

**МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ**

**ХАРКІВСЬКИЙ НАЦІОНАЛЬНИЙ ЕКОНОМІЧНИЙ УНІВЕРСИТЕТ  
ІМЕНІ СЕМЕНА КУЗНЕЦЯ**

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**ПРАКТИКУМ З АНГЛІЙСЬКОЇ МОВИ**

**Навчальний посібник**

**Харків  
ХНЕУ ім. С. Кузнеця  
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The textbook is aimed at forming students' competences necessary to achieve level B1. Both theoretical and practical parts that cover the vocabulary and grammar needed to master the B1 level according to the curriculum are included.

For Master's (second) degree students, speciality 072 "Finance, Banking and Insurance".

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## Вступ

Навчальний посібник розроблено відповідно до завдань та умов вивчення іноземних мов у закладах вищої освіти немовного профілю другого (магістерського) рівня, що сприяє забезпеченню міжпредметного зв'язку, який спрямовує студентів на розвиток мовленнєвих компетентностей англійською мовою.

Метою навчального посібника є надання необхідного навчального матеріалу, що сприяє розвитку мовних компетентностей з іноземної мови (за професійним спрямуванням), таких як розуміння прочитаного тексту за фахом, використання лексики за фахом у професійній діяльності, уміння використовувати граматику. Ця робота зібрана з використанням англійських автентичних джерел і складається з розділів відповідно до програми дисципліни: Insurance, Company Performance, Logistics, Auditing.

Запропоновані тексти дають загальні поняття відповідно до програми навчальної дисципліни і дозволяють студентам розширити свої знання й удосконалити практичні вміння за фахом. Для читання підібрано ряд автентичних текстів, перевірка розуміння яких відбувається шляхом виконання різноманітних завдань. Лексико-граматичні завдання допоможуть студентам творчо працювати, розвивати навички читання, аудіювання, усного монологічного і діалогічного мовлення, проводити дискусії, писати ділові листи, мемо, імейли. Кожна тема містить необхідний лексичний мінімум, передтекстові завдання, які висвітлюють проблему, та післятекстові завдання, що дозволяють перевірити розуміння тексту й закріпити лексико-граматичний матеріал. Завдання розроблено на основі поетапного засвоєння знань, що має забезпечити досягнення поставленої мети.

У навчальному посібнику були враховані вимоги до вивчення іноземної мови, що висвітлені як у програмі навчальної дисципліни, так і в Рекомендаціях Ради Європи з мовної освіти.

# Unit 1. Company Performance

## Reading

### Discuss these questions.

1. What is accounting?
2. When did it start?
3. How has accounting changed in modern times?

### Task 1. Read the text and complete it with the following words.

*Entries, errors, measures, practices, principles, reform, relationships, transactions, bookkeeping, credit, assets, debit.*

Accounting is the measurement of financial (1) ... which are transfers of legal property rights made under contractual (2) ... . Non-financial transactions are specifically excluded due to conservatism and materiality principles. At the core of modern financial accounting is the double-entry (3) ... system. This system involves making at least two (4) ... for every transaction: a (5) ... in one account, and a corresponding (6) ... in another account. Basically, the sum of all debits should always equal the sum of all credits; this provides a simple way to check for (7) ... . This system was first used in medieval Europe; however, claims have been made that the system dates back to Ancient Rome or Greece. According to critics of standard accounting (8) ... accounting has changed little since. In each generation, accounting (9) ... of some kind has been made in order to try to keep bookkeeping relevant to capital (10) ... or production capacity, but such changes have not altered the basic (11) ... of accounting. In recent times, the divergence of accounting from economic principles has resulted in controversial (12) ... to make financial reports more indicative of economic reality.

### Task 2. Text completion. Read this article about investing in BRIC countries in which some sentences are missing. Discuss with a partner what kind of information you would expect to find in each gap.

