

UNIT 7

1 Complete the sentences with one of the following words.

BONDS, MARKET, PRELIMINARY, SHARE, UNDERVALUED, PRINCIPAL, STOCK, OVERVALUED, INTEREST, INTERIM, LOAN

- 1 We publish _____ results halfway through the year, and then _____ results shortly after the end of the year, before the full report is ready.
- 2 Investment in _____ companies requires patience; you have to wait and hope that prices will rise.
- 3 Nowadays there are many websites showing _____ prices and _____ information to help people manage their investments online.
- 4 If a company is described as _____ then expectations of its share price are usually not too high.
- 5 The company plans to raise more than \$30 m by issuing _____ and is offering investors an attractive rate of _____.
- 6 A proportion of the monthly repayment on a _____ is used to reduce the amount of the _____.

2 Complete each sentence with a word made from the word given in brackets.

- 1 We have to allow 10% per year for _____ of our machinery. (**APPRECIATE**)
- 2 The _____ principle means that although we didn't invoice for the goods until June, we have to record the transaction in April, when the goods were sent. (**ACCRUE**)
- 3 The figure of £50,000 in the 'interest _____' line of our P&L is due to our high level of borrowing this year. (**PAY**)
- 4 The rebuilding costs for our Spanish factory after a fire last year are shown under _____ items on the P&L account. (**EXCEPT**)
- 5 Our _____ profit this year is significantly down on last year due to the difficult economic conditions. (**OPERATE**)

3 Write one word in each gap to complete the sentences.

- 1 The brand names 'Coca-Cola' and 'Fanta' are very valuable _____ assets.
- 2 Our _____ assets include the factory and office buildings.
- 3 Our _____ assets include _____ (e.g. money we have in the bank), _____ (e.g. shares in another company), _____ (e.g. products which are waiting to be sold) and _____ (e.g. money owed to the company).
- 4 Sums we owe are called _____. These can be divided into two types: debts that need to be repaid within the next year, known as _____ and debts that need to be repaid further into the future, which are called _____.
- 5 The money invested by shareholders is called _____.
- 6 _____ is the money that we have to pay to the government, based on our income.
- 7 The sum of the money invested by shareholders and the profits kept by the business (and not paid out in dividends) is known as _____.
- 8 If we take money from the bank in excess of the money we hold in the account, we have an _____.
- 9 Money that has been kept for use in the business and not paid out to investors is called _____.
- 10 The people or companies that we owe money to are our _____.
- 11 Income received from ownership of part of a profitable company is called _____.
- 12 A document containing details of a company's performance over a year is called _____.

4 An auditor is talking to the finance manager of a company. Choose the best word to fill each gap.

Firstly, the machinery in the factory is beginning to wear (1) _____ and therefore the (2) _____ value shown in the balance sheet is probably too high. We recommend writing (3) _____ the value by 20%. The total amount can then be written (4) _____ after five years. Secondly, some of the (5) _____ goods in the warehouse have a much lower (6) _____ value because they are last year's models. Finally, however, the value of some of the (7) _____ goods on the production line can be increased as many of the materials were purchased last year and prices have risen since then.

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|----------------|--------------|------------|
| 1 A down | B off | C out |
| 2 A market | B book | C actual |
| 3 A down | B off | C up |
| 4 A down | B off | C up |
| 5 A unfinished | B final | C finished |
| 6 A book | B market | C reality |
| 7 A unfinished | B incomplete | C finished |

(from Test Your Business Vocabulary Advanced, pp. 47-50)

PASSIVES

Rewrite the following sentences using the verb in brackets.

1. Don McCullin is one of the greatest war photographers. (considered)

Don McCullin is considered to be one of the greatest war photographers.

2. He suffered from recurring nightmares after working in Vietnam. (said)

3. He was an active trade unionist when he was young. (known)

4. The rain will die out this afternoon. (expected)

5. The escaped prisoner is heading for Scotland. (reported)

6. She has an income of over £100,000. (supposed)

7. Three people have been killed in an avalanche. (believed)

8. They were skiing in the area when the avalanche started. (presumed)

9. The rival factions are heading for an agreement on the disputed territory. (thought)

(from New Headway Advanced, Workbook, p. 37)