conduction of transactions with them and the banking metals. The National Bank of Ukraine sets up the order of determining a discount rate and other interest rates; it gives permission for commercial banks' registration and licenses banking business; determines the standard of emergency funds for commercial banks and other financial and credit institutions.

The National Bank also carries out the following functions (here are some of them):

- to determine and pursue the monetary policy in accordance with the General Principles of the Monetary Policy developed by the Council of the National Bank of Ukraine;
- to issue the national currency of Ukraine on a monopoly basis and to organize its circulation;
- to establish the rules of conducting banking transactions, accounting and reporting, protection of the information, funds and property for the banks and other financial and credit institutions;
- to organize and to provide the methodological support to the system of the monetary, crediting and banking statistical information and the statistics of the balance of payments;
- to determine the areas of the development of modern electronic banking technologies, to establish, co-ordinate and control the creation of electronic means of payment, payment system, banking automation and the banking information protection facilities;
- to exercise the banking regulation and supervision;
- to keep a Register of banks, their branch and representative offices, currency exchanges and financial and credit institutions, to license banking business and transactions, if provided for by the laws.

The second variant

Read, translate the text and summarize its content in several sentences. Make up the vocabulary of this text.

The Federal Reserve System (the Fed)



The Federal Reserve System (also the Federal Reserve; informally The Fed) is the central banking system of the United States. Created in 1913 by the enactment of the Federal Reserve Act (signed by Woodrow Wilson), it is a quasi-public and quasi-private (government entity with private components) banking system that comprises (1) the presidentially appointed Board of Governors of the Federal Reserve System in Washington, D.C.; (2) the Federal Open Market Committee; (3) twelve regional Federal Reserve Banks located in major cities throughout the nation acting as fiscal agents for the United States Department of the Treasury, each with its own nine-member board of directors; (4) numerous other private U.S. member banks, which subscribe to required amounts of non-transferable stock in their regional Federal Reserve Banks; and (5) various advisory councils.

The primary motivation for creating the Federal Reserve System was to address banking panics. Other purposes are stated in the Federal Reserve Act, such as "to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes."

Current functions of the Federal Reserve System include:

- To address the problem of banking panics
- To serve as the central bank for the United States

- To strike a balance between private interests of banks and the centralized responsibility of government
- To supervise and regulate banking institutions
- To protect the credit rights of consumers
- To manage the nation's money supply through monetary policy to achieve the sometimes-conflicting goals of maximum employment, stable prices, including prevention of either inflation or deflation, moderate long-term interest rates
- To maintain the stability of the financial system and contain systemic risk in financial markets
- To provide financial services to depository institutions, the U.S. government, and foreign official institutions, including playing a major role in operating the nation's payments system
- To facilitate the exchange of payments among regions
- To respond to local liquidity needs
- To strengthen U.S. standing in the world economy.

Components of US money supply (currency, M1, M2, and M3) since 1959:

The most common measures are named M0 (narrowest), M1, M2, and M3. In the United States they are defined by the Federal Reserve as follows:

- M0: The total of all physical currency, plus accounts at the central bank that can be exchanged for physical currency.
- M1: M0 + those portions of M0 held as reserves or vault cash + the amount in demand accounts ("checking" or "current" accounts).
- M2: M1 + most savings accounts, money market accounts, and small denomination time deposits (certificates of deposit of under \$100,000).
- M3: M2 + all other CDs, deposits of Eurodollars and repurchase agreements.

Module 3. Corporate Finance

Unit 8: Corporate finance

Pre-reading activities

Stock and shares: definitions

Task 1. Put the correct word in each space. Look up all the unknown words in the dictionary.

arbitrageurs bears bulls insiders
market-makers shareholders stags stockbrokers

1. People who buy stocks and shares are called _____ in Britain, and stockholders in the USA (although most of the shares of all leading companies are held by institutional investors such as pension funds and insurance companies).
2. People who buy securities expecting their price to rise so they can resell them before the next settlement day are known as _____.
3. People who sell shares hoping to buy them back at a lower price before the next settlement day are called _____.
4. People who buy new share issues, hoping to resell them at a profit (if the issue is oversubscribed) are known as _____.
5. Shareholders place their orders with, and sometime seek advice from _____, who are members of the Stock Exchange, but who can work anywhere with a telephone and a computer screen connected to the Stock Exchange.
6. Brokers in turn buy shares from and sell them to _____, who are wholesalers in stocks and shares, and who guarantee to make a market at all times with brokers.
7. _____ are people who occupy a position of trust within an organization and possess information not known to the public; buying or selling shares when in possession of such information that affects their price is illegal.
8. _____ are people who buy stakes in companies involved (or expected to be involved) in takeover bids.

Task 2. Complete the following using the phrases from the box.

Types of shares.

A share (in British English) or a stock (in American English) is a security representing a portion of the nominal capital of a company. (In Britain “stock” is used to refer to either a block of shares with a nominal value of £100, or various kinds of fixed-interest securities).

barometer stocks blue chips defensive stock deferred shares
equities growth stock mutual fund ordinary shares participation
certificates preference shares or preferred stock

1. Another name for stocks and shares is _____ because all the stocks or shares of a company – or all those of a particular category – have an *equal* nominal value.
2. _____ (US: common stock) are often the only kind of shares with voting rights.
3. Some companies issue _____ which, like shares, grant their holders part of the ownership of a company, but usually without voting rights.
4. _____, as their name suggests, usually receive a fixed dividend, which must be paid in full *before* any dividend is paid on other shares. But because interest payments are tax deductible, and dividends are not, many companies now issue bonds instead.
5. _____ (or stock), again as the name suggests, do not receive a dividend until other categories of shares have had a dividend paid on them, but might earn a higher dividend if the company does well.
6. Securities in companies that are considered to be without risk are known as _____.
7. Wildly held stocks (e.g. blue chips or 20-year Treasury Bonds) that can be considered as indicators of present and future market performance are known as _____ (GB) or bellwether stocks (US).
8. A _____ or share is one that is expected to appreciate in capital value; it usually has a high purchasing price and a low current rate of return.
9. A _____ or income stock or share is one that offers a good yield but only a limited chance of rise or decline in price.

10. A way of spreading risks is to invest in a unit trust (in Britain) or a _____ (in the USA), organizations that invest small investors' money in a wide portfolio of securities.

Task 3. a. Complete this paragraph using these words.

stocks floating shares fee issue public to underwrite

The act of issuing 1 _____ (GB) or 2 _____ (US) – i.e. offering then for sale to the public for the first time, is known as 3 _____ a company or making a floatation. Companies generally use a bank 4 _____ the issue. In return for a 5 _____, the bank guarantees to purchase the security 6 _____ at an agreed price on a certain day, although it hopes to sell it to the 7 _____.

b. Put the terms from the box into the spaces.

ownership dividend nominal
market price stock exchange vote

Buying a share gives its holder part of 1 _____ of a company. Shares generally entitle their owners to 2 _____ at companies' general meetings, to elect company's directors, and to receive a proportion of distributed profits in a form of a 3 _____ (or to receive part of the company's residual value if it goes into bankruptcy). Shareholders can sell their shares at any time on the secondary market, but the 4 _____ of a share – the price quoted at any given time on the 5 _____, which reflects how well or badly the company is doing – may differ radically from its 6 _____, face or par value.

Task 4. Decide if the following statements are true or false according to the information from the previous task.

1. A company can only be floated once.
2. Companies usually use a bank to underwrite the issue.
3. Bank underwrites share issues when they want to buy the shares.
4. Buying a share gives its holder part of ownership of a company.
5. Shareholders can sell their shares on the major stock exchanges.
6. The market price of a share is never the same as its nominal value.
7. The market price of a share may differ from its nominal.

Task 5. Match the words and phrases that have the same meaning. Translate them into Russian.

British English

1. share
2. ordinary shares
3. shareholders
4. barometer stocks
5. unit trust
6. issuing shares

American English

- a. bellwether stocks
- b. stockholders
- c. mutual fund
- d. issuing stocks
- e. stock
- f. common stock

Task 6. Match the words to get set expressions. Use them in sentences of your own.

1. to issue
2. to underwrite
3. to vote
4. to receive
5. market
6. part
7. to go
8. stock

- a. at general meetings
- b. a dividend
- c. the issue
- d. price
- e. shares
- f. into bankruptcy
- g. exchange
- h. of ownership

Task 7. Refresh your Grammar. Translate the sentences into Russian.

1. *Corporate finance* is an area of finance dealing with the financial decisions corporations make and the tools and analysis used to make these decisions. (participle I; participle II).
2. The discipline can be divided into long-term and short-term decisions and techniques. (modal verb 'can' + Present Simple Passive).
3. Corporate management seeks to maximize the value of the firm by investing in projects which yield a positive net present value. (Present Simple; participle I; Present Simple).
4. These projects must also be financed appropriately. (modal verb 'must' + Present Simple Passive).
5. The firm's ratio of debt to total financing, 80% in this example, is referred to as the firm's leverage. (Present Simple Passive).

Task 8. Fill in the gaps using verbs in brackets in the right tense or non-finite form.

1. The strategy (to use) to reduce financial risks (to be) very efficient and we (to plan) to make decisions (to deal) with implementation of this strategy.
2. Stocks and shares (can + to call) equities because all the stocks or shares of a company (to have) an *equal* nominal value.
3. Corporate management (to deal) with (to invest) in profitable projects.
4. Decisions (to relate) to working capital and short term financing (to refer) to as working capital management.
5. Our company (must + to make) financial decisions after careful analysis of possible risks.

Task 9. Learn the active vocabulary.

1. to enhance	увеличивать
2. corporate value	финансовая ценность компании
3. to reduce	уменьшать, сокращать
4. return to capital	доход на капитал
5. equity	собственный капитал
6. debt	задолженность
7. to pay dividends	платить дивиденды
8. working capital management	контроль, управление рабочим капиталом
9. current assets	оборотный капитал
10. current liabilities	текущие долги
11. inventories	материальные запасы
12. the terms on credit	условие кредитования
13. assets	активы
14. hybrid securities	гибридные ценные бумаги
15. liabilities	задолженность, обязательства
16. leverage	леверидж, доля заемных средств компании
17. Gearing Ratio	соотношение собственных и заемных средств компании

Reading / comprehension activities

Task 10. Read, translate the following text and retell it in several sentences.

Corporate finance

Corporate finance is an area of finance dealing with the financial decisions corporations make and the tools and analysis used to make these decisions. The primary goal of corporate finance is to enhance corporate value while reducing the firm's financial risks. Equivalently, the goal is to maximize the corporations' return to capital.

The discipline can be divided into long-term and short-term decisions and techniques. Capital investment decisions are long-term choices about which projects receive investment, whether to finance that investment with equity or debt, and when or whether to pay dividends to shareholders. On the other hand, the short term decisions can be grouped under the heading "Working capital management". This subject deals with the short-term balance of current assets and current liabilities; the focus here is on managing cash, inventories, and short-term borrowing and lending (such as the terms on credit extended to customers).

Capital investment decisions are long-term corporate finance decisions relating to fixed assets and capital structure. Decisions are based on several inter-related criteria. Corporate management seeks to maximize the value of the firm by investing in projects which yield a positive net present value when valued using an appropriate discount rate. These projects must also be financed appropriately. If no such opportunities exist, maximizing shareholder value dictates that management return excess cash to shareholders. Capital investment decisions thus comprise an investment decision, a financing decision, and a dividend decision.

In finance, *capital structure* refers to the way a corporation finances its assets through some combination of equity, debt, or hybrid securities. A firm's capital structure is then the composition or 'structure' of its liabilities. For example, a firm that sells \$20 billion in equity and \$80 billion in debt is said to be 20% equity-financed and 80% debt-financed. The firm's ratio of debt to total financing, 80% in this example, is referred to as the firm's leverage (Br. E.: gearing). In reality, capital structure may be highly complex and

include tens of sources. Gearing Ratio is the proportion of the capital employed of the firm which come from outside of the business finance, e.g. by taking a long term loan etc.

Task 11. Find the English equivalents for the following in the text:

- увеличивать финансовую ценность компании –
- сокращая финансовые риски фирмы –
- максимально увеличить доход на капитал корпораций –
- решения по поводу инвестирования капитала –
- финансировать проект из средств основного капитала или заемного капитала –
- платить дивиденды акционерам –
- контроль рабочего капитала –
- краткосрочный баланс оборотного капитала и текущих долгов –
- долгосрочные финансовые решения корпорации –
- используя соответствующую учетную ставку –
- комбинируя основной капитал, заемный капитал и гибридные ценные бумаги –
- соотношение заемного капитала и общего финансирования фирмы –
- доля заемных средств фирмы –
- структура капитала –
- соотношение собственных и заемных средств –

Task 12. Answer the following questions. Retell the text.

1. What is corporate finance?
2. What is the primary goal of corporate finance?
3. How can this discipline be divided?
4. What is capital investment decisions?
5. What does the subject of short-term decisions deal with?
6. What does corporate management seek?
7. What does the term 'capital structure' refer to?
8. What does the term 'the firm's leverage' refer to?
9. What is Gearing proportion?

Vocabulary activities

Task 13. Translate the following texts into Russian and underline all the terms relating to the topic 'capital'. Translate the terms into Russian.

a. What Does Working Capital Mean?

A measure of both a company's efficiency and its short-term financial health. The working capital ratio is calculated as:

$$\text{Working Capital} = \text{Current Assets} - \text{Current Liabilities}$$

Positive working capital means that the company is able to pay off its short-term liabilities. Negative working capital means that a company currently is unable to meet its short-term liabilities with its current assets (cash, accounts receivable and inventory). It is also known as "net working capital", or the "working capital ratio".

If a company's current assets do not exceed its current liabilities, then it may run into trouble paying back creditors in the short term. The worst-case scenario is bankruptcy. A declining working capital ratio over a longer time period could also be a red flag that warrants further analysis. For example, it could be that the company's sales volumes are decreasing and, as a result, its accounts receivables number continues to get smaller and smaller.

Working capital also gives investors an idea of the company's underlying operational efficiency. Money that is tied up in inventory or money that customers still owe to the company cannot be used to pay off any of the company's obligations. So, if a company is not operating in the most efficient manner (slow collection), it will show up as an increase in the working capital. This can be seen by comparing the working capital from one period to another; slow collection may signal an underlying problem in the company's operations.

b. What Does Net Income - NI Mean?

A company's total earnings (or profit). Net income is calculated by taking revenues and adjusting for the cost of doing business, depreciation, interest, taxes and other expenses. This number is found on a company's income statement and is an important measure of how profitable the company is over a period of time. The measure is also used to calculate earnings per share.

Often referred to as "the bottom line" since net income is listed at the bottom of the income statement. In the U.K., net income is known as "profit attributable to shareholders".

Net income is calculated by starting with a company's total revenue. From this, the cost of sales, along with any other expenses that the company incurred during the period, is removed to reach earnings before tax. Tax is deducted from this amount to reach the net income number. Net income, like other accounting measures, is susceptible to manipulation through such things as aggressive revenue recognition or by hiding expenses. When basing an investment decision on net income numbers, it is important to review the quality of the numbers that were used to arrive at this value.

c. What Does Working Capital Turnover Mean?

A measurement comparing the depletion of working capital to the generation of sales over a given period. This provides some useful information as to how effectively a company is using its working capital to generate sales.

$$\text{Working Capital Turnover} = \frac{\text{Sales}}{\text{Working Capital}}$$

A company uses working capital (current assets - current liabilities) to fund operations and purchase inventory. These operations and inventory are then converted into sales revenue for the company. The working capital turnover ratio is used to analyze the relationship between the money used to fund operations and the sales generated from these operations. In a general sense, the higher the working capital turnover, the better because it means that the company is generating a lot of sales compared to the money it uses to fund the sales.

Listening/ comprehension activities

Management of working capital

Task 14. Learn the following words and phrases.

1. identify	определите
2. day to day expenses	ежедневные расходы
3. cash holding costs	расходы наличными
4. inventory	материально-производственные запасы
5. uninterrupted production	бесперывное производство
6. raw materials	сырье
7. reordering costs	затраты на повторный заказ
8. credit terms	условия кредитования
9. to be offset	быть возмещенным
10. increased revenue	увеличенный доход
11. Return on Capital	доход на капитал
12. appropriate source of financing	соответствующий источник финансирования
13. cash conversion cycle	цикл конверсии наличности
14. credit granted by the supplier	кредит, предоставляемый поставщиком
15. to utilize a bank loan	использовать банковскую ссуду
16. factoring	факторинг
17. measuring risk	оценивание степени риска
18. developing and implementing strategies	создание и применение стратегий
19. to hedge	застраховаться

Task 15. Retell the text according to the following plan.