Investors should look beyond BRICs countries, says PwC report

(0) *A report published by PricewaterhouseCoopers on Tuesday has suggested that investors need to look beyond the BRICS (Brazil, Russia, India, China, South Africa) for future growth opportunities.* The World in 2050: Beyond the BRICS' report concluded that long-term prospects for China, India

and other so-called 'E7' economies (Brazil, Mexico, Russia, Indonesia and Turkey) are still upbeat, but look for the first time at additional 13 emerging economies, which the firm argues also have the potential to grow significantly faster than the established Organisation for Economic Cooperation and Development (OECD) countries. (1) ... "The global centre of economic gravity is already shifting to China, India and other large emerging economies, and our analysis suggests that this process has a lot further to run.

(2) ... India could grow to almost 90 % of the size of the USA by 2050. Brazil seems likely to overtake Japan by 2050 to move into fourth place, while Russia, Mexico and Indonesia all have the potential to have economies larger than those of Germany or the UK by the middle of this century. But the fastest mover could be Vietnam, with a potential growth rate of almost 10 % per annum in real dollar terms".

(3) ... For example, it suggests that Nigeria, while high risk, has the long-term potential to overtake South Africa to be the largest African economy by 2050. (4) ... .

However, with the possible exception of Vietnam relative to Turkey, the additional analysis does not change the conclusion from earlier PricewaterhouseCoopers research that the E7 will remain the largest emerging economies through to 2050. Mr Hawksworth explained that:

"(5) ... In fact, it should prove to be a boost for them through growing income from exports and overseas investments, even as the OECD share of world GDP declines".

**Task 3. Match these sentences and phrases (A – F) with the gaps in the article (1 – 5). The first one (0) is given as an example.**

(0) A. *A report published by PricewaterhouseCoopers on Tuesday has suggested that investors need to look beyond the BRICS (Brazil, Russia, India, China, South Africa) for future growth opportunities.*

B. The rapid growth of the emerging economies does not mean the demise of the established OECD economies.

C. John Hawksworth, Head of Macroeconomics at PricewaterhouseCoopers LLP, observed that.

D. The report also highlights that there are many other alternatives worth considering, depending on the nature of the investment.

E. BRICS economies are likely to continue to benefit from superior growth, from globalisation and from being economically 'coupled' with the developed economies.

F. The Philippines, Egypt and Bangladesh also have high growth potential, but also high risk levels.

### ***Self-assessment task***

**Task 4. Selecting the appropriate language. Look at this text and discuss what kind of word is missing from each sentence. Then complete the gaps in the text. The first one (0) is given as an example.**

#### Accounts receivable

Accounts receivable is (0) **one** of a series of accounting transactions dealing with the invoicing of customers (1) ... owe money to a person, company or organization (2) ... services or goods that have been (3) ... to the customer. In most firms, this is usually (4) ... by issuing an invoice and (5) ... it to the customer to be paid within an agreed timeframe and payment (6) ... . One example of a common payment term is 'net 30', meaning payment is due in the amount of the invoice 30 days from the (7) ... of invoice. While booking a receivable is accomplished by a (8) ... accounting transaction, the process of maintaining and collecting payments on the accounts receivable subsidiary account balances (9) ... be time-consuming. Accounts receivable payments can be received (10) ... to ten to 15 days after the due date has been reached. On a (11) ... balance sheet, accounts receivable is the amount that customers (12) ... to that company. Sometimes referred to as trade receivables, they are (13) ... as current assets.

**Task 5. Word formation. Complete these sentences, which describe notes to the financial statements, using the base word at the end of each sentence. The first one (0) is given as an example.**

0. Notes to the financial statements are *additional* notes and information added to the end of financial statements to provide the reader with more information. (add)

1. These notes help to clarify the ... of specific items in the statements, as well as provide a more detailed assessment of a company's financial condition. (compute)

2. Notes to financial statements can include information on debt, going concern, accounts, contingent ..., or contextual information explaining the figures. (liable)

3. The notes to the financial statements are also used to explain the method of accounting used to prepare the financial statements, i.e. ... basis accounting. (accrue)

4. In consolidated financial statements, all ... should be listed, as well as the amount of ownership that the parent company has in the subsidiary companies. (subsidiary)

5. Any items in the financial statements that are valued by ... should be contained in the notes. (estimate)

6. Differences between the amount of an estimate of any items previously ... and the amount of the actual results should be contained in the notes. (report)

7. Finally, full ... of the effects of such differences between the estimate and the actual results should be in the note. (disclose)

**Task 6. Vocabulary building. Look at the four descriptions below of financial statements. Replace the words in bold with similar words given below.**

*Accrued, collected, condition, covered, dues, expenditure, flow, held, income, money, snapshot, value.*

- The balance sheet. This (1) **statement** of financial position shows a firm's financial (2) **situation** at a specific point in time.

