

A) FINANCIAL ANALYSES AND STATEMENTS

Complete the blanks using the appropriate English expression:

By providing and storing / *spolehlivá* / data and arranging them in various / *výkazy* /, tables, and aggregates (e.g. consolidated statements), financial accounting makes it possible to / *sestavit analýzy* / which give an / *přesný* / picture of the current and / *očekávaný = předjímaný* / financial positions of the firm. From this / *hledisko* /, the following aspects of the financial department's work / *jevit se = vypadat* / APPEAR as the most important:

- to keep / *záznamy* / of all economic activities of the firm for a certain period of time and show its results, / *t.j.* / of and how it achieves a profit or suffers a loss. The resulting document is the / *výsledovka* /.
- to / *sledovat* / of capital structure and sources of financing, which is / *nezbytné = zásadní* / for ensuring a long-term stability and thus the firm's independence, we use / *rozvaha* /.
- to ensure the firm's short-term / *platební schopnost* / and liquidity so that it can / *splnit = dostat čemu* / all its immediate financial / *závazek = povinnost* /, we use the / *výkaz o pohybu hotovosti* /.

B) BALANCE SHEET

Complete the table using with the following English equivalents:

- Total assets
- Short-term receivables / Current receivables
- Fixed assets
- Capital funds / Other equity accounts
- Equity / Total equity
- Funds created from net profit / Reserves (appropriated retained earnings)
- Tangible fixed assets / Tangible assets
- Current assets / Non-fixed assets
- Short-term payables / short-term liabilities
- Bank loans / Bank loans and other credit
- Financial assets / Current liquid assets
- Financial investments / Long-term financial assets / Investments
- Profit (loss) (of previous years + of current period)
- Registered capital / Legal capital (statutory equity)
- Reserves / Allowances
- Long-term receivables
- Other assets
- Liabilities
- Intangible fixed assets / Intangible assets
- Long-term payables / Long-term liabilities
- Total liabilities / Total liabilities and equity
- Other liabilities
- Inventory

ROZVAHA – BALANCE SHEET	
AKTIVA - ASSETS	PASIVA - LIABILITIES
Dlouhodobý majetek / Stálá aktiva 1	Vlastní kapitál / Vlastní jmění 2
- dlouhodobý nehmotný majetek 3	- základní kapitál / základní jmění 4
- dlouhodobý hmotný majetek 5	- kapitálové fondy 6
- dlouhodobý finanční majetek 7	- fondy ze zisku 8
	- hospodářský výsledek (zisk) 9
Oběžný majetek / Oběžná aktiva 10	Cizí zdroje 11
- zásoby 12	- rezervy 13
- krátkodobé pohledávky 14	- krátkodobé závazky 15
- dlouhodobé pohledávky 16	- dlouhodobé závazky 17
- finanční majetek 18	- bankovní úvěry (a výpomoci) 19
Ostatní aktiva 20	Ostatní pasiva 21
Celkem aktiva 22	Celkem pasiva 23

C) DISTRIBUTION OF PROFITS

Complete the text using the words from the box:

**PROFIT SUBJECT RETAINED ENCLOSURES LOSS BOTTOM LINE
INDICATORS ALLOCATED LATTER FIGURES OVERALL BORNE ENTREPRISE**

Profit is one of the key of a successful It should always be in mind that any profit is to the income tax (*AM – corporate tax*), the rates of differ between individuals and corporations and from time to time are changed according to the economic situation. When comparing, it has to be clear if they relate to profits before or after tax, the being the net profit, also known as net income. It is distributed into reserves to be to the reserve fund, profits for re-investment and dividends as rewards for shareholders who invested their money and became co-owners by buying shares. The is written in black, the in red. The final result is shown on the As a rule, profit and loss accounts are accompanied by showing the methods of evaluation, depreciation and other relevant information.