1. cash management
2. inventory management
3. debtors management
4. short term management
5. financial risk management

Grammar: Expressions and verbs + -ing

It's no use (good) worrying about it.

There's no point in buying a car.

It's not worth collecting the data if we have this report.

I had difficulty finding information I needed.

It's a waste of money (time) reading this book.

I spend (a lot of time) hours trying to find out all the facts about it.

I go shopping/swimming/ sightseeing very often.

Stop talking.

You've **finished** cleaning the flat.

I **don't fancy** going out tonight.

I **can't imagine** him riding a bike.

I **enjoy** working here.

She **keeps** asking questions about this problem.

He **suggested** going to the country to speak to people.

Task 16. Join two sentences to make one sentence.

1. Don't try to contact every person. It's no use. It's no use
_____.
2. Don't conduct a survey now. It's a waste of money. It's a waste
_____.
3. Don't ask him to help you right now. It's no good. It's no good
_____.
4. Don't hurry to the meeting. It's not worth. It's not worth
_____ now. It's too late.
5. Don't study if you are tired. There's no point. There's no point
_____ if you are tired.
6. Don't read newspapers. It's a waste of time. It's a
_____.
7. I wouldn't read this report if I were you. It's not worth reading.
This report _____.
8. I found errors in this paper. But it was difficult. I had difficulty
_____.
9. I found out everything about this person. I spent hours to do it. I
spent hours _____.

Task 17. Rewrite the following sentences using the verbs from the box.

suggest	stop	finish	enjoy	keep	fancy
----------------	-------------	---------------	--------------	-------------	--------------

1. I don't want to go out tonight. I don't _____.
2. Tom said "let's have a break for 5 minutes". Tom _____.
3. I like dancing at weekends. I _____.
4. I think you shouldn't smoke here. _____, please.
5. You don't work with this report any more. Have you already _____?
6. She writes letters every day. She _____ every day.

Task 18. Translate into English.

1. Сегодня мне не хочется никуда идти.
2. Ты уже закончил работать с докладом?
3. Она постоянно собирает информацию.
4. Перестань курить, пожалуйста.
5. Мне нравится ходить в кино по выходным.
6. Он предложил сделать 5-минутный перерыв.

Speaking: Business metaphors

Task 1. Here are words and expressions normally associated with people's health. Put them in the appropriate spaces in the sentences below, changing the form of the verb where necessary.

People - especially journalists - talking and writing about business, use a lot of metaphors about health and sickness. Companies or economic sectors can be healthy, strong or robust, or they can be sick, weak or ailing, and so on. Here are twelve words and expressions normally associated with people's health. Put them in the appropriate spaces in the sentences below, changing the form of the verb where necessary.

ailing	disease	give a clean bill of health
healthy	robust	vitality
paralysed	recover	return to form
surgery	terminal	injection
suffer	casualty	in good shape

1. After a thorough investigation by the aviation authorities, the airline was _____, and will resume flying tomorrow.
2. Although it seemed at one stage that it would never _____, the housing market is now showing new signs of _____.
3. He stated that thousands of small businesses are continuing to _____ because of the current high interest rates.
4. Like many small companies in its industry, Jacksons was a _____ of the last recession.
5. Since its CEO was arrested last month, the company seems to be completely _____.
6. The _____ car manufacturer is reported to be in talks with a Japanese company, which will give it an _____ of cash and launch a joint venture.
7. The box office figures seem to show that with this new blockbuster movie, Disney has _____.
8. The company's Singaporean subsidiary is showing a _____ profit.
9. These excellent figures suggest that the company is _____.

10. The minister stated that Britain's "industrial _____" was now a thing of the past. The number of strikes had diminished, and the economy was now _____.
11. Commentators believe that the textile industry in the North is in _____ decline.
12. Fairly drastic _____ is required if the Bristol plant is to be saved from closure.

Task 2. Match up the metaphors on the left (taken from horse-racing, boxing, athletics, football, baseball and chess) with the meanings on the right.

1. the favourite	a. a contestant thought to have little chance of winning
2. an outsider	b. an action that causes damage to whoever does it
3. the front runner	c. a serious setback that ends your hopes
4. neck and neck	d. a situation in which neither side can win
5. the odds	e. a situation that is fair and the same for all contestants
6. a knockout blow	f. a wholly new and changed situation
7. on the ropes	g. barriers or obstacles to be overcome
8. hurdles	h. describes a competition etc. that lasts a long time
9. marathon (adjective)	i. in an absolutely equal position
10. an own goal	j. the chances or possibilities of winning
11. to be shown the red card	k. the most important participants
12. a level playing field	l. the contestant considered most likely to win
13. to move the goalposts	m. the contestant currently leading a race
14. key players	n. to be disqualified

15. a new ball game [US]	o. to be in a difficult situation, close to defeat
16. a stalemate	p. to change the rules while something is in progress

Task 3. Now use the metaphors in the left-hand column above once each to complete the text below.

The (1) _____ takeover battle for the British food company Lewis & Son took a new turn yesterday when the Swiss conglomerate NFC claimed that they had evidence that their British rival Associated Foods are engaging in an illegal share support operation i.e. buying their own shares to increase their share price and so look attractive to Lewis & Son's shareholders. If this allegation is proved it could be a (2) _____ for Associated Foods, previously an (3) _____ in this race, but recently thought to be running (4) _____ with NFC. If Associated Foods are (5) _____ by stock exchange investigators, NFC will once again be the firm (6) _____ to take over Lewis & Son.

Lewis & Son's chairman Mark Younger said yesterday that this certainly looked like an (7) _____ on the part of Associated Foods, but he complained again angrily that NFC were not playing on (8) _____ as Swiss companies are protected from foreign takeovers by a system of registered shares. He asserted that there are other financial (9) _____ facing foreign bidders in Switzerland, and that the authorities often seemed to (10) _____.

A spokesman for the third contender, the American company FoodCorp, whose bid last week seemed to be (11) _____, said yesterday that if Associated Foods withdrew there would be a whole (12) _____, in which NFC, currently the (13) _____, would once again find itself in a close race.

None of the big financial institutions, who are after all the (14) _____ in the battle, have yet decided whether they are going to sell their shares or to whom. But a city analyst said yesterday that there currently seemed to be a (15) _____ between Associated Foods and NFC, with the American contender in a poor third place, so that Associated Foods' withdrawal would not help FoodCorp; at least, the (16) _____ are firmly against it.

Unit 8. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

Shareholders, securities, to resell, bulls, bears, stags, stockbrokers, market-makers, wholesalers in stocks and shares, insiders, arbitrageurs, takeover bids, equities, participation certificates, blue chips, barometer stocks, to appreciate, a high purchasing price, a unit trust, a wide portfolio of securities, to sell shares to the public.

2. Make sure that you know the following words and word combinations, translate them into English.

Дата расчета, биржа, биржевые маклеры, уставный капитал компании, простые акции, акции с правом голоса, привилегированные акции, акции с отсроченным дивидендом, акции ведущих компаний, растущие акции, защищенные акции, выпускать акции, предлагать акции для продажи для широкой публики, пускать в ход акции компании, доля собственности компании, давать право, прибыль в форме дивидендов, номинал.

3. Translate into English.

1. Стратегия, используемая для сокращения финансовых рисков – очень эффективная.
2. Мы планируем принимать решения по применению этой стратегии.
3. Руководство компании рассматривает вопросы об инвестировании в прибыльные проекты.
4. Решения, связанные с рабочим капиталом и краткосрочным финансированием относятся к сфере управления рабочим капиталом.
5. Наша компания должна принимать финансовые решения только после тщательного анализа возможных рисков.

4. Translate into English:

1. Бесполезно говорить об этом.
2. Мне не хочется браться за этот доклад.
3. Чтение этой книги – это пустая трата времени.
4. Мне нравится работать здесь.

Individual work

Read the following information and then match the words with the definitions.

Stock and shares

Stocks and shares are certificates representing part ownership of a company. The people who own them are called stockholders and shareholders. In Britain, stock is also used to refer to all kinds of securities, including government bonds. The word equity or equities is also used to describe stocks and shares. The places where the stocks and shares of listed or quoted companies are bought and sold are called stock markets or stock exchanges.

Going public

1. A successful existing company wants to expand, and decides to go public.
2. The company gets advice from an investment bank about how many shares to offer and at what price.
3. The company gets independent accountants to produce a due diligence report.
4. The company produces a prospectus which explains its financial position, and gives details about the senior managers and the financial results from previous years.
5. The company makes a floatation or IPO (initial public offering).
6. An investment bank underwrites the stock issue.

(Note: flotation can also be spelt floatation).

Notes:

Ū go public – change from a private company to a public limited company (PLC) by selling shares to outside investors for the first time (with a flotation)

Ū due diligence – a detailed examination of a company and its financial situation

Ū prospectus – a document inviting the public to buy shares, stating the terms of sale and giving information about the company

Ū financial results – details about sales, costs, debts, profits, losses, etc.

Ū flotation – an offer of a company's shares to investors (financial institutions and the general public)

Ū underwrites a stock issue – guarantees to buy the shares if there are not enough other buyers

Remember: BrE: ordinary shares; AmE: common stock

If a company has only one type of share these are ordinary shares. Some companies also have preference shares whose holders receive a fixed dividend (e.g. 5 % of the shares' nominal value) that must be paid before holders of ordinary shares receive a dividend. Holders of preference shares have more chance of getting some of their capital back if a company goes bankrupt – stops trading because it is unable to pay its debts. If the company goes into liquidation – has to sell all its assets to repay part of its debts – holders of preference shares are repaid before other shareholders, but after owners of bonds and other debts. If shareholders expect a company to grow, however, they generally prefer ordinary shares to preference shares, because the dividend is likely to increase over time.

1. bankrupt	a. a document describing a company and offering stocks for sale
2. going public	b. a market on which companies' stocks are traded
3. flotation	c. buyers of stocks
4. investors	d. changing from a private company to a public one, quoted on a stock exchange
5. liquidation	e. the first sale of a company's stocks to the public
6. prospectus	f. to guarantee to buy newly issued shares if no one else does
7. ordinary shares	g. shares that pay a guaranteed dividend
8. preference shares	h. the most common form of shares
9. stock exchange	i. insolvent, unable to pay debts
10. to underwrite	j. the sale of the assets of a failed company

4. Are the following statements true or false?

1. New companies can apply to join a stock exchange.
2. Investment banks sometimes have to buy some of the stocks in an IPO.
3. The due diligence report is produced by the company's own accountants.
4. The dividend paid on preference shares is variable.
5. If a company goes bankrupt, the first investors to get any money back are the holders of preference shares.

5. Use words from the box in the right form to complete the sentences.

offer shares go public produce a prospectus underwrite an issue
--

After three very profitable years, the company is planning to 1 _____ 2 _____ and we're 3 _____ 100 000 4 _____ for sale. We've 5 _____ a very attractive 6 _____, and although a leading investment bank is 7 _____ the 8 _____, we don't think they'll have to buy any of the shares.

Unit 9: Financial management

Pre-reading activities

Asset management

Task 1. Look through a student's notes from a lecture about asset management. Then match the words from it with the definitions.

What? **Asset management** is managing financial assets for institutions or individuals.

Who? Pension funds and insurance companies manage huge amounts of money. Private banks specialize in managing **portfolios** of wealthy individuals. **Unit trusts** invest money for small investors in a range of securities.

How? Asset managers have to decide how **to allocate** funds they're responsible for: how much to invest in shares, mutual funds, bonds, cash, foreign currencies, precious metals, or other types of investments.

Why? **Asset allocation** decisions depend on objectives and size of the portfolio. The portfolio's objectives determine the returns expected or needed, and the acceptable level of risk. The best way to reduce exposure to risk is **to diversify** the portfolio – easier and cheaper for a large portfolio than a small one.

1. portfolio	a. to distribute according to a plan
2. securities	b. all the investments held by an individual investor or organization
3. allocate	c. a general name for shares, bonds and other tradable financial assets
4. diversify	d. to buy a wide variety of different securities

Remember! BrE: unit trusts; AmE: mutual funds

Task 2. Read the following passage and pay attention to bold-typed words.

Types of investor

- Some want **regular income** from the investments – less concerned with size of their capital.
- Some want **to preserve** (keep) their capital – avoiding risks. If the goal is **capital preservation**, the asset manager usually allocates more money to bonds than stocks.
- Others want to accumulate or build up capital – taking more risks. If the goal is **growth** or **capital accumulation**, the portfolio will probably include more shares than bonds. Shares have better profit potential than bonds, but are also more **volatile** – their value can increase or decrease more in a short period of time.

Task 3. Match the investments goals (1 – 3) with the statements (a – c).

1. capital preservation
2. growth
3. income

a. I want to accumulate wealth, but I know that this means taking risks and buying securities with volatile prices that could go down as well as up.

b. I want a regular return every year, because I need that money, even if this means I might have to risk losing some of my capital.

c. I definitely don't want to risk losing any of my capital, even if this means that some years I get a very low return.

Task 4. Find nouns in the previous tasks that can be used to make word combinations with the verbs below. Then use some of the word combinations to complete the sentences.

- **accumulate** _____
- **allocate** _____

- **diversify** _____
- **manage** _____

1. I don't want to pay a bank to _____ my _____; I can do it myself.
2. I have lots of different types of securities, because I decided to _____ my _____.
3. As an asset manager, I discuss clients' needs and objectives and then we decide how to _____ their _____.
4. If my clients want to _____ _____, I take more risks, and buy a lot of stocks.

Task 5. Learn the active vocabulary.

1.	to ensure	гарантировать
2.	productive capacity	производственная мощность, производительность
3.	to make acquisitions	делать приобретения
4.	assets	активы
5.	to raise finance	получать средства
6.	to retain	сохранять, удерживать
7.	revenues	доходы
8.	to boost	поднимать, стимулировать, увеличивать
9.	income statements	отчет о доходах и расходах
10.	Profits and Loss or P&L	отчет о финансовой деятельности (компании)
11.	cash flow	поток наличности
12.	balance sheet statement	балансовый отчет
13.	allocation of working capital	распределение оборотного капитала
14.	to fine-tune	точно настраивать
15.	expansion	расширение
16.	ratio analyse	анализ относительных

		показателей
17.	gearing ratio	соотношение собственных и заемных средств
18.	profit per employee	прибыль в расчете на одного работника
19.	weighted cost of capital	взвешенная стоимость капитала
20.	asset valuations	оценка активов
21.	valuation framework	структура оценивания
22.	portfolio	портфель ценных бумаг
23.	intangible assets	нематериальные активы

Reading / comprehension activities

Task 6. Read, translate the following text and try to retell it.

Financial management

Financial Management can be defined as: the management of the finances of a business / organisation in order to achieve financial objectives. Taking a commercial business as the most common organisational structure, the key objectives of financial management would be to:

- Create wealth for the business
- Generate cash, and
- Provide an adequate return on investment bearing in mind the risks that the business is taking and the resources invested.

There are three key elements to the process of financial management:

1. Financial Planning. Management need to ensure that enough funding is available at the right time to meet the needs of the business. In the short term, funding may be needed to invest in equipment and stocks, pay employees and fund sales made on credit. In the medium and long term, funding may be required for significant additions to the productive capacity of the business or to make acquisitions.

2. Financial Control. Financial control is a critically important activity to help the business ensure that the business is meeting its objectives. Financial control addresses questions such as:

- Are assets being used efficiently?

- Are the businesses assets secure?
- Do management act in the best interest of shareholders and in accordance with business rules?

3. Financial Decision-making. The key aspects of financial decision-making relate to investment, financing and dividends:

- Investments must be financed in some way – however there are always financing alternatives that can be considered. For example it is possible to raise finance from selling new shares, borrowing from banks or taking credit from suppliers.
- A key financing decision is whether profits earned by the business should be retained rather than distributed to shareholders via dividends. If dividends are too high, the business may be starved of funding to reinvest in growing revenues and profits further.

Financial managers aim to boost the levels of resources at their disposal. Besides, they control the functioning on money put in by external investors. Providing investors with sufficient amount of returns on their investments is one of the goals that every company tries to achieve. Efficient financial management ensures that this becomes possible.