- The profit and loss account. This shows a firm's (3) **revenues** and (4) **expenses** for a period, the amount of profit that is (5) **reinvested** in the firm (or losses to be (6) **funded**), dividends paid to the shareholders, the (7) **accumulated** net profits from any previous year's trading and tax (8) **liabilities**.

- The cashflow statement. This document shows the (9) **movement** of (10) **funds** for a period of time.

- The consolidated financial statements. These are (11) **combined** financial statements of a parent company and its subsidiaries, showing assets, liabilities, and net (12) **worth** for the whole organization.

### ***Speaking***

**Task 7. Small talk. You are visiting a client abroad. It is ten minutes before the start of a meeting with your clients. Introduce yourself to**

**some of the people present and engage in small talk. With a partner, ask and answer questions about:**

- his/her journey;
- how business is;
- how long he/she plans to stay;
- his/her home country;
- whether he/she is a sports fan;
- where he/she is staying;
- the weather;
- his/her interests/hobbies;
- whether he/she will have time for sightseeing;
- his/her opinion about a current affair.

**Task 8. SWOT analysis.**

**A. Your client is considering opening an office in one of the countries below. With a partner, do a SWOT analysis of each country using a table like the one below. Give each country a credit rating, based on your opinion of its overall political and economic risk. You must reach agreement with your partner on each point.**

	Bulgaria	Tunisia	Vietnam	Chile
S (strengths)				
W (weaknesses)				
O (opportunities)				
T (threats)				
Credit rating				

Credit rating bands (Aaa-C): Aaa = excellent; Aa = very high; A = high quality; Ba = low grade; B = very speculative; Caa = substantial risk; Ca = very poor quality; C = imminent default or in default.

**B. Prepare a SWOT analysis of your own country to present to other members of your group or class.**

**Task 9. Talking about yourself: your work style.**

**A. Look at these eight factors and their associated questions. With a partner, ask and answer the questions.**

What kind of person are you? What are your priorities at work?



1. Working with people. Are you a "people" person?
2. Working with systems, computers or new technologies. Are you an analytical person?
3. Being in charge. Are you an effective manager and problem-solver?
4. Opportunity to increase or enhance your current skills. How important is it for you to be able to enhance your skills in this position?
5. Stress level. Do you handle stress well? Can you work effectively under pressure?
6. Employer's management style. Can you easily adapt your working style to suit that of your employer?
7. Size of the company. Do you prefer to work in a large corporate setting?
8. Location of the company. Are you willing to relocate or commute to work?

**B. Decide how important each factor is to you and rate each one on a scale of 1 to 5:**

- 1 = not important; 4 = very important;
- 2 = quite important; 5 = most important;
- 3 = important.

**Task 10. One-minute presentation. Ask and answer these review questions about financial performance with a partner. Then choose one of the questions and prepare to give a one-minute presentation about it to the group. Focus on delivering the presentation very clearly and accurately. Record your presentations and discuss your performance with a partner afterwards.**

Questions about financial performance:

- How would you describe the balance sheet and profit-and-loss account?
- What is a statement of accounting policies?
- What is the difference between financial accounting and management accounting?
- What is an acid test?
- What are SSAPS?
- What is BOX legislation, and what does it mean for the world of accounting?
- Why is the balance sheet important to entrepreneurs?