D) DEFINITIONS

Find an expression which fits the definitions below:

to gradually reduce the value of machinery, a vehicle or other asset over a particular period of time, as stated in a company's accounts:

to reduce the cost of an asset in a company's accounts over a period of time, especially an intangible asset (= one you cannot touch):

products that are only partly manufactured at the end of an accounting period, valued at the cost of the materials, labour and some regular costs :

one of the costs involved in running a business, such as staff pay, electricity, materials, etc:
.....

the difference between the value stated on shares that a company issues and the higher amount it receives for them:
.....

tax on profits made during a particular accounting period which only needs to be paid during a later period. (Companies keep an amount of money separate in their financial records to pay for this):
.....

recording a company's financial activities in a way that hides the true situation:

to write or send a bill for work you have done or goods you have provided:

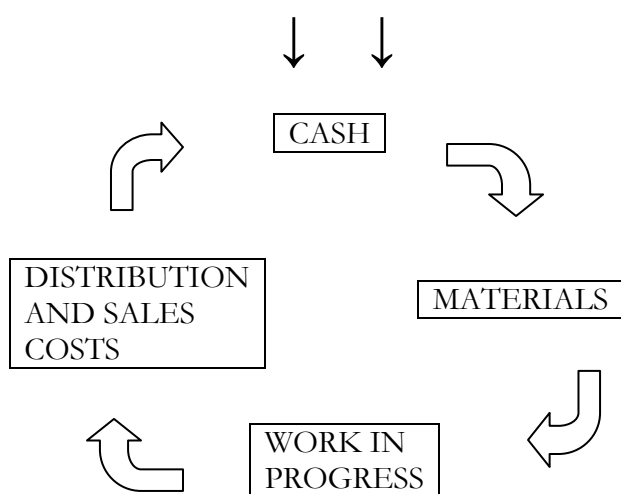
the usual way of keeping a company's financial records, in which each amount spent, received, etc. is recorded with a credit in one account and a debit in another:

Costs such as rent, interest, insurance premium, etc., that are paid in advance of actually incurring them and (as opposed to deferred charges) / money paid for goods or services upfront (this money is considered an asset on the balance sheet):

E) Describe the working capital flow using the chart below:

WORKING CAPITAL FLOW

PROFITS	LOSSES
LOANS	DIVIDEND
SALE OF	PAYMENTS
ASSETS	LOAN
RETURN ON	REPAYMENTS
INVESTMENTS	NEW
	INVESTMENTS



F) Translate:

1. Mezi nehmotná aktiva, jejichž hodnotu lze těžko přeměnit na peněžní prostředky, patří hodnota podniku, autorská práva a ochranná známka.

2. Celková hodnota akcií podniku v jakémkoli daném okamžiku se nazývá tržní kapitalizací. Lze ji vypočítat počtem vydaných kmenových akcií násobeno jejich tržní cenou.

3. Hmotná aktiva jsou vlastnictvím, které má materiální čili fyzickou hodnotu.

4. Provozní kapitál je rozdíl mezi oběžnými aktivy a krátkodobými závazky.

5. Položky, o nichž firma předpokládá, že je bude vlastnit déle než jeden rok, se nazývají stálá aktiva.

G) Complete the sentences using the verbs from the box in the correct form:

RETAIN	DEFER	INCUR	OWE	DISGUISE	ACCRUE
--------	-------	-------	-----	----------	--------

1. The firm debts of over \$10 m.
2. Creative accounting uses all available accounting procedures and tricks the true financial position of a company.
3. An expense is one that is purchased, but not paid for yet. An example would be buying an item with a credit card.
4. Creditors are the amounts that a business to its suppliers or to people who have made loans, shown as liabilities on its balance sheet.
5. Tangible asset is a physical thing that by a company or person, such as goods, machines, buildings and cash.
6. The vast majority of capital spending by companies is financed from earnings.
7. The lenders agreed the first debt repayment.
8. Fixed assets over four years.