Strong financial management in the business arena requires managers to be able to:

- Interpret financial reports including income statements, Profits and Loss or P&L, cash flow statements and balance sheet statements;
- Improve the allocation of working capital within business operations;
- Review and fine-tune financial budgeting, and revenue and cost forecasting;
- Look at the funding options for business expansion, including both long and short term financing;
- Review the financial health of the company or business unit using ratio analyses, such as the gearing ratio, profit per employee and weighted cost of capital;
- Understand the various techniques using in project and asset valuations;
- Apply critical financial decision making techniques to assess whether to proceed with an investment;

- Understand valuations frameworks for businesses, portfolios and intangible assets.

Task 7. Decide whether the following statements are TRUE or FALSE according to the text.

1. The key objective of financial management is only to create wealth for the business.
2. In the medium and long term, funding may be needed to invest in equipment and stocks, pay employees and fund sales made on credit.
3. Questions such as: ‘are assets being used efficiently?’ are within financial control competence.
4. The key aspects of financial decision-making relate to the security of a business’s assets.
5. Financial managers aim to boost the levels of resources at their disposal.
6. Income statements, Profits and Loss, cash flow statements and balance sheet statements are all financial reports.

Task 8. Complete the following collocations from the text:

1. to _____ risks;
2. to _____ resources;
3. productive _____;
4. to _____ acquisitions;
5. to _____ finance;
6. _____ statements;
7. balance sheet _____;
8. _____ budgeting;
9. _____ forecasting;
10. gearing _____.

Task 9. Make up three sentences with any three collocations from the previous task.

- 1.
- 2.
- 3.

Vocabulary activities

Task 10. Read the following text paying attention to the bold typed words and phrases. Translate them into Russian.

The stock market

A company can raise money on the **stock market** or **stock exchange** (a marketplace for buying and selling shares) in two different ways. It can **issue shares** (US **stocks**), or units of its capital, to **institutional investors** or the **general public**. Different types of shares or **equities** are available, but the most common are known as **ordinary** or **common shares** (US **common stock**). When an investor buys a share, using the services of a specialist company or **broker**, he or she becomes a **shareholder** (US **stockholder**) and owns a part of (or has a **stake** in) a company. Shareholders can make money by receiving **dividends**, paid as a proportion of a company's annual profits, and when the value of their shares increases.

A company can also borrow money from investors by issuing **bonds**, loans for fixed periods with fixed interest rates.

Securities refers to both shares and bonds. Each year billions of shares and bonds are sold or **traded** on the world's major stock exchangers.

Task 11. Read the following article, underline key words and phrases and translate them into Russian.

Europeans log on to investment fever

A growing number of Europeans have on-line investment fever. There is a stock market boom at the moment and as web surfing gains popularity across Europe. More and more people are logging on to shop for financial products, and buying and selling stocks.

Compared with the United States, where about 20 % of all stock trades are entered from the Internet, the movement in Europe is still in its infancy. But as the trend gathers pace (moves faster and faster), Americans internet brokers have begun moving into Britain and increasingly are selling their sights on the continent as well.

Nowhere is the trend more apparent than in Britain. In April, Charles Schwab Corp set up an on-line trading service, and in June, the E-Trade group, based in California, announced a joint venture with a British partner, as well as licensing agreements in Germany.

Other internet brokers such as Ameritrade and DLJ Direct, are studying moves to catch up.

The long-range goal is to expand the system into a truly global marketplace where investors in any country will be able to trade freely in stocks across national boundaries.

Task 12. Match the key words from the previous passage with their corresponding definitions.

1. to log on	a. to move between different websites on the internet
2. a boom	b. a tactical change of position
3. to surf	c. a rapid expansion or development
4. a move	d. to reach the person in front
5. to catch up	e. to connect

Task 13. Complete the passage about a transaction on the stock exchange using words from the previous tasks.

A company has decided to invest a part of its savings on the 1 _____. It contacts a 2 _____ for further advice about how to do this, and he recommends a selection of different companies' 3 _____ that it might be interested in buying. He also explains how these companies have performed in the past and how much the company can expect to receive in 4 _____. He tells the company's representative how the transaction will be carried out and lets him know how much commission the company will have to pay for the service.

Once the company's representative has agreed to the terms, the broker contacts his representative on the stock exchange, who arranges the transaction. At the end of the day the transaction has been completed and the company has become a 5 _____.

Grammar: Expressions ‘unless’, ‘as long as’, ‘provided/ providing (that)’

‘**Unless**’ means ‘except if’

Don’t process the data **unless** they ask you to do it.

Unless you work harder we won’t be able to finish this project on time.

‘**As long as**’, ‘**provided/ providing (that)**’ mean ‘but only if’

You can do it yourself **as long as** you do it carefully.

Providing (that) she knows all the facts she can draw meaningful conclusions.

Using this technique is very convenient **provided that** you are familiar with it.

Task 14. Rewrite the sentences using the expressions above.

1. You must listen carefully or you won’t know what to do.
2. We must hurry or we’ll miss the train.
3. I’m going to the party only if you go too.
4. She will give you the information only if you ask her questions.
5. My salary must be increased or I’ll look for another job.
6. You are allowed into the club only if you are a member.

Task 15. Translate into English.

1. Вы должны внимательно слушать, а то вы не будете знать, что делать.
2. Вам разрешено заходить в этот клуб, только если вы являетесь его членом.
3. Использование этой техники обработки информации очень удобно при условии, что вы хорошо с ней знакомы.
4. Я буду искать другую работу, если моя зарплата не будет увеличена.
5. Только если ей известны все факты, она сможет сделать важные выводы.

Speaking Management styles

Task 1. Read and translate the text. Make up the vocabulary of this text. Make up a summary of the text.

What makes a good leader or manager? For many it is someone who can inspire and get the most from their staff. There are many qualities that are needed to be a good leader or manager.

- Be able to think creatively to provide a vision for the company and solve problems;
- Be calm under pressure and make clear decisions;
- Possess excellent two-way communication skills;
- Have the desire to achieve great things;
- Be well informed and knowledgeable about matters relating to the business;
- Possess an air of authority.

Do you have to be born with the correct qualities or can you be taught to be a good leader? It is most likely that well-known leaders or managers (Winston Churchill, Richard Branson or Alex Ferguson?) are successful due to a combination of personal characteristics and good training.

Managers deal with their employees in different ways. Some are strict with their staff and like to be in complete control, whilst others are more relaxed and allow workers the freedom to run their own working lives (just like the different approaches you may see in teachers!). Whatever approach is predominately used it will be vital to the success of the business. "An organization is only as good as the person running it".

There are three main categories of leadership styles: **autocratic, paternalistic and democratic.**

Autocratic (or authoritarian) managers like to make all the important decisions and closely supervise and control workers. Managers do not trust workers and simply give orders (one-way communication) that they expect to be obeyed. This approach derives from the views of Taylor as to how to motivate workers and relates to McGregor's theory X view of workers. This approach has

limitations (as highlighted by other motivational theorists such as Mayo and Herzberg) but it can be effective in certain situations. For example:

- When quick decisions are needed in a company (e.g. in a time of crises);
- When controlling large numbers of low skilled workers.

Paternalistic managers give more attention to the social needs and views of their workers. Managers are interested in how happy workers feel and in many ways they act as a father figure (pater means father in Latin). They consult employees over issues and listen to their feedback or opinions. The manager will however make the actual decisions (in the best interests of the workers) as they believe the staff still need direction and in this way it is still somewhat of an autocratic approach. The style is closely linked with Mayo's Human Relation view of motivation and also the social needs of Maslow.

A **democratic** style of management will put trust in employees and encourage them to make decisions. They will delegate to them the authority to do this (empowerment) and listen to their advice. This requires good two-way communication and often involves democratic discussion groups, which can offer useful suggestions and ideas. Managers must be willing to encourage leadership skills in subordinates.

The ultimate democratic system occurs when decisions are made based on the majority view of all workers. However, this is not feasible for the majority of decisions taken by a business- indeed one of the criticisms of this style is that it can take longer to reach a decision.

Task 2. Complete the following summary of management styles. Retell the text using this summary.

Summary of management styles

	Description	Advantages	Disadvantages
Autocratic	Senior managers take all the important decisions with no involvement from workers	<ol style="list-style-type: none"> 1. 2. Effective when employing many low skilled workers 	<ol style="list-style-type: none"> 1. No two-way communication so can be demotivating 2.
Paternalistic	Managers make decisions in best interests of workers after consultation	<ol style="list-style-type: none"> 1. More two-way communication so motivating 2. 	<ol style="list-style-type: none"> 1. 2. Still quite a dictatorial or autocratic style of management
Democratic	<p>Workers allowed to make own decisions.</p> <p>Some businesses run on the basis of majority decisions</p>	<ol style="list-style-type: none"> 1. 2. Useful when complex decisions are required that need specialist skills 	<ol style="list-style-type: none"> 1.

Unit 9: check-up

1. Translate into Russian:

Asset management, to allocate funds, asset allocation, capital preservation, to ensure, to make acquisitions, revenues, to raise finance, gearing ratio, asset valuations, intangible assets, stock market, dividends, common shares, company's annual profits.

2. Translate into English:

ценные бумаги, производительность, отчет о финансовой деятельности (компании), балансовый отчет, распределение оборотного капитала, прибыль в расчете на одного работника, широкая публика, акционер, главные мировые фондовые биржи, выпуск облигаций.

3. Translate o English.

1. Я не хочу платить банку за управление моими денежными ресурсами: я могу сам это делать.
2. У меня много типов ценных бумаг, но я все равно (still) решил расширить портфель ценных бумаг.
3. Как управляющий активами я обсуждаю с клиентами их потребности и задачи, а затем решаю, как распределить их ресурсы.
4. Если мои клиенты хотят накопить капитал, я иду на больший риск и покупаю больше акций.

4. Translate into English:

1. Использование этого метода очень удобно, при условии, что вы хорошо знакомы с ним.
2. Вы сможете зайти на лекцию, только если придете вовремя.
3. Мы сделаем работу при условии, что вы заплатите прямо сейчас.
4. Только если ты владеешь информацией, ты сможешь сделать правильные выводы.
5. Не делай эту работу, пока они не попросят.

Individual work

Read the following information and then match the words with the definitions.

Investment banking

Ruth Jones works in an investment bank in New York. “Unlike commercial banks, investment banks like ours don’t lend money. Instead we act as intermediaries between companies and investors. We help companies and governments raise capital by issuing securities such as stocks and bonds – that is, we offer them for sale. We often underwrite securities issues: in other words, we guarantee to buy the securities ourselves if we can’t find other purchasers.

As well as initial public offerings (IPOs), when companies offer stock for sale for the first time, there are other occasions when they raise funds. For example, they might want to expand their operations, or to acquire another company, or to reduce their amount of debt, or to finance a specific project. They don’t only raise capital from the public: they can sell stocks or shares to institutional investors like insurance companies, investment funds – companies that invest the money of lots of small investors, and pension funds – companies that invest money that will later be paid to retired workers.

We also have a stock broking and dealing department. This executes orders – buys and sells stocks for clients – which is broking, and trades with our own money, which is dealing. The stock broking department also offers advice to investors”.

Remember: BrE: flotation; AmE: initial public offering (IPO)
--

Mergers and acquisitions

“Investment banks often represent firms in mergers and acquisitions, and divestitures. A divestiture is when a company sells a subsidiary – another company that it owns. Most of the fee – the money the company pays us for the service – will depend on us completing the deal successfully. This gives the bank a good reason to make sure that the transaction succeeds”.

Consulting and research

“Large corporations have their own finance and corporate development department. But the often use an investment bank like ours because, like a consulting firm, we can also offer independent advice, and we have a lot of experience in financial transactions. We also have a large network of contacts, and relationships with investors and companies that could be interested in a merger or acquisition.

If we’ve worked on a transaction with a company, we know a lot about its business. This means we can give advice about strategic planning – deciding what do to in the future – or financial restructuring – changing the way the business is financed. Large investment banks also have extensive research departments with analysts and forecasters who specialize in the valuation of different markets, industries, companies, securities and currencies. Analysts try to work out how much things are worth now, and forecasters study the prospects for the future”.

financial restructuring consulting firm forecasters institutional investor strategic planning pension fund subsidiary valuation

1. a company of experts providing professional advice to business for a fee
2. a financial institution that invests money to provide retirement income for employees
3. deciding what a company is going to do in the future
4. people who try to predict what will happen in the future
5. a company that is partly or wholly owned by another one
6. a financial institution that purchases securities
7. making changes to how a company is financed
8. establishing how much something is worth

Unit 10: Financial statements

Pre-reading activities

Financial statements: definitions

Task 1. Look through the Summary Profit and Loss Account of a company. Then match the words from it with the definitions.

Parker Publishing Group Plc
Summary Profit and Loss Account
Audited for the year to March 31st 2007

Income

Revenue from main business, magazine publishing: **228 £ million**

Revenue from other activities: **17 £ million**

Total turnover: **245 £ million**

Expenses

Pay and other employee costs: **69 £ million**

Depreciation of fixed assets: **3 £ million**

Selling and marketing costs: **38 £ million**

Other operational costs: **61 £ million**

Total operating costs: **171 £ million**

Profits

Operating profit: **157 £ million**

Profit from sale of fixed assets: **6 £ million**

Net interest payable: **2 £ million**

Profit before tax: **149 £ million**

Tax: **32 £ million**

Profit after tax: **117 £ million**

Shareholder dividends: **55 £ million**

Profit retained in the business: **62 £ million**

Earnings per share: **17.4p**

1. audited	a. reduction in value of an asset over time
2. revenue	b. money paid to shareholder
3. turnover	c. asset purchased for long-term use, such as land, buildings and equipment
4. fixed asset	d. after any deductions
5. depreciation	e. accounts checked by an independent examiner
6. net	f. a person who has invested in the company through buying shares
7. shareholder	g. income
8. dividend	h. total income

Task 2. Look at the account summary, and answer true or false.

1. Turnover is income after outgoings have been deducted. **TRUE / FALSE**
2. Salaries and wages were the only major operating cost. **TRUE / FALSE**
3. Depreciation of fixed assets seriously reduced operating profits. **TRUE / FALSE**
4. Parker Publishing spent a lot on sales and marketing. **TRUE / FALSE**
5. The company sold some assets. **TRUE / FALSE**
6. Nearly all the profits went to the shareholders. **TRUE / FALSE**
7. Dividends were only 17.4p per shareholder. **TRUE / FALSE**
8. It was a very bad year for Parker Publishing. **TRUE / FALSE**

Task 3. Choose the best words to fill the spaces.

1. The year to March 31st can also be called the year _____
March 31st.
a. finishing b. ending c. terminating
2. Another term for "main business" is _____ business.
a. central b. first c. core
3. A company which makes a profit can be described as profitable or _____.
a. profit-getting b. profit-making c. profit-having
4. A company which makes a loss can be described as _____.
a. loss-getting b. loss-making c. loss-having
5. "Profit before tax" can also be called _____.
a. pre-tax profit b. without-tax profit c. non-tax profit
6. Another word for shareholders (especially in American English) is _____.
a. ticket-holders b. stockholders c. paper-holder
7. Another word for "operating costs" is _____.
a. overheads b. headings c. heads
8. A company which makes neither a profit or a loss is said to _____.
a. fall even b. drop even c. break even

Task 4. Learn the active vocabulary.

1. financial statement	финансовый отчет
2. entity	юридическое лицо
3. company law	законодательство о компаниях
4. financial condition	финансовое положение
5. relevant	уместный, соответствующий
6. business enterprise	торговая фирма
7. Balance sheet	балансовый отчет
8. assets and liabilities	актив и пассив баланса компании
9. ownership equity	собственный акционерный капитал
10. income statement	счет прибылей и убытков
11. Profit and Loss statement/account	счет прибылей и убытков

12. sale	продажи
13. expenses incurred	расходы, которые были понесены
14. Statement of retained earnings	отчет о нераспределенной прибыли
15. Statement of cash flows	отчет о потоках наличности
16. extensive set of notes	обширный набор документов
17. in further detail	более подробно
18. snapshot	промежуточный отчет
19. equity or the net assets	актив или нетто-актив
20. net worth	собственный капитал
21. accounting equation	сбалансированность дебета и кредита
22. to equal	равняться
23. owner's equity	собственный акционерный капитал

Reading / comprehension activities

Task 5. Read, translate the following text and retell it in several sentences.