## **Writing**

**Task 11. Reports: planning your writing. Look at the checklist below. With a partner, discuss which points are important before you start writing, and which you should consider after writing.**

- Read the introduction, topic sentences and conclusion.
- Think about what you plan to write.
- Leave the document for a while, then check it again.
- Read your writing and decide how you can shorten it without losing essential information.
- Revise your text.
- List the main points you wish to include.
- Make each point succinctly.
- Check for grammatical errors and do a spell check.
- Make a paragraph plan.
- Choose the most appropriate format.

**Task 12. Topic summaries. Consider your job. Choose three job-specific themes and write sample titles for reports.**

**Task 13. Accuracy. Complete the letter using the words from the box.**

*An, at, both, by, for, further, how, in, made, nor, of, since, such, the, thereby, this, to, with.*

Dear Mr Price,

Re: Shared European views on IASCF and IASB.

As representatives of preparers, users, auditors and EFRAG, we were grateful for the opportunity to meet (1) ... you and the other trustees on 22 January to exchange views in order to obtain a better understanding of each other's positions. We appreciated the constructive and fruitful discussion. We summarize (2) ... this letter the main European concerns expressed in the meeting regarding global, principle-based standards that were shared (3) ... all European representatives present.

Our common aim is sustaining the European use of global financial reporting standards, (4) ... these standards provide the benefits of increasing confidence in financial markets and of facilitating global investments, (5) ... reducing the cost of capital. We are strongly committed to high-quality, global, principle-based, neutral financial reporting standards.

A principle-based approach (6) ... financial reporting means that clear principles designed to serve the public interest underpin a limited volume of application guidance that show (7) ... those principles should be applied in common situations. This approach promotes consistency and transparency and helps companies, their advisers and auditors to respond appropriately, using professional judgment, to complex situations and new developments in business practice. With (8) ... a framework, participants in the financial reporting chain should not feel the need for, (9) ... require the development of, detailed rules which seek to address all the eventualities that may arise in practice. The IASB/FASB convergence project should not lead to (10) ... increase of rule-based accounting standards.

We welcome the continuously expressed support by (11) ... the IASB and the IASCF for principle-based standards. We call on the IASB to set out the main attributes of principle-based standards and to develop and publish (12) ... comment an illustrative example of a complete principles-based standard with those attributes. (13) ... would add to the credibility of the Board and give a clear indication to the market of the direction in which the IASB is heading when it expresses its support for principle-based standards. (14) ... achievement of a principle-based system will need incremental steps by all financial reporting constituents. The IASB has to play a leading role in this respect.

We commend the IASCF on the good progress (15) ... in improving its governance. We welcome the recently announced accelerated review of the IASCF and IASB governance arrangements aimed (16) ... enhanced public accountability. However, in our view, (17) ... steps are required, as discussed in this letter, to improve the governance of the IASCF and the responsiveness of the IASB to its constituents. We appreciate the great progress made by the IASB in creating the stable platform of standards and repeat our common aim of sustaining the European use (18) ... IFRS.

Yours sincerely,

Chairman of EFRAG Supervisory Board.

## Grammar

**Task 14. Read the following extracts and put the verbs in brackets into the Present Simple or the Present Continuous. Then, say what use of these tenses each extract shows.**

A. Nowadays, it seems life 1) ... (change). Cities 2) ... (become) bigger and busier every year, technological progress 3) ... (develop) faster than ever before, and scientific workers 4) ... (learn) more about the way things work.

B. Water 1) ... (boil) at 100 °C and 2) ... (freeze) when the temperature 3) ... (drop) below 0 °C. Salty water 4) ... (be) different, however.

C. This movie 1) ... (be) great! It 2) ... (have) a splendid all-star cast and the scenario 3) ... (be) very funny. The action 4) ... (begin) when two criminals 5) ... (try) to rob a bank.

D. Martin 1) ... (kick) the ball and 2) ... (pass) it to Steven. Andrew 3) ... (run) down the pitch. He 4) ... (pass) the ball to Salah who 5) ... (shoot) and 6) ... (score)!

**Task 15. Put the verbs in brackets into the Present Simple or the Present Continuous.**

1. – Are you doing anything tomorrow evening?

a) – Yes. I ... (see) Jack at nine o'clock.

b) – I ... (see) you're feeling better.