Financial statements

Financial statements (or financial reports) are formal records of the financial activities of a business, person, or other entity. In British English, including United Kingdom company law, financial statements are often referred to as accounts, although the term financial statements is also used, particularly by accountants.

Financial statements provide an overview of a business or person's financial condition in both short and long term. All the relevant financial information of a business enterprise, presented in a structured manner and in a form easy to understand, are called the financial statements. There are *four basic financial statements*:

1. Balance sheet: also referred to as statement of financial position or condition, reports on a company's assets, liabilities, and ownership equity as of a given point in time.

2. Income statement: also referred to as Profit and Loss statement (or a "P&L"), reports on a company's income, expenses, and profits over a period of time. Profit & Loss account provides

information on the operation of the enterprise. These include sale and the various expenses incurred during the processing state.

3. Statement of retained earnings: explains the changes in a company's retained earnings over the reporting period.

4. Statement of cash flows: reports on a company's cash flow activities, particularly its operating, investing and financing activities.

For large corporations, these statements are often complex and may include an extensive set of notes to the financial statements and management discussion and analysis. The notes typically describe each item on the balance sheet, income statement and cash flow statement in further detail. Notes to financial statements are considered an integral part of the financial statements.

Balance sheet

In financial accounting, a balance sheet or statement of financial position is a summary of a person's or organization's balances. Assets, liabilities and ownership equity are listed as of a specific date, such as the end of its financial year. A balance sheet is often described as a snapshot of a company's financial condition. Of the four basic financial statements, the balance sheet is the only statement which applies to a single point in time.

A company balance sheet has three parts: assets, liabilities and ownership equity. The main categories of assets are usually listed first and are followed by the liabilities. The difference between the assets and the liabilities is known as equity or the net assets or the net worth or capital of the company and according to the accounting equation, net worth must equal assets minus liabilities.

Another way to look at the same equation is that assets equal liabilities plus owner's equity. Looking at the equation in this way shows how assets were financed: either by borrowing money (liability) or by using the owner's money (owner's equity).

Balance sheets are usually presented with assets in one section and liabilities and net worth in the other section with the two sections "balancing."

Task 6. Say if the following statements are true or false.

1. Financial statements provide an overview of a business or person's financial condition only in long term.
2. Reports on a company's assets, liabilities, and ownership equity as of a given point in time are called income statements.
3. Assets are what you own; liabilities are what you owe.
4. Of the four basic financial statements, the balance sheet is the only statement which applies to a single point in time.

Task 7. Find the English equivalents for the following in the text:

- финансовая деятельность организации или юридического лица –
- обзор финансового положения фирмы –
- представлять отчет об активе и пассиве баланса компании, а также о ее собственном акционерном капитале –
- представляет отчет о доходах, расходах и прибылях компании за определенный период времени –
- описывать каждый пункт балансового отчета –
- промежуточный отчет о финансовом положении компании –
- относиться к определенному моменту времени –
- собственный капитал компании –
- активы равняются пассивам плюс собственный акционерный капитал –

Task 8. Describe financial statements using the following plan.

1. Financial statements in general.
2. Balance sheet.
3. Income statement.
4. Statement of retained earnings.
5. Statement of cash flows.
6. Three parts of a company balance sheet.
7. Accounting equation.
8. Another variant of accounting equation.
9. Presentation of balance sheets.

Vocabulary activities

Task 9. Match these terms with their definitions.

1. turnover	a. amount deducted each year from profits to allow for the fact that assets lose their value as they get older
2. operating costs	b. total sales during a trading period
3. operating profit	c. people the company owes money to, e.g. suppliers
4. depreciation	d. people who owe money to the company
5. fixed assets	e. short-term assets used in operations, e.g. cash, items held in stock
6. dividend	f. money which shareholders have put into business
7. current assets	g. long-term assets owned by the company, e.g. buildings, machinery
8. creditors	h. expenses of running a business including salaries, rent, etc. but not including the direct costs of manufacturing
9. current liabilities	i. result of deducting the operating expenses from turnover
10. share capital	j. part of a company's profits paid to shareholders
11. reserves	k. debts that must be paid within one year
12. debtors	l. past profits not paid out as dividends but retained in the business

Listening/ comprehension activities

Financial Statements

Task 10. Learn the following words and phrases.

1. annual reports	годовые отчеты
2. revenue / income	доход
3. expenditure	расход
4. costs	затраты
5. overheads	накладные расходы
6. excess	избыток
7. taxation	налогообложение
8. dividend	дивиденд
9. to repay debts	выплачивать долги
10. to allow for future losses	учитывать будущие потери
11. property	собственность
12. purchased on credit	купленный в кредит
13. taxes	налоги
14. purchases made in credit	покупки сделанные в кредит
15. share premium	премия акции

Task 11. Answer the questions.

1. Most companies include three financial statements in their annual reports. List them.
2. What is a profit?
3. How is the profit of a company divided (3 parts)?
4. What does the company's balance sheet list (3 items)?
5. Business's assets consist of its investments and property, and amounts of money owed by customers. Is it true?
6. Taxes, debts, interest and mortgage payments, as well as money owed to suppliers for purchases made in credit are assets too. Is it true?
7. What is the alternative term for shareholders' funds?
8. What do shareholders' funds include (3 items)?
9. What does the cash flow statement of the company show?

Speaking: Phrasal verbs for Banking and Finance

Task 1. Put verbs into each gap.

take _ set _ backed _ pulled _ put _ call _ standing _ cash _ working _ given _ put _ run _
--

1. They're _____ **by** their original offer. = Their offer is unchanged.
2. I've _____ **up** a trust fund. = I've arranged a trust fund.
3. Do you want to _____ **off** the meeting? = Do you want to cancel the meeting?
4. They **b** _____ **out of** the deal. = They withdrew from the deal.
5. They've _____ **down** a deposit. = They've paid a deposit.
6. We've _____ **out of** money. = We don't have any more money.
7. I'm _____ **out** the figures. = I'm calculating the figures.
8. We've _____ **up on** the debt. = We've stopped trying to collect the debt.
9. I want to _____ **in** my ISA. (* *Individual Savings Account, a UK tax-free investment*) = I want to take the money out of my ISA.
10. They **p** _____ **out of** the deal. = They withdrew from the deal.
11. He's _____ **in** an offer. = He's made an offer.
12. We'll _____ them **up on** their offer. = We'll accept their offer.

Task 2. Translate into English using phrasal verbs from the previous task.

1. Они настаивают на своем первоначальном предложении и не хотят его менять.
2. Они выходят из этого дела. (Разрывают контракт).
3. Вы хотите отменить собрание?
4. Я хочу снять деньги со своего сберегательного счета.
5. Я делаю вычисления.
6. Мы не будем взимать долг.
7. У нас кончились деньги.
8. Мы примем их предложение.

Task 3. Put verbs into each gap.

gone _ ran _ add _ taken _ cutting _ fall _
goes _ put _ come _ tied _ take _ run _

1. We can _____ 10% **off** the price. = We can reduce the price by 10%.
2. The company has _____ **under**. = The company has collapsed.
3. Her money is _____ **up in** property. = Her money is invested in property.
4. I hope the deal doesn't _____ **through**. = I hope the deal happens.
5. The bank has been _____ **over**. = The bank has been bought by another company.
6. We're _____ **back on** production costs. = We're reducing production costs.
7. We _____ **in** an order for new computers. = We ordered new computers.
8. The costs _____ **into** six figures. = The costs were more than £100,000.
9. They haven't _____ **up with** the money yet. = They haven't paid yet.
10. I hope the deal _____ **through**. = I hope the deal happens.
11. The costs _____ **up to** six figures. = The costs total around £100,000.
12. The company has been _____ **up for** sale. = The company has been put on the market.

Task 4. Translate into English using phrasal verbs from the previous task.

1. Мы можем снизить цену на 15 процентов.
2. Эта компания выпустила свои товары в продажу.
3. Наша компания сокращает производственные расходы.
4. Эта компания разорилась.
5. Расходы достигли шестизначного числа.
6. Они еще не выплатили все деньги.
7. Ее деньги вложены в собственность.
8. Я надеюсь, что наша сделка состоится.
9. Наша компания заказала несколько новых компьютеров.
10. Этот банк перешел в собственность другой компании.
11. Надеюсь, что наша сделка не провалится.
12. Расходы перешагнули предел шестизначного числа.

Unit 10. Check-up.

1. Make sure that you know the following words and word combinations, translate them into Russian.

The summary profit and loss account of a company, revenue, turnover, fixed asset, depreciation of fixed assets, selling and marketing costs, profit from sale of fixed assets, net interest payable, profit before tax (pre-tax profit), deductions, a profit-making company, outgoings, overheads, a break even company, a balance sheet, property, fleet, money outstanding, stock, current liabilities.

2. Make sure that you know the following words and word combinations, translate them into English.

Финансовые отчеты, амортизация имущества, проверять отчетность компании, дивиденды акционеров, сохранять часть прибыли для развития компании, прибыль на одну акцию, основной бизнес компании, продавать акции широкой публике, подвержены проблемам с потоком наличности, большие суммы денег, вложенные в запас товаров, склады фирмы, юридическое лицо.

3. Translate into English.

1. Большинство компаний включают три финансовых отчета в свою финансовую документацию.
2. Прибыль – это превышение доходов над расходами.
3. Активы компании состоят из инвестиций и собственности, а также из суммы денег, которую должны покупатели за товары, приобретенные в кредит.
4. Налоги, долги, выплаты процентов, выплаты по ипотеке, а также долги поставщикам за покупки, сделанные в кредит – это денежные обязательства или долги.

Module 3. Individual reading

The first variant

Read, translate the text and summarize its content in several sentences. Make up the vocabulary of this text.

Bank (part I)

A banker or bank is a financial institution whose primary activity is to act as a payment agent for customers and to borrow and lend money.

The first modern bank was founded in Italy in Genoa in 1406, its name was Banco di San Giorgio (Bank of St. George).

Many other financial activities were added over time. For example banks are important players in financial markets and offer financial services such as investment funds. In some countries such as Germany, banks are the primary owners of industrial corporations while in other countries such as the United States banks are prohibited from owning non-financial companies. In Japan, banks are usually the nexus of cross share holding entity known as zaibatsu. In France "Banc assurance" is highly present, as most banks offer insurance services (and now real estate services) to their clients.

History. Banks have influenced economies and politics for centuries. Historically, the primary purpose of a bank was to provide loans to trading companies. Banks provided funds to allow businesses to purchase inventory, and collected those funds back with interest when the goods were sold. For centuries, the banking industry only dealt with businesses, not consumers. Banking services have expanded to include services directed at individuals, and risk in these much smaller transactions are pooled.

Origin of the word. The name bank derives from the Italian word banco "desk/bench", used during the Renaissance by Florentines bankers, who used to make their transactions above a desk covered by a green tablecloth. However, there are traces of banking activity even in ancient times.

In fact, the word traces its origins back to the Ancient Roman Empire, where moneylenders would set up their stalls in the middle of enclosed courtyards called macella on a long bench called a bancu, from which the words banco and bank are derived. As a

moneychanger, the merchant at the *bancu* did not so much invest money as merely convert the foreign currency into the only legal tender in Rome—that of the Imperial Mint.

Traditional banking activities. Banks act as payment agents by conducting checking or current accounts for customers, paying cheques drawn by customers on the bank, and collecting cheques deposited to customers' current accounts. Banks also enable customer payments via other payment methods such as telegraphic transfer, EFTPOS, and ATM.

Banks borrow money by accepting funds deposited on current account, accepting term deposits and by issuing debt securities such as banknotes and bonds. Banks lend money by making advances to customers on current account, by making installment loans, and by investing in marketable debt securities and other forms of money lending.

Banks provide almost all payment services, and a bank account is considered indispensable by most businesses, individuals and governments. Non-banks that provide payment services such as remittance companies are not normally considered an adequate substitute for having a bank account.

Banks borrow most funds from households and non-financial businesses, and lend most funds to households and non-financial businesses, but non-bank lenders provide a significant and in many cases adequate substitute for bank loans, and money market funds, cash management trusts and other non-bank financial institutions in many cases provide an adequate substitute to banks for lending savings to.

Definition. The definition of a bank varies from country to country. Under English common law, a banker is defined as a person who carries on the business of banking, which is specified as:

- conducting current accounts for his customers
- paying cheques drawn on him, and
- collecting cheques for his customers.

The second variant

Read, translate the text and summarize its content in several sentences. Make up the vocabulary of this text.

Bank (part II)

Economic functions. The economic functions of banks include:

à issue of money, in the form of banknotes and current accounts subject to cheque or payment at the customer's order. These claims on banks can act as money because they are negotiable and/or repayable on demand, and hence valued at par and effectively transferable by mere delivery in the case of banknotes, or by drawing a cheque, delivering it to the payee to bank or cash.

à netting and settlement of payments -- banks act both as collection agent and paying agents for customers, and participate in inter-bank clearing and settlement systems to collect, present, be presented with, and pay payment instruments. This enables banks to economise on reserves held for settlement of payments, since inward and outward payments offset each other. It also enables payment flows between geographical areas to offset, reducing the cost of settling payments between geographical areas.

à credit intermediation -- banks borrow and lend back-to-back on their own account as middle men

à credit quality improvement -- banks lend money to ordinary commercial and personal borrowers (ordinary credit quality), but are high quality borrowers. The improvement comes from diversification of the bank's assets and the bank's own capital which provides a buffer to absorb losses without defaulting on its own obligations. However, since banknotes and deposits are generally unsecured, if the bank gets into difficulty and pledges assets as security to try to get the funding it needs to continue to operate, this puts the note holders and depositors in an economically subordinated position.

à maturity transformation -- banks borrow more on demand debt and short term debt, but provide more long term loans. Bank can do this because they can aggregate issues (e.g. accepting deposits and issuing banknotes) and redemptions (e.g. withdrawals and

redemptions of banknotes), maintain reserves of cash, invest in marketable securities that can be readily converted to cash if needed, and raise replacement funding as needed from various sources (e.g. wholesale cash markets and securities markets) because they have a high and more well known credit quality than most other borrowers.

Law of banking. Banking law is based on a contractual analysis of the relationship between the bank and the customer. Customer is any person for whom the bank agrees to conduct an account.

The law implies *rights and obligations* into this relationship.

The bank account balance is the financial position between the bank and the customer, when the account is in credit, the bank owes the balance to the customer, when the account is overdrawn, the customer owes the balance to the bank.

Types of banks. Banks' activities can be divided into *retail banking*, dealing directly with individuals and small businesses; *business banking*, providing services to mid-market business; *corporate banking*, directed at large business entities; *private banking*, providing wealth management services to High Net Worth Individuals and families; and *investment banking*, relating to activities on the financial markets. Most banks are profit-making, private enterprises. However, some are owned by government, or are non-profits.

Central banks are normally government owned banks, often charged with quasi-regulatory responsibilities, e.g. supervising commercial banks, or controlling the cash interest rate. They generally provide liquidity to the banking system and act as Lender of last resort in event of a crisis.

Profitability. A bank generates a profit from the differential between the level of interest it pays for deposits and other sources of funds, and the level of interest it charges in its lending activities. This difference is referred to as the spread between the cost of funds and the loan interest rate.

Business across cultures

Topic 1. International Business Styles

Task 1. Read the following text. Pay attention to the words in a bold type and write down their translations.

The characteristics of management often vary according to **national culture**, which can determine how managers are trained, how they lead people and how they approach their jobs.

The amount of **responsibility** of any individual in a company depends on the position that he or she occupies in its **hierarchy**. Managers, for example, are responsible for leading the people directly under them, who are called **subordinates**. To do this successfully, they must use their **authority**, which is the right to take decisions and give orders. Managers often **delegate** authority. This means that employees at lower levels in the company hierarchy can use their **initiative**, that is make decisions without asking their manager.

Task 2. Read the portraits of managers in five different countries and decide which country each one corresponds to. Choose from the following countries:

Germany

Poland

Sweden

The United Kingdom

The United States

1. Managers from this country

- consider professional and technical skills to be very important
- have a strong sense of authority
- respect the different positions in the hierarchy of their companies
- clearly define how jobs should be done
- are very loyal to their companies and expect their subordinates to obey them
- are often older than in other countries.

2. Managers from this country

- receive a general education
- delegate authority
- take a practical approach to management
- have relatively formal relationships at work
- encourage their employees to work individually
- believe it is important to continue education and training at work

3. Managers from this country

- consider social qualities to be as important as education
- encourage their employees to take an interest in their work
- pay close attention to the quality of working life
- do not use as much authority as in other countries
- appreciate low-level decision-making
- are often women.

4. Managers from this country

- generally attend business schools
- communicate easily and informally at work
- admire the qualities of a leader
- expect everyone to work hard, individual performance is measured and initiative is rewarded
- have competitive and aggressive attitudes to work
- often accept innovation and change

5. Managers from this country

- older managers hold technical degrees rather than business qualifications
- work long hours and expect their subordinates to do so
- are extremely innovative, optimistic and determined
- are quick to invest in the development of new products, market techniques and methods of production and distribution

Task 3. Match the words from the text with their corresponding definitions.

1. abroad	a. something done in a society because of tradition
2. minefield	b. able to understand others' feelings
3. a pitfall	c. in or to a foreign country
4. a custom	d. something that expresses admiration
5. etiquette	e. to show or represent
6. scheduled	f. rude or insulting
7. to be a sign of	g. a situation with hidden dangers
8. offensive	h. formal rules for polite behavior in society
9. a compliment	i. a likely problem
10. sensitive	j. arranged for a certain time

Task 4. Complete the passage using words from the previous task in the correct form. Summarize the text in several sentences. Ask 7 questions on the text.

In Great Britain and the United States corporate gift giving is not a very popular 1 _____; people can spend their entire working lives without ever receiving a corporate gift. However, gift giving is something an integral part of the negotiation process when doing business 2 _____. It is important to learn about the 3 _____ of gift giving before sending or taking a gift to an international client or business partner, or you may find that your gesture appears 4 _____. For example, in China a desk clock 5 _____ bad luck or death. It is also interesting to note that the receiver never opens a gift in front of the giver as that would signify that the content was more important than the act of giving. Waiting for the person to open your gift would show that were not 6 _____ to Chinese culture. In France, don't give something with your company logo, as they find items like this impersonal and in bad taste. Giving knives in Italy, Russia or Argentina could lead to

problems in establishing a deal as this signifies cutting off the relationship! Giving flowers is another possible 7_____. In England, Australia and Canada, some people see white lilies as a symbol of death while in Germany, yellow and white chrysanthemums could be seen this way.

Task 5. Read the text about social etiquette for business people and retell it in 4 sentences. Ask 7 questions on the text.

Tiptoeing through the minefield

Do

- show an interest in, and at least an elementary knowledge of the country you are visiting;
- learn a few words of the language – it will be seen as a complement;
- be sensitive to countries who have bigger and better known neighbors, and try not to confuse Canadians with Americans, New Zealanders with Australians, Belgians with French;
- Familiarize yourself with the basics of business and social etiquette. As a starting point, learning how to greet people is very important.

Don't

- Assume you won't meet any communication problems because you speak English. You may think you are paying somebody a compliment by telling them their business is going a bomb. Americans will infer you think it is falling. Appear too reserved. As Americans are generally more exuberant than their European colleagues, they may equate reserve with lack of enthusiasm.

Topic 2. The European Union

Task 1. Look at the history of the European Union. Then do the following quiz.

	the member country	the capital
1957	France	Paris
	Germany	Berlin
	Italy	Rome
	Holland	Amsterdam
	Belgium	Brussels
	Luxembourg	Luxembourg
1973	Denmark	Copenhagen
	Ireland	Dublin
	the UK	London
1981	Greece	Athens
1986	Portugal	Lisbon
	Spain	Madrid
1995	Finland	Helsinki
	Austria	Vienna
	Sweden	Stockholm
2004	Malta	Valletta
	Cyprus	Nicosia
	Estonia	Tallinn
	Latvia	Riga
	Lithuania	Vilnius
	Poland	Warsaw
	the Czech Republic	Prague
	Hungary	Budapest
	Slovenia	Ljubljana
	Slovakia	Bratislava
2007	Romania	Bucharest
	Bulgaria	Sofia

How much do you know about the EU?

1. Which country has the largest area? _____
2. Which country has the highest population? _____
3. Which country has the highest birth rate? _____
4. Which country is the most densely populated? _____
5. To which country does France export the most? _____
6. To which country does Sweden export the most? _____
7. Which country exports the most
 - a. crude oil? _____
 - b. cereals? _____
 - c. iron and steel? _____
 - d. citrus fruits? _____
8. Per inhabitant, which country consumes the most and the least
 - a. cheese? _____
 - b. sugar _____
 - c. wine _____
 - d. cigarettes _____
9. Which country uses the most nuclear power as a source of energy? _____
10. Which country has the most forested area? _____
11. Which country has the most magazines? _____
12. In which country do women play the most active role in the workforce? _____
13. Which country offers the longest paid holidays? _____
14. In which country are the headquarters of the European company with the highest turnover? _____
15. How many official languages are there in the European Union? _____
16. What is the motto of the European Union?
_____?
17. How many EU countries adopted the euro? _____
18. What is the biggest island of the EU? _____
19. In which 3 countries of the EU French is the official language? _____
20. There are 4 island nations in the EU: Great Britain, Ireland, Cyprus and _____.

21. Which country plays host to most of the major EU institutions including the Euro Commission, the Council of Ministers and the Committee of the Regions? _____

22. What cities are the seats of the EU institutions ('three capitals' of the EU)? _____

Task 2. Read and translate the following text. Look up the unknown words in a dictionary.

Monetary union

The creation of a European single currency became an official objective of the European Economic Community in 1969. However, it was only with the advent of the [Maastricht Treaty](#) in 1993 that member states were legally bound to start the [monetary union](#) no later than 1 January 1999. On this date the euro was duly [launched by eleven](#) of the then fifteen member states of the EU. It remained an accounting currency until 1 January 2002, when [euro notes](#) and coins were issued and national currencies began to phase out in the euro zone, which by then consisted of twelve member states. The euro zone has since grown to seventeen countries, the most recent being Estonia which joined on 1 January 2011.

All other EU member states, except Denmark and the United Kingdom, are legally bound to join the euro when the [convergence criteria](#) are met, however only a few countries have set target dates for accession. Sweden has circumvented the requirement to join the euro by not meeting the membership criteria.

The euro is designed to help build a single market by, for example: easing travel of citizens and goods, eliminating [exchange rate](#) problems, providing price transparency, creating a single [financial market](#), price stability and low [interest rates](#), and providing a currency used internationally and protected against shocks by the large amount of internal trade within the euro zone. It is also intended as a political symbol of integration and stimulus for more. Since its launch the euro has become the second [reserve currency](#) in the world with a quarter of foreign exchanges reserves being in euro. The euro, and the monetary policies of those who have adopted it in agreement with the EU, are under the control of the [European Central Bank](#).

The [European Central Bank](#) (ECB) is the central bank for the euro zone (consisting of the EU member states which have adopted the euro), and thus controls [monetary policy](#) in that area with an agenda to maintain [price stability](#). It is at the centre of the [European System of Central Banks](#), which comprehends all EU national banks, and is guided by a board comprising of the [President of the European Central Bank](#), who is appointed by the European Council, and national bank governors.

Task 3. Answer the questions about the euro.

1. What is the euro designed for?
2. Do you think the euro zone will grow in future?
3. Is the euro a political symbol of integration? Why?

Task 4. Read five extracts from 5 meetings. Match each extract to the correct European country. Put the number of the right extract next to the name of the country.

Extract 1.

A: Good morning everyone. I'd like to introduce you all Dr Alan Winter, who's come over from the Atlanta office to spend a few days at our research center. Welcome to Berlin, Dr Winter.

B: Thank you very much, Wolfgang. It was kind of you to invite me.

A: OK, let's get down to business, shall we?

Extract 2.

A: And then Juventus scored the winner. It was an incredible goal! Did you see the Lazio game last night, Miss Sterling?

B: Yes, I did. Wasn't it a great match? One of the best I've ever seen. But then there's nothing like Italian football.

A: So, you like football, then?

B: Oh, yeah. I love it. In fact, my father was a professional footballer.

A: Really?

B: Yes, he wasn't a superstar or anything, but he played for Leeds.

A: Amazing. Wait till I tell Luigi. Our new partner's father played Leeds United, ha!

B: Where is Luigi, by the way?

A: Oh, he'll be here soon. He's never the first to arrive, not Luigi....

Extract 3.

A: Rain stopped play again yesterday, I see.

B: Sorry?

A: The cricket. They cancelled the match.

B: Oh, they didn't! Well, we certainly haven't seen much cricket this summer.

A: No. Chocolate biscuit?

B: Oh, have you got chocolate ones? Business must be good.

C: Right, everyone. I suppose we'd better get started....

Extract 4.

A: Right, shall we start? First of all, this is Catherine Anderson from London. I think this is your first time in Finland, isn't it Catherine? Or have you been here before?

B: Actually, I came here on holiday once, but that was a long time ago.

A: Well, we hope you enjoy your stay with us. Now there's fresh coffee if you'd like some before we begin...

Extract 5.

A: You know what's going on between our vice-president and our head of finance?

B: They're having an affair?

A: Haven't you heard? I thought everybody knew.

B: No! No one ever tells me anything.

A: I mean, it's not the affair I care about. It's how it affects our meetings. Haven't you noticed?

B: Noticed what?

A: How they always agree on everything.

B: Well, now you mention it....

1. Germany: Formal introduction. Sit down. Begin. _____
2. Finland: Formal introduction. Cup of coffee. Sit down. Begin. _____
3. UK: Formal introduction. Cup of tea and biscuits. 10 minutes small talk (weather, sport). Casual begging. _____
4. France: Formal introduction. 15 minutes small talk (politics, scandal). Begin. _____
5. Italy: 20-30 minutes small talk (football, family) while others arrive. Begin when everyone's there. _____

Task 5. Read again and answer the questions. There is one question for each extract.

1. What kind of snack is served at the meeting in the UK?

 2. How long is Dr Alan Winter going to spend in Berlin?

 3. What was Miss Sterling's father's job (the topic discussed at the meeting in Italy)? _____
 4. Why was Catherine in Finland before? _____
- Whom do people talk about at the meeting in France? _____

Topic 3. Eating out: how culturally aware are you?

Task 1. In Russia they sit down at cocktail parties. In China the most important guest is seated facing the door. In Japan a tip is not expected; in France it is an insult not to leave one. Try the quiz below. Underline the correct information.

1. In *Greece / Finland* people frequently stop for lunch at 11.30 in the morning.
2. In *Switzerland / Brazil* it's common to be up to two hours late for a party.
3. In *Portugal / the USA* a business lunch can last up to three and half hours.
4. In *Japan / Russia* the soup is often eaten at the end of the meal.
5. In *France / Britain* cheese is normally served after the dessert.
6. In *American / German* restaurants you may be asked if you want a bag for the food you can't eat.
7. In *Arab / Asian* countries you must wait for your host to serve you the main meat dish.
8. In *Mexico / Belgium* you should keep both hands on the dinner table where they can be seen.
9. At a *Turkish / Chinese* dinner table it is extremely impolite to say how hungry you are.
10. The *Japanese / British* sometimes need to be offered more food three times before they will accept.
11. *American / Latin* executives like to be invited to your home for dinner.
12. In *Belgium / Spain* an 11 o'clock dinner is quite normal.
13. In *Asian / Arab* countries food is usually eaten with just three fingers of the right hand.
14. In *Poland / Japan* you should keep filling other guests' glasses until they turn them over.
15. In *African / Asian* countries it is the host who decides when the guests should leave.

Task 2. Read the chatting over lunch of business people from different countries. Then answer the questions.

Conversation 1.

- So, Seiji. What's this fugu? It's a kind of fish, isn't?
- Ah, yes. Er, it's rather unusual, er...
- Traditional Japanese dish, eh?
- Yes, but it's as little exotic. You may not like it.
- No, no, I like trying new things. Fugu sounds good to me.
- I think you'd prefer something else. Fugu can be... a little dangerous.
- A bit spicy, you mean? Ah, I don't worry about that. I love spicy food.
- No, not spicy. It's poisonous.
- It's what?
- Poisonous. If it isn't cooked the right way, yes. Some people love it. And this is a very good restaurant, but thirty people die every year from bad fugu. Really, I think you should try something else.
- Yeah, well, sure. I think you're probably right. Maybe I'll have tempura instead.
- Yes, tempura. Much better idea, David.

Questions on conversation 1:

1. What is Seiji worried about?

2. Seiji uses different expressions to stop his colleague choosing the fugu. Complete them.

- a. It's rather _____;
- b. It's a little _____;
- c. You may _____;
- d. I think you'd _____;
- e. Really, I think you should _____.

3. What does David say when he decides to change his mind?

_____.

Conversation 2.

- Now, Hans, we thought you might like to try the local specialty.
- Ah, yes?
- Yes, it looks a little strange at first. But you'll love it. You like shellfish, don't you.
- Well, I like prawns. And the mussels we had the other day were excellent.
- Then you'll really enjoy this. It's squid. But this is not just squid.
- No?
- No, this is something really special. It's served in its own ink – as a sauce.
- It sounds a bit... Actually, I hope you don't mind, but could I have something a bit simpler?
- Well, if you're sure you don't want to try it. It's really very good.
- Yes, I'm sure it is, but...

Questions on conversation 2:

1. What is Han's problem?

2. The Spaniards use different expressions to encourage Hans to try the squid. Complete them.

- a. We thought you might _____;
- b. You'll _____;
- c. You'll really _____;
- d. This is something _____;
- e. It's really _____.

3. What does Hans say when he refuses the Spaniards' offer?

Conversation 3.

- Now, is there anything you don't eat, Louise?
- Well, I am on a special diet at the moment, Jean-Claude. I hope that's not a problem.
- No, of course, not. This is a very good menu. I am sure we can find something you'll like. What can't you eat?
- Well, I can't eat anything fried. In fact, no fat at all. Nothing made of pastry or cooked in oil. No red meat, of course. Not too much sugar. I can eat white fish but only boiled.
- What about the chicken here? That's very plain and simple.
- Is there a sauce on it?
- Yes, it's a delicious cream and wine sauce.
- No cream, I am afraid. And I'm not allowed any alcohol at all.
- I see. Well, I'm sure they'll serve it without the sauce.
- How's the chicken cooked?
- It's roast chicken, I imagine.
- I can only have grilled.
- I'll ask them to grill it.
- I'd prefer fish really.
- Well, how about the trout?
- Is it boiled?
- No, baked in the oven.
- Hm, I may not like it. What does it come with?
- It comes with potatoes and fresh vegetables.
- Oh, I can't eat potatoes. Vegetables are OK. But no beans and....

Questions on conversation 3:

1. Why does Louise have a problem choosing what to eat?

2. Jean-Claude and Louise mention lots of different cooking methods. Complete them.

a. _____

- b. _____
- c. _____
- d. _____
- e. _____

3. Complete these extracts from the conversation:

- a. ... nothing made ____ pastry.
 - b. Nothing cooked ____ oil.
 - c. It comes _____ potatoes and fresh vegetables.
4. Have you ever had lunch with anyone like Louise?
-

Task 3. Work with a partner. You are having a business lunch together. Take turns to be the host and help your quest choose something to eat and drink from your menu.

You may choose from the following phrases:

- Now, what would you like to drink?
- It all looks very good.
- So, what do you recommend?
- Is there anything you don't eat?
- You could try the lamb. That's very good here.
- Shall we order a bottle of the house red?
- This is absolutely delicious.
- Could we order some mineral water, too?
- Now, how about a dessert?
- Better not. I'm on a diet.
- No, no, I insist. You're my guest.

Topic 4. The American Business Culture

Task 1. Match the idioms with their corresponding definitions.

1. to lay everything out on the table	a. to give the essential relevant fact
2. a bottom line	b. to include everything into the agenda
3. to beat around the bush	c. an eventual result
4. to get to the point	d. to avoid discussing directly

Task 2. Complete the passage using idioms from the previous task in the correct form. Summarize the text in several sentences.

Be very clear in what you say

Something that will madden your American partners is if they think that you *1* _____ in what you say. US culture values a person who says what he means and means what he says. "*2* _____!", angry teammates may demand. Americans value clarity many times over what other cultures view as tact. It is better to *3* _____, and not leave key points unmentioned for politeness' sake. Not following this policy could be interpreted as rudeness or as gravely as dishonesty by your peers.