– Yes, I am, thank you.

2. – What's that noise?

a) – The people next door ... (have) a party.

b) – Graham ... (have) a new computer.

– I know. I've already seen it.

3. – This dress ... (not/fit) me anymore.

– Why don't you buy a new one?

4. – Your perfume ... (smell) nice. What is it?

– It's a new perfume called Sunshine.

5. – What is Jane doing?

– She ... (smell) the flowers in the garden.

6. – What ... (you/look) at?

– Some photos I took during my holidays. They aren't very good, though.

7. – You ... (look) very pretty today.

– Thank you. I've just had my hair cut.

8. – I ... (think) we're being followed.  
– Don't be silly! It's just your imagination.
9. – Is anything wrong?  
– No. I ... (just/think) about the party tonight.
10. – This fabric ... (feel) like silk.  
– It is silk, and it was very expensive.
11. – What are you doing?  
– I ... (feel) the radiator to see if it's getting warm.
12. – She ... (be) generous, isn't she?  
– Yes, she has never been a mean person.
13. – He ... (be) very quiet today, isn't he?  
– Yes, I think he has some problems.
14. – Would you like some cherries?  
– Yes, please. I ... (love) cherries. They're my favourite fruit.
15. – I'm sorry, but I ... (not/understand) what you mean.  
– Shall I explain it again?
16. – The children are making lots of noise today.  
– I know, but they ... (have) fun.
17. – This cake ... (taste) awful.  
– I think I forgot to put the sugar in it!

**Task 16. Put the verbs in brackets into the Future Simple, the Present Simple or the Present Continuous.**

1. A: I ... (see) William at seven o'clock tonight.  
B: Really? I thought he was out of the city.
2. A: ... (you/do) anything on Sunday morning?  
B: No, I'm free.
3. A: I ... (go) to the cinema. There's a new movie on. Do you want to come with us?  
B: What time ... (the movie/start)?
4. A: Helen ... (have) a birthday party.  
Tomorrow. ... (you/go)?  
B: As a matter of fact, I haven't been sent an invitation.
5. A: The new fair ... (open) on August 3rd and ... (finish) on September 31st.  
B: I know. I ... (go) on the first day.
6. A: Aunt Poll ... (come) to visit us today.  
B: I know. What time ... (she/arrive)?

7. A: Excuse me, what time ... (the train/leave)?  
B: At half past five, sir.
8. A: William Thacker ... (give) a concert at the Olympic Stadium next week.  
B: I know. I ... (want) to get a ticket.
9. A: I'm really thirsty.  
B: I ... (get) you a glass of juice.
10. A: Are you looking forward to your party?  
B: Yes. I hope everyone ... (enjoy) it.
11. A: How old is your sister?  
B: She ... (be) three next month.
12. A: What are you doing tonight?  
B: I ... (probably/watch) TV after dinner.
13. A: How do you feel about your tests?  
B: I'm afraid I ... (not/pass) them.
14. A: What would you like to drink?  
B: I ... (have) some water, please.
15. Mr. Roger Simpson is a businessman. His schedule is very tough. He ... (fly) to Ottawa on Friday. And on Monday he ... (give) an interview to "The Economist".

**Task 17. Put the verbs in brackets into the Future Simple, the Present Simple or the Present Continuous.**

1. You (not / like) ... cakes.
2. She (not / study) ... right now.
3. We seldom (go) ... to the cinema.
4. He rarely (not / do) ... his homework.
5. They (not / eat) ... meat every day.
6. We (not / study) ... every night.
7. (You / like) ... salty food?
8. (She / go) ... to Poland often?
9. (He / eat) ... now?
10. We (go) ... to the cinema next Wednesday.
11. They (study) ... now.
12. I (clean) ... my flat every day.
13. She (work) ... every Saturday.
14. We (not / sleep) ... now.
15. He (not / go) ... to the swimming pool very often.

16. It (rain) ... little here.
17. I (go) ... on holiday tomorrow.
18. How long (she / stay) ... in Munich?
19. I often (read) ... at night.
20. We (not / drink) ... much alcohol.