One of the worst things that you can do is appear emotional, or unable to make a cold, hard decision. It's OK to get angry, and show it, about certain things, especially things that affect the *4* _____.

Task 3. Complete the texts about topics to avoid and topics to discuss for business people. Retell them in 2 - 3 sentences.

misunderstanding	love	respect	common	business	entertainment
	polite	spouse	talk	personal	

Taboos: don't go there

The two main subjects that Americans agree not to discuss much in *1* _____ conversation are 1: politics and 2: religion. That is because they are areas where people have deep-rooted beliefs that are not easily changed, and there is a great

potential for 2 _____ or hurt feelings, besides the fact that outside of church or a political rally, many people view them as unrelated to the whatever task you have on your plate at the time.

Besides this, avoid criticizing the US, US culture, Americans in general or US policy, even if they have recently invaded your country. Americans for the most part deeply 3 _____ their country and may be offended and confused by comments that do not reflect a similar love and 4 _____, and may take the comments personally.

Topics to talk about

There are certain topics that are 5 _____ to talk about in casual business situations. Feel free to talk about the rich, sports, 6 _____ like movies, music, celebrities and books, and current events or 7 _____ trends. Try to keep things general and not too 8 _____. Nobody wants to know about your grandmother or problems with your 9 _____. When in doubt, 10 _____ business.

Task 4. Read the following passage and say if you can find any difference between attitude to honesty in business in the USA and other countries.

Honesty is the best policy

Avoid any kind of dishonesty in word or deed with your American partners. Do not suggest bribes, kickbacks, any other kind of illegal or unlawful payoffs, or anything else that goes against the law of the US or wherever it is that you are. Play by the rules. In the US, people get ahead while respecting the rules of the game. It has been said many times that, unlike other places, in the US it is easier to make money following the law than by breaking it, although this does not necessarily apply to US corporations operating abroad. Americans realize that if you are dishonest with the government or with anyone else, you are a dishonest person and will probably be dishonest with everyone or anyone that you work with, and are not to be trusted.

Task 5. Speak about the American business culture using the information from the previous tasks. Mention the following topics: work, speaking, topics to discuss, honesty in business.

Topic 5. The Canadian Business Culture

Task 1. Read the following text. Pay attention to the phrases in a bold type and write down their translations. Retell the passage using phrases in a bold type.

Conversing with Canadians

It's often been said about Canadians that while they are **polite**, they are **not a friendly people** compared, that is, to their American cousins. Canadians pride themselves on their tolerance and of being **non-judgmental**, which means that Canadians often prefer **not to express opinions** on various subjects for **fear of offending**. Do not expect a **passionate debate** on any issue from a Canadian. It's just not **in the national DNA**.

While Canadians might sound and look like Americans at first glance, we are very different. Canadians are **quieter** and much **less willing to offer opinions**. This can be both good and bad. On the one hand, because of our **avoidance of conflict**, it is harder to have an in-depth conversation with a Canadian, but on the other hand, it is easier to engage us in small talk.

Like other younger cultures, such as America's or Australia's, **first names are used** in Canada both **in personal and professional circumstances**, even amongst relatively new acquaintances. Don't be surprised if your Canadian hosts move quickly to a first-name basis.

The giving and receiving of business cards is **common practice** in Canadian business culture. In fact, it is so common that Canadians would think it unusual if his or her counterpart did not offer them one.

No backslapping, shouting or calling attention to oneself is acceptable. Canadians tend **to embarrass easily**, so while Canadians are **generally casual**, they are **not loud**. Your best approach to get along with Canadians is to remain **exceedingly polite, modest, and unpretentious**.

Task 2. Complete the text about negotiating with business people in Canada using word combinations from the box.

producing results
sporting analogies
equality and fairness
decision making
excessive praise
new ideas
company policy
business schools

You should also be aware that 1 _____ here teach students that the outcome of all negotiations is that both sides win, i.e., “win/win.” This fits neatly with Canadians’ ideas of 2 _____. The win/win principle is so accepted today that the very idea of one party winning the negotiation while other party loses would seem unacceptable to most Canadians.

Canadians tend to be receptive to 3 _____. Generally, they are analytical, conceptual thinkers.

Established rules or laws usually take precedence over one's feelings. During negotiations, 4 _____ is strictly adhered to at all times. Feelings of any kind are usually regarded with suspicion, particularly for decision-making purposes. In presentations and conversation, Canadians are often receptive to 5 _____.

Among all individuals, regardless of rank, communication is direct and slightly informal. Hierarchies in Canadian organizations exist for clarity of 6 _____, not because ranking is important. Those who will sit with you in a meeting usually have the power to make a decision.

Generally, Canadians do not like or trust people who appear to give 7 _____, which raises the suspicion that they are being set up to be embarrassed or misled in some way. Moreover, Canadians dislike being pressured and will only resent the stress that accompanies high expectations. Deadlines and are 8 _____ the main sources of anxiety in this culture. Decisions of any kind must be made in accordance with company policy. Informing against one's colleagues is regarded with disgust.

Topic 6. The British Business Culture

Task 1. Read the following text. Pay attention to the phrases in a bold type and write down their translations. Retell the passage using phrases in a bold type.

Guidelines for Business Dress

Conservative dress is the norm for both men and women in British business culture where darker colors (black, dark blue, charcoal grey) and heavier fabrics (wool) predominate. No one wears **a morning suit** and **bowler hat** to work nowadays but **the traditional pinstripe** is still immensely popular.

In some ways, the British often appear indifferent to both style and fashion but there remains an almost **snobbish awareness of 'quality'**. Thus, senior bankers, civil servants, lawyers and accountants are still likely to shop at smart outfitters in London's West End: **bespoke suits** from Savile Row (pure wool, double-breasted, two vents, four buttons on the cuff of which two are functional and the other two decorative), **shirts from Jermyn Street** (pure cotton, full-cut, double cuffs with links) with **silk tie**, and **hand-made leather Oxford shoes**.

Other occupations dress differently. For example, those in advertising or the media are prone to wearing **something** rather more **flamboyant**, though still **stylish**, from a leading designer. Middle management is more likely to be driven by cost than fabric or style and hence to shop in one of **the High-Street chains**. Women may wear trousers (including trouser-suits). Neither sex should wear denim.

Some British firms have introduced the concept of **'dress-down' Friday** with its code of **'smart casual'** but it is not universal and it is better to err on the side of being **over-dressed** (you can always take off your jacket). IT departments dress down all week.

Task 2. Read the following passage and say if you can find any difference between attitude to communication in business in the UK and other countries.

Business communication

Be aware in your dealings that the British are masters of understatement and that irony is a favorite weapon. Direct questions may encounter evasive responses and other typically British ploys are to avoid stating the obvious and to imply the opposite of what is actually said. Tone of voice or facial expression may sometimes hint at what is really meant but not always and it is equally important to pay attention to what is not said.

Humor also plays an important role in business discussions; having a repertoire of jokes and anecdotes can be an asset and good raconteurs should make the most of their talent. In any case you should not be surprised by any seemingly inappropriate levity. On the other hand, the British are prone to using sarcasm, particularly the one-line jibe, to ridicule an adversary or to register disagreement or even contempt. This may be hurtful at the time but the British do not harbor long-term grudges for the most part.

Aggressive techniques such as the 'hard sell' or denigrating another company's product or service will not be well received. Nor should you give unsolicited praise since it is rarely welcome.

Topic 7. The Australian Business Culture

Task 1. Read the following text. Retell the passage (one–two sentences for each paragraph). You may start your sentences with ‘you should’ and ‘you shouldn’t’.

Australia: Making appointments

Appointments are relatively easy to schedule at practically all organizational levels. Many executives are approachable, pleasant and willing to meet to discuss business. Most senior executives have personal assistants, who are answering the phone and managing the executive’s diary. Don’t insist on speaking with the executive, as personal assistants are expected and competent to schedule meetings.

Try and schedule meetings at least one month in advance. Make sure you arrive for appointments on time, but understand that Australians sometimes have more of a casual attitude toward time. In some cases, if you are a few minutes late to a meeting, it will be overlooked. In other instances, however, your late arrival may cause you to be perceived as a careless and unreliable businessperson. On the other hand, if you find yourself waiting for your Australian counterparts to arrive, remain patient and accommodating. If you think you may be late for an appointment, best practice is to call your counterpart as soon as you can and say that you are running late. It will be accepted.

In Australia, many business deals are made in a social environment, and it is not unusual to conduct a meeting over breakfast, lunch, dinner and, with the cafe culture on the rise, even in coffee shops. It is also common to socialize for an hour or so in the local pub after the workday, particularly on Fridays.

For the business traveler, the best time to visit Australia is between March and November, since the summer season spans from December to February. January is also a month of school holidays, and many offices are operating on ‘skeleton staff’. Christmas and New Year fall in the middle of summer in Australia, and this is a high holiday season for the whole month of January, so avoid scheduling visits then, as well as around Easter.

You should also know the following public holidays/celebrations that are uniquely Australian:

Australia Day - January 26: the biggest day of celebration in Australia, the day marks the founding of the first European settlement in Australia.

Anzac Day - April 25: public holiday that commemorates the day the Australian and New Zealand Army Corps landed at Gallipoli in Turkey in 1915. The day is also remembered as part of the beginning of Australia's nationhood.

Melbourne Cup Day – this world famous horse race is a public holiday in metropolitan Melbourne, held on the first Tuesday of November. Most Australians in other states, whether at work, school or home, stop and watch the race on television. Workplaces organize lunches and drinks to celebrate the Melbourne Cup, with sweeps and best-hat-competitions run on the day. States also have their own holidays, and it is good to check before traveling.

Task 2. Read the guidelines for business dress for business people and retell it in 3 sentences. Then complete the chart using the information from the text.

Guidelines for business dress

The types of clothing that people wear reflect the diversity in Australian society just as much as the variation in climate. Whilst there are no laws or rules on clothing in public, you are expected to wear certain clothing for business situations and most organizations have dress standards.

Standard business dress code for men is a black or navy suit with a white shirt and tie, and for women skirt or trouser suit with white blouse. During the summer, the jacket can be removed. Dress code depends on the industry, with banking and finance being the most conservative. A large number of organizations observe ‘casual Fridays’, when employees can dress more casually, however, they still observe certain rules. Increasingly, organizations introduce ‘business casual’ dress code during the week as well, and often specify what is acceptable and what not to wear. Jeans, singlets, open shoes and thongs are never acceptable.

For a visiting business person the best option is to observe traditional business dress code until you get to know your counterparts more closely. Women are best not to wear too much

jewelry and makeup, as it can be seen as extravagant and ‘showing off’.

Outside the work situation, clothing is an individual choice and many people dress for comfort, for the social situation or the weather. Australians will usually send formal invitations for dinner parties and will specify the dress code. ‘Smart casual’ is quite common, meaning tailored pants and a top with collar for men, and dress or tailored pants and top for women. ‘Smart casual’ does not mean jeans, shorts and thongs. It is always good to accessorize a little, as it picks up the outfit, but don’t overdo it. If unsure, it is always good to ask what the dress code is, and Australians will gladly explain.

Many Australians live close to the beach and the sea. On hot days, they may wear little clothing on the beach and in the surrounding suburbs. It means that this is what is accepted given the weather and beach culture.

<i>a social event</i>	<i>what to wear</i>
an ordinary working day	
‘casual Fridays’	
dinner parties	
visiting a beach	

Task 3. Complete the text about communication style of Australians. Retell it in 2 - 3 sentences.

a _ over the phone	b _ a straight but polite ‘no’
c _ personal achievement	d _ to criticize
e _ judge you and your competence	f _ direct eye contact

Communication style

Australians are very down-to-earth and matter-of-fact when it comes to talking business. They generally prefer *1*___ and consider it as a sign of respect and indication that the person is listening. When meeting for business, they focus on a task and like to talk business from the beginning. Business negotiations are shorter and to the point. It is common to do business communication and problem solving *2*___, fax or email.

Communication style is direct, frank and straight-forward. People usually mean what they say and say what they mean. Most Australians do not hesitate to say 3 ____.

Australians tend to be enthusiastic conversationalists and debaters. Acceptable communication topics are: the weather, sports (particularly Australian Football in Victoria, and National Rugby League in New South Wales and Queensland). Anything related in a positive way to Australia is an okay topic. Religion, politics and sex are usually not discussed unless your Australian counterpart brings it up. Be careful not 4 ____ the Australian way, as they can be quite sensitive about it. Topics which are currently controversial in Australia include migration and aboriginal issues.

Australians like to joke about themselves, but they are not receptive to others doing the same. Australians try not to draw too much attention to their academic qualifications or any other 5 _____. Specific to Australian culture is the 'tall poppy syndrome', meaning that Australians avoid standing out from the group (being a 'tall poppy'). Don't boast about yourself or your company. Instead, let them 6 ____ through your actions.

Task 4. Learn the following most common Australian expressions of slang. Make up your own dialogs with them.

Common Australian expressions

People new to Australia, particularly from non-English speaking backgrounds who have learned English at school, will probably be unfamiliar with some common Australian expressions or slang. Slang words originate from many different sources. Australians also use shortened versions of longer words.

- arvo – means 'afternoon'. 'I'll give it to you this arvo' means 'I will give it to you this afternoon'.
- fortnight – means two weeks. Many employees are paid fortnightly – every two weeks.
- snag - sausages. Usually the raw type cooked at a BBQ. These can be made of pork, beef or chicken.
- chook - chicken.
- cuppa - a cup of tea or coffee. "Drop by this arvo for a cuppa" means 'Come this afternoon for a cup of tea or coffee'.

Topic 8. Conflict and negotiation styles across cultures

Task 1. How good are you at managing conflict? Answer the questions in the quiz below. Then count your score and compare it with a partner.

Quiz

1. *You are in a meeting. People cannot agree with each other. Do you*

- a) say nothing?
- b) intervene and propose something new?
- c) take sides with those you like?
- d) suggest a 10-minute break?

2. *Your two closest friends have an argument and stop speaking to each other. Do you*

- a) behave as though nothing has happened?
- b) bring them together to discuss the problem?
- c) take the side of one and stop speaking to the other?
- d) talk to each one separately about the situation?

3. *You see two strangers. One begins to hit the other. Do you*

- a) pretend to be an off-duty police officer, and ask them what is going on?
- b) call the police?
- c) shout at them to stop?
- d) walk away quickly?

4. *Your neighbors are playing very loud music late at night. Do you*

- a) ask them to turn it down?
- b) do nothing?
- c) call the police?
- d) play your own music as loudly as possible?

5. *You are in the check-in queue at a airport. Somebody pushes in. Do you*

- a) ask them to go to the back of the queue?
- b) say nothing?
- c) complain loudly to everyone about people jumping queues?
- d) report them to an airport official?

6. *A colleague criticizes your work. Do you*

- a) consider carefully what they say?

- b) ignore them?
- c) get angry and criticize them?
- d) smile, but wait for an opportunity to get back at them?

Give yourself the following marks.

1	a) 2	2	a) 2	3	a) 3	4	a) 4	5	a) 4	6	a) 4
	b) 3		b) 3		b) 4		b) 2		b) 2		b) 3
	c) 1		c) 1		c) 2		c) 3		c) 1		c) 1
	d) 4		d) 4		d) 1		d) 1		d) 3		d) 2

Results:

6 – 11 You need to improve your conflict management skills.

12 – 17 You are quite good at conflict management in certain situations.

18 – 22 You are good at conflict management in most situations.

23 – 24 You are excellent at conflict management. You should be working for the United Nations.

Task 2. What is the best way to handle a conflict: to avoid the problem or to discuss the problem and find a way out of the difficult situation? Prove your opinion using the following phrases:

- to argue with each other
- to show one's frustration by being aggressive
- to sort out the conflict in a constructive way
- to address the problem with somebody directly
- to ask what is wrong
- to listen to your partner carefully
- to understand one's problems and concerns
- to work out a way out of the situation constructively

Task 3. Work in 4 groups. Read one of the following articles (from the *Financial Times*). Before you read, match the words from the article with their definitions:

Group 1.

1. tactics	a. be flexible
2. make compromises	b. not changing your opinion or attitude
3. consistency	c. the methods you use to get what you want

Negotiations are demanding and may become emotional. You may find your negotiator banging his or her fist on the table or leaving the room. Accept such tactics with patience and calmness. They are designed to make it difficult for you to concentrate. **Russian negotiating teams** are often made up of experienced managers whose style can be like a game in chess, with moves planned in advance. Wanting to make compromises may be seen as a sign of weakness.

Group 2.

4. speak your mind	d. when you find out what the other side wants
5. place great weight	e. say what you think
6. exploratory phases	f. consider very important

As well as being formal, negotiations are direct. **German managers** speak their mind. They place great weight on the clarity of the subject matter and get to the point quickly. Excessive enthusiasm or compliments are rare in German business. You should give a thorough and detailed presentation, with an emphasis on objective information, such as your company's history, rather than on clever visual or marketing tricks. Prepare thoroughly before the negotiation and be sure to make your position clear during the opening stage of the talks, as well as during their exploratory phases. Avoid interrupting, unless you have an urgent question about the presentation.

Group 3.

7. small talk	g. style of behavior
8. protocol	h. polite or social conversation
9. manner	i. the way things are done on official occasions

Communications is a natural talent of **Americans**. When negotiating partners meet, the emphasis is on small talk and smiling. There is liberal use of a sense of humor that is more direct than it is in the UK. Informality is the rule. Business partners do not use their academic titles on their business cards. This pleasant attitude continues in the negotiation itself. US negotiators attach little importance to status, title, formalities and protocol. They communicate in an informal and direct manner on a first-name basis. Their manner is relaxed and casual. The attitude ‘time is money’ has more influence on business communications in the US than it does anywhere else. Developing a personal relationship with the business partner is not as important as getting results.

Group 4.

10. counterparts	j. unplanned thoughts
11. spontaneous ideas	k. give your opinion
12. put your point across	l. the people on the other negotiating team

At the start of the negotiations with **Spanish partners** you should have documentation available in Spanish. Business cards should carry details in Spanish and English. During the negotiation your counterparts may interrupt each other, or even you. It is quite common in Spain for this to happen in the middle of the sentence. For several people to talk at the same time is accepted in Latin cultures, but is considered rather unusual in Northern Europe. The discussion is likely to be lively. In negotiations, Spanish business people rely on quick thinking and spontaneous ideas rather than careful preparation. It may appear that everybody is trying to put his or her point across at once. That can make negotiations in Spain intense and lengthy, but also enjoyably creative.

Task 4. Answer these questions.

In which country (Russia, Germany, the US or Spain):

1. should you start a negotiation with general conversation?
2. do negotiators show strong emotions?
3. is it common for there to be several conversations at the same time during a negotiation?

4. do negotiators focus on results rather than developing relationships?
5. do negotiators plan their tactics carefully?
6. should you not stop someone while they are talking?
7. is it usual for the atmosphere to be relaxed and friendly?
8. do negotiators prefer to think of ideas during a negotiation rather than before it starts?
9. do negotiators like to talk about business immediately?
10. should you not give the other side too much as they will not respect you?

Task 5. Say which of the following are good ways of dealing with conflict in a negotiation? Prove your answer.

1. avoid eye contact
2. smile a lot
3. sit back and appear relaxed
4. stop the discussion and come back to it later
5. say nothing for a long time
6. say 'I see what you mean'
7. focus out why the other side is unhappy
8. focus on the issues not on personalities
9. say something humorous
10. speak calmly and slowly

Task 6. Read the following paragraph and answer the questions after it.

You have probably heard jokes like this (British) one:

What is the difference between heaven and hell? In heaven, the French are the cooks, the Germans are the engineers, the British are the politicians, the Swiss are the managers, and the Italians are the lovers. In hell, the British are the cooks, the French are the managers, the Italians are the engineers, the Germans are the politicians, and the Swiss are the lovers. **Do you find such stereotypes amusing or offensive? Is there any truth in national stereotypes? Do cultural habits have an effect on business practices and management styles?**

Topic 9. Negotiations across cultures

The American Business Culture

Read the following text. Pay attention to the phrases in a bold type and write down their translations. Retell the passage using phrases in a bold type.

What you should know before negotiating

Americans and businessmen and women in particular are very task-oriented. They **get a goal in mind** and **work until achieving it**. An American is likely **to avoid chit-chat** as idle chatter and in a business meeting want to talk about business and little else. "Let's get our **focus on the bottom line**" is an Americanism that reflects this tendency. Therefore be careful to not **distract the conversation from the business** at hand. Direct your comments towards identifying, and especially, solving problems. The people will feel more confidence in you when they feel that you are **putting your heart behind the project** at hand, whatever it may be. A big part of Americans' **lives revolve closely around their work**, and although they may politely complain about it, the truth is that they like it like that. Americans do love to have fun, but it has its place, and that place should not interfere with work or a man (or woman) earning his (or her) livelihood.

The Canadian Business Culture

Complete the text about negotiating with Canadians. Retell it.

What you should know before negotiating

low-key aggressive assertive wealth power casualness ease
--

While Canadians are often confused with Americans by non-North Americans who see few differences between the two peoples, please don't make that mistake. Americans are much more 1 _____ whereas Canadians are generally 2 _____ and prefer to 3 _____ into business discussions.

Cynicism is a part of the national character, which is directed at those who make conspicuous shows of 4 _____ and/or 5 _____ . In Canada, there is great love for the 'underdog'.

Canadians generally dislike 6 _____ sales techniques. They tend to value low-key sales presentations. Modesty,

7 _____, and an air of nonchalance are characteristic attitudes in Canadian business culture.

The British Business Culture

Complete the text about negotiating with business people in Great Britain using word combinations from the box.

What you should know before negotiating with the British

business culture
conducting negotiations
undemonstrative nature
business cards
dignified authority
final decision

Whilst younger, junior employees are perfectly capable of _____ at a distance, it is always desirable to send older, senior representatives to the United Kingdom for face-to-face discussions. This is not to say that British businessmen believe young people are incapable of performing the task, but there is an element of distrust of whizz-kids straight of business school with a gleaming MBA. Attitudes are changing gradually but there remains a strong tradition in the UK of learning your trade 'on the job' and valuing experience more than certificates. Consequently, older people are often better able to assume the air of _____ that is respected in British business culture.

In keeping with their _____, British businessmen approach their work in a detached way that regards objective facts and solid evidence as the only legitimate forms of persuasion; feelings and personal relationships are usually irrelevant.

Thorough preparation is important: you should bring a plentiful supply of _____ and ensure that you have the proper materials for making effective presentations. Very often the British prefer to 'muddle through' without a conceptual template.

Whilst teamwork is important, British _____ remains essentially hierarchical. A wide range of input is valued and a consensus may be reached but the _____ still rests with the most powerful (usually, but not always, the most senior) individual who may or may not be chairing

any given meeting. The British work well as a team and reach team decisions but the boss remains somewhat apart from the team.

The Australian Business Culture

Read the following text. Retell the passage (one–two sentences for each paragraph). You may start your sentences with ‘you should’ and ‘you shouldn’t’.

What you should know before negotiating

Australians like to talk business from the start, with very little small talk. Speak plainly and expect what you say to be taken literally. In turn, interpret what Australians say to you in the same direct manner. Often, Australians will be trusting people they consider their equals.

Australians are usually distrustful of authority and of people who think that they are somehow ‘better’ than others. During conversation, remain modest at all times, and refrain from drawing attention to your education, professional experience, business success, and related achievements. You must never give an impression that your organization is doing better than their organization.

Cynicism is an important part of the national character. A great deal of cynicism is directed at people who seem too wealthy or powerful. In this culture, there is greater respect for the ‘underdog’.

Australians generally dislike negotiation and aggressive sales techniques. They value directness; therefore presentations of any kind should be straightforward, with an emphasis on both the positive and negative outcomes.

Keep your presentation simple and ‘to-the-point’. Digressions or excessive details will not be well-received by an Australian audience. The facts, details, benefits and downsides of a proposal should be clearly presented.

Modesty, casualness, and an air of nonchalance are characteristic attitudes in Australian business culture. The work environment in Australian business culture tends to be collaborative. Before a decision is made, top management will consult subordinates and their input will be given careful consideration.

Texts for listening and comprehension activities.

Text 1.

Money

In our world we have different kinds of money. Money is made of metals or paper and is very colorful. In our world we can't live without money.

But modern money has some very serious disadvantages if we use it as means of storing up buying power. In earlier times when money was in the form of gold and silver coins the metal in each was really worth the amount stamped on the coin. But the paper in modern paper money is worth much less than the amount written on it. In a short time the buying power of modern money can change and so some people are doubtful about saving money and putting it in a bank.

Money is a medium of exchange that is generally acceptable by all persons within the immediate community. For example, the immediate community is the United States and its territories and possessions. In addition to serving as a medium of exchange, money serves as a store of value (your savings), a unit of accounts (your means of comparing prices of goods and services) and a standard of deferred payment (your claim on goods and services that can be exercised now or in the future).

Text 2.

Currency

In most cases, each private central bank has monopoly control over the supply and production of its own currency. To facilitate trade between these currency zones, there are exchange rates, which are the prices at which currencies can be exchanged against each other.

In cases where a country does have control of its own currency, that control is exercised either by a central bank or by a Ministry of Finance. In either case, the institution that has control of monetary policy is referred to as the monetary authority. Monetary authorities have varying degrees of autonomy from the governments that create them. In the United States, the Federal Reserve System operates without direct oversight by the legislative or executive branches. In almost all Western countries, the monetary authority is largely independent from the government.

Several countries can use the same name for their own distinct currencies (e.g., dollar in Canada and the United States). By contrast, several countries can also use the same currency (e.g., the euro), or one country can declare the currency of another country to be legal tender. For example, Panama and El Salvador have declared U.S. currency to be legal tender.

Text 3.

The Bank of England

Most countries have a central bank, which is responsible for the banking system. The central bank in the UK is the Bank of England, which was taken into public ownership in 1946. It has many responsibilities.

1. It is the government's bank. It handles the income and expenditure of Exchequer and other government departments.
2. The clearing banks maintain accounts at the Bank of England. The final cash settlements within the banking system and between the banking system and the Bank of England take place through these accounts. The Bank is a banker for about 100 overseas central banks and international monetary institutions.
3. It manages the national debt. This is a major responsibility which involves making repayments on government securities when they mature, undertaking new issues of long-term securities, making regular payments on interest to holders of existing government securities, and handling the weekly issues of Treasury bills.
4. It is the lender of last resort. The Bank of England stands ready to come to the assistance of the banking system in times when it is threatened by a shortage of cash.
5. It acts as the government's agent in the foreign exchange market, in which it can intervene to influence the value of sterling against other currencies.
6. It has the responsibility for carrying out the government's monetary policy.
7. It has legal powers to supervise the operations of other banks. All banks are expected to supply the Bank of England with information about their business and they have to respond to directives given to them by the Bank.

Text 4.

Keep Your Financial Data Safe Online

We live in an increasingly online world. You can trade stocks, buy groceries, pay bills - almost any financial transaction you need to make can be done in the comfort of your own home, at your computer. Here are some tips that you can use when you're online to keep your identity safe.

1. Only Make Purchases On Trusted Sites

The best way to make sure that your information doesn't get intercepted is by simply sticking with trusted, well-known online retailers, or smaller sites that use reputable payment processors like PayPal or Google Checkout. Regardless of which site you use, you should always make sure to look for the padlock icon on the bottom of your browser to verify that the page is safe.

2. Know How to Spot Phishing

Phishing is a technique used by identity thieves to get your sensitive information by pretending to be a site you trust. Phishing schemes are successful because you believe that you're just signing into your bank or credit card account, when it's really a ploy to get your important information. When logging into these accounts, make sure that you're not being asked for any information that you usually wouldn't be required to provide to log in.

3. Can the Spam

Be very leery of "spam" (or junk email) that works its way into your email inbox. Not only are these messages often from phishers, but they can also contain Trojan horses (viruses) that can get into your computer and send your information back to their unsavory creators.

Text 5.

The consumer credit boom

The people of the United Kingdom are estimated to own around a trillion pounds in personal debt, which is about £16,000 for every man, woman and child. Much of this debt is of course in the form of mortgages, but an ever-increasing proportion is in the form of consumer credit: the numerous ways in which the British public are able to “buy now, pay later”.

An inevitable result of this is that an increasing number of people are taking on more debt than they can service. Credit cards and store cards especially can have very high APRs (annual percentage rate), and the interest soon mounts up, pushing the borrower further and further into the red. Repayment in full may simply become impossible.

Naturally, creditors try to avoid lending money to people who won't be able to pay it back. Although they may not know it, every person who has ever had dealings with a financial institution (for example, had a bank account) has a credit rating. This data is stored on computers by credit reference agencies, and before agreeing to a loan, most creditors will check the applicant's credit rating.

The boom in consumer credit could have serious repercussions for lenders. If people are genuinely unable to repay their debts, ultimately there is very little their creditors can do about it.

Text 6.

Commercial Banking

Commercial banks are businesses that trade in money. They receive and hold deposits, pay money according to customers' instructions, lend money etc.

There are still many people in Britain who do not have bank accounts. Traditionally, factory workers were paid wages in cash on Fridays. Non-manual workers, however, usually receive a monthly salary in the form of a cheque or a transfer paid directly into their bank account.

A current account (US checking account) usually pays little or no interest, but allows the holder to withdraw his or her cash with no restrictions. Deposit accounts (in the USA also called time or notice accounts) pay interest. They do not usually provide cheque (US check) facilities, and notice is often required to withdraw money. Standing orders and direct debits are ways of paying regular bills at regular intervals.

Banks offer both loans and overdrafts. A bank loan is a fixed sum of money, lent for a fixed period, on which interest is paid; banks usually require some form of security or guarantee before lending. An overdraft is an agreement by which a customer can overdraw, i.e. run up a debt to an agreed limit; interest on the debt is calculated daily.

Banks make a profit from the spread or differential between the interest rates they pay on deposits and those they charge on loans. They are also able to lend more money than they receive on deposits because depositors rarely withdraw all their money at the same time.

Text 7.

Banking channels

Banks offer many different channels to access their banking and other services:

A branch, banking centre or financial centre is a retail location where a bank or financial institution offers a wide array of face-to-face service to its customers.

ATM is a computerized telecommunications device that provides a financial institution's customers a method of financial transactions in a public space without the need for a human clerk or bank teller. Most banks now have more ATMs than branches, and ATMs are providing a wider range of services to a wider range of users. For example in Hong Kong, most ATMs enable anyone to deposit cash to any customer of the bank's account by feeding in the notes and entering the account number to be credited. Also, most ATMs enable card holders from other banks to get their account balance and withdraw cash, even if the card is issued by a foreign bank.

Mail can be used to deposit cheques and to send orders to the bank to pay money to third parties. Banks also normally use mail to deliver periodic account statements to customers.

Telephone banking is a service provided by a financial institution which allows its customers to perform transactions over the telephone. This normally includes bill payments for bills from major billers (e.g. for electricity).

Online banking is a term used for performing transactions, payments etc. over the Internet through a bank, credit union or building society's secure website.

Text 8.

Management of working capital

Management of working capital will use a combination of policies and techniques which aim at managing the current assets and the short term financing.

Cash management. Identify the cash balance which allows for the business to meet day to day expenses, but reduces cash holding costs.

Inventory management. Identify the level of inventory which allows for uninterrupted production but reduces the investment in raw materials - and minimizes reordering costs - and hence increases cash flow.

Debtors management. Identify the appropriate credit policy, i.e. credit terms which will attract customers, such that any impact on cash flows and the cash conversion cycle will be offset by increased revenue and hence Return on Capital.

Short term financing. Identify the appropriate source of financing, given the cash conversion cycle: the inventory is ideally financed by credit granted by the supplier; however, it may be necessary to utilize a bank loan (or overdraft), or to "convert debtors to cash" through " factoring".

Financial risk management. Risk management is the process of measuring risk and then developing and implementing strategies to manage that risk. Financial risk management focuses on risks that can be managed ("hedged") using financial instruments (typically changes in commodity prices, interest rates, foreign exchange rates and stock prices).

Text 9.

Financial Statements

Companies are required by law to give their shareholders certain financial information. Most companies include three financial statements in their annual reports.