**Task 18. Put the verbs in brackets into the Present Simple or the Present Continuous.**

1. Sophia ... (take) a shower right now.
2. What ... (we / have) for dinner tonight?
3. My brother ... (have) a daughter and two sons.
4. I ... (not / solve) any working problems at the moment.
5. My aunt often ... (come) over for dinner at the weekends.
6. My English class ... (begin) at nine every day.
7. What time ... (you / wake up) at weekend?
8. What ... (you / do) tomorrow morning?
9. I usually ... (not / work) on Saturdays but today I ... (work).
10. He ... (not / sleep) now, he ... (study).
11. How often ... (you / review) your lessons?
12. I ... (not / go) on holiday this winter.
13. Can you speak more articulately please, I ... (not / understand) you.
14. She ... (work) as a manager in a big company.
15. Miss Vanda ... (take) a cello class every Wednesday.
16. It ... (be) usually so humid here in winter time.
17. Don't forget to take your coat, it ... (be) chilly outside.
18. This flower ... (smell) so nice.
19. That jacket over there ... (not / belong) to me.
20. Where ... (you / live)?

**Task 19. Complete the passage with the correct form of the verbs in brackets. Use the Present Simple or Present Continuous.**

If you (1) ... (love) surfing and (2) ... (want) to get a university degree, you should go to Cambridge University in Britain. Students who (3) ... (surf) two or three times a week for fun can now do a degree in surfing, and make a career of it. While surfing (4) ... (look) easy when you watch from the beach, getting a degree is quite hard to achieve. Tom and Sheila are in their last year of school, and (5) ... (take) their A-levels this summer. They both (6) ... (own)

surfboards, but they (7) ... (not surf) much these days. They (8) ... (study) very hard for their A levels. They (9) ... (know) the academic requirements for acceptance to the surfing course are high, and the course itself is also hard. It (10) ... (include) oceanography, marine biology, ecology and the design of wetsuits and surfboards, as well as actual surfing. But Jim and Helen both (11) ... (believe) it's worth the effort. Let's wish them luck.

**Task 20. Choose the correct answer.**

1. He (is appearing / appears) in two shows every month.
2. Shops (close / are closing) late on weekday nights.
3. Don't bother him. He (tries / is trying) to concentrate.
4. Are you busy tonight? We (are having / have) a party.
5. Steve (is seeing / sees) his girlfriend tonight.
6. We (don't think / aren't thinking) this is a good idea.

## Unit 2. Fraud

### *Reading*

**Discuss these questions.**

1. What are the most talked-about cases of accounting fraud?
2. What effect have they had on the world of accounting?

**Task 1. The language of fraud and crime. Match the words and phrases connected to fraud (1 – 11) with their definitions (a – k).**

1. law suit	A. a judgement made in court that someone is guilty of a crime
2. conviction	B. a person who has been convicted of a crime
3. to prosecute	C. to start legal proceedings against a person
4. court ruling	D. a case which goes to court
5. felon	E. to reverse a decision made in court
6. conspiracy	F. blocking the course of justice by refusing to give evidence
7. obstruction of justice	G. to apply for a review of a court case by a higher legal authority
8. to overturn	H. an official decision made in court
9. abatement	I. a plan by two or more persons to commit a criminal or fraudulent act
10. defendant	J. act of annulling a court ruling
11. to appeal	K. a person against whom a claim or charge is brought in court



**Task 2. Sequencing a text. Put the sections of this article about the Arthur Andersen case in the correct order.**

Court ruling overturned on Arthur Andersen

A. Despite this ruling, it is highly unlikely Andersen will ever return as a viable business. Following its prosecution, the firm lost nearly all its clients.

B. From a high of 28,000 employees in the USA and 85,000 worldwide, the firm has been reduced to around 200, most of which are based in Chicago.

C. Three years later, on 31 May, 2005, the Supreme Court of the United States unanimously overturned Andersen's conviction as a result of flaws in jury instructions.

D. In 2002, the auditing giant Arthur Andersen was convicted of obstruction of justice for shredding documents connected to its audit of Enron.