The profit and loss account shows revenue and expenditure. It gives figures for total sales or turnover (the amount of business done by the company during the year), and for costs and overheads. The first figure should be greater than the second: there should generally be a profit – an excess of income over expenditure. Part of the profit is paid to the government in taxation; part is usually distributed to the shareholders as a dividend, and part is retained by the company to finance further growth, to repay debts, to allow for future losses, and so on.

The balance sheet shows the financial situation of the company on a particular date, generally on the last day of its financial year. It lists the company's assets, liabilities and shareholders funds. Business's assets consist of its investments and property, and amounts of money owed by customers of goods and services purchased on credit. Liabilities consist of all the money that a company will have to pay to someone else, such as taxes, debts, interest and mortgage payments, as well as money owed to suppliers for purchases made in credit. The alternative term for shareholders' funds is Net Assets. This includes share capital (money received from the issue of shares), sometimes share premium (money realized by selling shares at above their nominal value), and the company's reserves.

A third financial statement has several names: the source and application of funds statement, the funds flow statement, the cash flow statement. This statement shows the flow of cash in and out of the business between balance sheets dates.

Glossary

A	
acceptable	принимаемый
acceptance	принятие, акцепт
access	получать доступ
accept	принимать
accounting equation	сбалансированность дебета и кредита
accrue	накапливать
achieve	достигать
advanced	усовершенствованный
aggregate	соединять
allocation of working capital	распределение оборотного капитала
allow	позволять
allow for future losses	учитывать будущие потери
annual reports	годовые отчеты
applicant	кандидат
application	применение
application form	форма заявки
appropriate	адекватный, соответствующий
appropriate source of financing	соответствующий источник финансирования
APR (annual percentage rate)	ежегодная процентная ставка
arise	возникать
array	множество
asset side	колонка активов
asset valuations	оценка активов
assets	активы
assets and liabilities	актив и пассив баланса компании
ATM	банкомат
authority	власть
available	располагаемый, доступный
avoid	избегать

В	
balance reader	считывающее устройство
balance sheet	балансовый отчет
balance sheet statement	балансовый отчет
bank charges	плата за услуги банка
bank teller	банковский служащий
bank vault	банковское хранилище
bars	слитки
barter	бартерная сделка
be coined	быть отчеканенным
be doubtful	сомневаться
be exercised	быть осуществленным
be melted down	быть расплавленным
be offset	быть возмещенным
be referred to	зд. называться
be verifiably countable	быть поддающимся подсчету
be worth	стоить
billers	организации, рассылающие счета за услуги
biro on a chain	шариковая ручка на цепочке
bond market	рынок ценных бумаг
bonds	облигации, ценные бумаги
boost	поднимать, стимулировать, увеличивать
borrower	заемщик
break down	подразделять
building society	строительная компания
business enterprise	торговая фирма
buy groceries	покупать продукты питания
buying power	покупательная способность
С	
can	остановить
carry out monetary policy	проводить валютную политику
cardholders	держатели карточек
cash conversion cycle	цикл конверсии наличности
cash flow	поток наличности

cash holding costs	расходы наличными
cash settlements	расплата наличными
charge	взимать
check	проверять
checkable deposit	вклад, поддающийся учету
checking account	текущий счет
checking deposit	вклад на текущем счете
claim	платежная квитанция, заявление о платеже
commodity money	товарные деньги
community	общество, сообщество
company law	законодательство о компаниях
compare	сравнивать
compel	заставлять
complete a transaction	выполнить операцию
complement	дополнять
conduct payments	осуществлять платежи
confirmatory	подтверждающий
conform	соответствовать
consumer credit	потребительский кредит
convenience	удобство
convenient	удобный
convert	превращать
corporate value	финансовая ценность компании
costs	затраты
cost-savings	снижение издержек
counterfeit	подделывать
creators	создатели
credit granted by the supplier	кредит, предоставляемый поставщиком
credit rating	оценка кредитоспособности
credit reference agencies	агентства кредитной информации
credit terms	условия кредитования
credit union	кредитный союз

currency supply	поступление валюты
current account / checking account	текущий счет
current assets	оборотный капитал
current liabilities	текущие долги
D	
day to day expenses	ежедневные расходы
debit card	платежная карточка
debt	задолженность
debt financing	финансирование путем получения займов
declare	объявлять
decrease	уменьшать
deduct tax	вычитать налог
deferred payment	отсроченный платеж
deliver periodic account statements	доставлять периодические выписки по счету
demand deposits	бессрочные вклады
deposit account / time account / notice account	депозитный счет, срочный вклад
deposit slip	бланк о вносе депозита
developing and implementing strategies	создание и применение стратегий
device	устройство
difference	разница
differential	разность
direct debits	прямые дебиты
direct oversight	прямой надзор
disadvantages	недостатки
distinct	отличный
dividend	дивиденд
divisible	делимый
durable	долговечный
durable money	долговременные деньги
E	
easily tradable	легко используемый для

	обмена
electronic purse	электронный кошелек
emerge	появляться, возникать
enable	давать возможность
encryption technology	технология шифрования
enhance	усиливать
ensure	гарантировать
entity	юридическое лицо
equal	равняться
equity	собственный капитал
equity claims	акции
equity financing	финансирование за счет акционерного капитала
equity or the net assets	актив или нетто-актив
estimate	оценивать
eventually	в конечном счете
ever-increasing	постоянно увеличивающийся
exceed	дополнительный, избыточный
excess	избыток
exchange rate	обменный курс
Exchequer	казначейство
executive branch	исполнительная власть
expand	расширять
expansion	расширение
expenditure	расход
expenses	расходы
expenses incurred	расходы, которые были понесены
extensive set of notes	обширный набор документов
F	
facilitate	облегчать, способствовать
factoring	факторинг
features	характеристики
feed in the notes	вводить банкноты
fiat money	неразменные бумажные деньги
fill in the form	заполнять бланк

financial condition	финансовое положение
financial statement	финансовый отчет
fine-tune	точно настраивать
flexibility	гибкость
foreign exchange market	валютный рынок
frequently	часто
friendly	благоприятный, удобный
fungible	заменяемый
G	
Gearing Ratio	соотношение собственных и заемных средств компании
genuine	подлинник
genuinely	действительно
get an appointment	встретиться
glossy leaflets	глянцевые буклеты
goals	цели
gold backing of currency	золотое обеспечение денег
government	правительство, правительственный
government securities	государственные ценные бумаги
guarantee	гарантия
H	
handle	управлять
have dealings	иметь деловые отношения, контакты
hedge	застраховаться
High Street Bank	коммерческий банк
highly convenient	очень удобный
hold deposits	держат вклады
holders	владельцы
hybrid securities	гибридные ценные бумаги
I	
identify	определите
identity thieves	воры, получающие доступ к личной информации по

	банковскому счету
immediate	немедленный
income	доход
income and expenditure	доходы и расходы
income statements	отчет о доходах и расходах
increase	увеличивать
increased revenue	увеличенный доход
increasing number	все большее количество
inevitable	неизбежный
inherent value	внутренняя стоимость, собственная ценность
instantaneously	мгновенно
institutional setting	тип учреждения
intangible assets	нематериальные активы
Integrated Circuit (IC) Chip	Чип интегральных микросхем, чип ИМС
intercept	перехватывать
interdependent	взаимозависимый, взаимосвязанный
interest rates	процентные ставки
intermediary	посредник
intervene	вмешиваться
intrinsic	внутренний, свойственный
invention	изобретение
inventories	материальные запасы
inventory	материально- производственные запасы
investigate	изучить
in either case	в любом случае
in further detail	более подробно
in return	взамен
in this regard	в этом отношении
in time	вовремя
issuing of banknotes	эмиссия банкнот
К	
keep your identity safe	сохранить личную

	информацию о счетах в безопасности
L	
layout	схема
leery	подозрительный
legal powers	законные права
legal tender	законное средство платежа
legislative branch	законодательная власть
lender	кредитор
lender of last resort	кредитор неприкосновенного запаса государства
leverage	леверидж, доля заемных средств компании
liabilities	задолженность, обязательства
lightweight device	легкое устройство
liquid	ликвидный
liquid asset	ликвидный актив
limit	предел
load	загружать
loan	ссуда
lock code	код замка
log, log in	регистрировать, вводить
log of the last ten transactions	журнал последних операций 10
low spread	низкая степень разрыва
luxury item	предмет роскоши
M	
mail	почта
maintain accounts	иметь счета
make acquisitions	делать приобретения
make purchases	делать покупки
manage the national debt	управлять государственным долгом
mature	наступать (о сроке платежа)
measure	мера
measuring risk	оценивание степени риска

medium of exchange	средство расчетов
means	средство
monetary aggregate	денежный агрегат
monetary authority	главное денежно-кредитное учреждение страны
monetary base	денежная база
monetary institutions	финансовые учреждения
monetary item	денежная сумма
monetary policy	валютная политика
monetary policy measure	показатель денежно-кредитной политики
monetary value	денежная стоимость
money flows	движение денег по каналам обращения
money market deposit	депозит финансового рынка
money supply	денежный ресурс, денежная масса
money transmission services	услуги по переводу денег
mortgage	ипотека
mount up	расти, увеличиваться
N	
needs	потребности
net worth	собственный капитал
new dimension	новое измерение
non-profit	некоммерческий
notes	банкноты
notice	уведомление
numerous ways	многочисленные способы
O	
obtain	получать
order and pay immediately	заказывать и платить немедленно
ordinary cash	обычные наличные деньги
overdraft	овердрафт
overdraw	превышать ограничение
overheads	накладные расходы

overseas banks	заграничные банки
owner	владелец
owner's equity	собственный акционерный капитал
ownership	собственность
ownership equity	собственный акционерный капитал
P	
padlock icon	иконка «замок»
particularly	особенно
pass the savings	перевести сбережения
pay bills	платить по счетам
pay dividends	платить дивиденды
pay in	вносить деньги на текущий счет
payment processors	производители платежей
perform transactions	производить операции
perishable	скоропортящийся
perishable goods	скоропортящиеся товары
person-to-person payments	адресно-персонифицированные платежи
personal debt	личный долг
ploy	трюк, уловка
pocket	присваивать
point-of-sale (POS) device	электронный терминал торговой точки
portfolio	портфель ценных бумаг
possess	обладать
precious metals	драгоценные металлы
pretend	притворяться
productive capacity	производственная мощность, производительность
profit per employee	прибыль в расчете на одного работника
Profits and Loss or P&L	отчет о финансовой

	деятельности (компании)
Profit and Loss statement/account	счет прибылей и убытков
property	собственность
prosper	процветать
public ownership	государственная собственность
public space	общественные места
purchased on credit	купленный в кредит
purchases made in credit	покупки сделанные в кредит
push smb. into the red	все больше вводить в долги
Q	
queues	очереди
R	
raise finance	получать средства
range	располагаться
rare	редкий
ratio analyses	анализ относительных показателей
raw materials	сырье
real estate	недвижимость
receipt of value	квитанция
receive	получать
recognize	признавать
reduce	уменьшать, сокращать
regardless	независимо от того
regular payments on interest	регулярные выплаты процентов
relevant	уместный, соответствующий
relevant documents	необходимые документы
reordering costs	затраты на повторный заказ
repay debt	возмещать долг
repayment in full	выплата долга в полном объеме
repercussions	последствия
repurchase agreements	соглашение о продаже и

	обратной покупке
reputable	уважаемый
responsibilities	сферы деятельности, сферы ответственности
restrictions	ограничения
retailers	фирмы–акцептанты, розничные продавцы
retain	сохранять, удерживать
return to/on capital	доход на капитал
revenue / income	доход
revenues	доходы
run	управлять
S	
safe facilities for money and valuables	услуги по хранению денег и ценностей
sale	продажи
savings	личные сбережения
savings account	сберегательный счет
savings deposit	сберегательный депозит
scarce	недостаточный
secure	безопасный
securely	надежно, безопасно
security	безопасность, надежность
sensitive information	важные сведения
service providers	провайдеры услуг
settlement	взаиморасчет
share premium	премия акции
shares	акции
shortage of cash	нехватка денежных средств
signature	подпись
simple	простой
simplify	упрощать
snapshot	промежуточный отчет
sophisticated security layers	сложные уровни защиты
spot	определять
spread	разница, разрыв

stamp	отпечатывать
standing orders	регулярные заказы
Statement of cash flows	отчет о потоках наличности
Statement of retained earnings	отчет о нераспределенной прибыли
stock	акционерный капитал
store	накапливать
store card	магазинная карточка
store of value	средство сбережения
store up	накапливать
subject to decay	поддающийся разрушению
submit	предоставлять
substitute	заменитель
supervise	контролировать
supply with information	предоставлять информацию
T	
taxation	налогообложение
taxes	налоги
terms on credit	условие кредитования
thus	таким образом
time deposit	срочный депозит
token	символ
trade stocks	торговать акциями на фондовой бирже
transactions	сделки
transfer	перевод денег
transfer money	переводить деньги
traveler's check	туристический, дорожный чек
Treasury bills	векселя казначейства
tribute	дань
trillion	триллион
trusted sites	проверенные сайты
U	
ultimately	в конечном счете
under penalty of law	под страхом наказания по закону

undertake new issues	брать новый заем
uninterrupted production	бесперывное производство
unit of account	единица учета
unsavory	сомнительный
utility	полезность
utilize a bank loan	использовать банковскую ссуду
V	
valuation framework	структура оценивания
value	стоимость, ценность
value to weight ratio	соотношение ценности и веса
verify	проверять
vary	варьироваться
varying degrees	различные степени
W	
wallet	бумажник
weighted cost of capital	взвешенная стоимость капитала
wider range of services	широкий спектр услуг
widespread	широко распространенный
with consideration	учитывая
withdraw	снимать
withdraw cash	снимать наличные деньги
without charge	бесплатно
without delay	без задержки, безотлагательно
without destroying	не уничтожая
working capital management	контроль, управление рабочим капиталом

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Осадча Т. Ю., Сергеева В. Е. Финансы та бізнес у різних культурах світу. – Навчальний посібник.

Навчальний посібник підготовлено для вивчення предмету «Англійська мова з професійною спрямованістю» для студентів 1 і 2 курсів спеціальності «Фінанси». Він складається з 10 розділів, які включають різнопланові тексти професійної тематики, розраховані як на читання на заняттях, так і на самостійну роботу студентів. Різноманітні завдання посібника готують студентів до обговорення тем професійної сфери «Фінанси» на англійській мові та роблять вагомий внесок у формування їхньої міжкультурної компетентності.

Ключові слова: фінанси, бізнес, міжкультурна компетентність, гроші, банківські послуги, фінанси компанії.

Осадчая Т. Ю., Сергеева В. Е. Финансы и бизнес в разных культурах мира. – Учебное пособие.

Учебное пособие подготовлено для изучения предмета «Английский язык с профессиональной направленностью» для студентов 1 и 2 курсов специальности «Финансы». Он состоит из 10 разделов, которые включают разноплановые тексты профессиональной тематики, рассчитанные как на чтение на занятиях, так и на самостоятельную работу студентов. Разнообразные задания пособия готовят студентов к обсуждению различных тем профессиональной сферы «Финансы» на английском языке и вносят значительный вклад в формирование их межкультурной компетентности.

Ключевые слова: финансы, бизнес, межкультурная компетентность, деньги, банковские услуги, финансы компании.

Osadcha T. Yu., Sergeeva V. E. Finance and business across cultures. – Tutorial.

The manual is designed for studying the course “English for Specific Purposes” for the first and second-year students of the speciality “Finance”. It consists of 10 units, includes a wide range of professional texts, which are intended both for reading in a class and for independent work of students. Various exercises prepare students for speaking on professional topics in English and contribute greatly to their cross-cultural competence.

Key words: finance, business, cross-cultural competence, money, banking, corporate finance.

Навчальне видання

ОСАДЧА Тетяна Юріївна

СЕРГЕСВА Вікторія Євгенівна

FINANCE AND BUSINESS ACROSS CULTURES

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Комп'ютерне макетування – Т. Ю. Осадча

Коректор – Т. Ю. Осадча

Здано до склад. 7.10.2012 р. Підписано до друку 7.11.2012 р.
Формат 60x84 1/16. Папір офсет. Гарнітура Times New Roman.
Друк ризографічний. Умов. друк. арк. 13,83. Наклад 300 прим. Зам. № 199.

Видавець і виготовлювач

Видавництво Державного закладу

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Свідоцтво суб'єкта видавничої справи ДК № 3459 від 09.04.2009 р.