E. Since convicted felons are not permitted to audit public companies, the firm agreed to surrender its licenses and its right to practise before the US Securities and Exchange Commission a few months later.

F. Several years on, there are still over 100 civil suits pending against Arthur Andersen related to its audits of Enron and other companies. After the prosecution, it began winding down its American operations.

**Task 3. Focus on key words. Highlight the key words in these sentences and find the appropriate phrases in Task 2 which provide the same information.**

1. Andersen was prosecuted for destroying auditing documents.
2. Firms proven guilty of criminal activities may not operate, hence the firm gave up its operating permits.
3. Due to inconsistencies in jury guidance, the sentence was reversed several years later.
4. It is improbable that Andersen will make a comeback as a workable firm.
5. Numerous legal proceedings continue against Andersen.
6. The size of the firm has been drastically cut.

**Task 4. Word formation. Complete the sentences with words formed from those in brackets.**

1. Ex Tyco director Frank Walsh pleaded guilty to a ... (felon) charge of taking a \$20 million payment.
2. The CFO was charged with fraud and ... (obstruct) of justice.
3. The firm's former accountant was jailed for ... (conspire) to bribe to a tax official.

4. Following the investigation, several company directors and senior managers face ... (prosecute).

5. In July, a court ... (rule) in Thailand found the wife of the ex-Prime Minister guilty of tax fraud and sentenced her to three years in jail.

6. ... (fraud) financial reporting is intentional reckless acts or omissions that result in misleading financial statements.

### ***Self-assessment task***

**Task 5. Word formation. Complete these sentences using the base word at the end of each sentence.**

1. The Government has introduced the Tax Laws ... Bill 2008 to implement a number of improvements to Australia's taxation system. (amend)

2. Tax experts can help you to prevent real-estate ... and other action by the tax authorities. (seize)

3. A client of the bank faces a \$250,000 fine for providing ... documents for a mortgage application. (fraud)

4. The CEO was sent to prison for ... of justice, as he refused to submit his files to the Inland Revenue. (obstruct)

5. What after-tax return do you expect to get on your ...? (invest)

6. In 2006, there was a ... to defraud Kenyans by a cartel called the Kenya Bankers Association. (conspire)

7. In 1999, Luciano Pavarotti was ... of tax evasion and had to pay almost £6 million to the Italian government. (convict)

8. The IRS is threatening Nicholas Cage with ... for using a company he owns to wrongly write off \$3.3 million in personal expenses. (prosecute)

9. Individuals who reside outside Norway are only ... to return to the country 61 days a year. (permit)

10. Audit secrecy in Russia may be ... if new amendments Russia's banking law are passed. (annul)

**Task 6. Identifying topic sentences. Read the article, then choose the appropriate topic sentence for each paragraph from the sentences (A – G) below. There is one extra sentence which you do not need to use.**

A. A special audit by Moores Rowland Risk Management later revealed that the company had overstated its revenue from 2004 to 2006 by 622 million ringgit.

B. Transmile is just one of several companies now under investigation for financial irregularities, as Malaysia tightens up enforcement against white collar crime.

C. The founder and former chief executive officer of air cargo carrier Transmile Group Bhd was among three people charged in court on Thursday for their roles in one of Malaysia's biggest accounting fraud cases in recent years.

D. Transmile, controlled by Hong Kong based billionaire Robert Kuok, is the highest-profile casualty among listed Malaysian corporates that have unveiled accounting irregularities.

E. All three defendants opted to contest the charges at the Kuala Lumpur Sessions Court and they were released on bail pending a hearing set for January.

F. Transmile, whose chairman is former Transport Minister Ling Liong Sik, is controlled by Hong Kong based Malaysian billionaire Robert Kuok.

G. The revelation of the special audit commissioned by the company's major shareholders sent Transmile stock into a tailspin.

H. The latest accounting scandals in Southern Bank Bhd and Transmile Group where revenue and profits are falsified through creative accounting indicates three structural failures in regulatory oversight and full disclosure of our capital markets.

Malaysia charges three in Transmile accounting fraud case

1. \_\_\_\_\_

In a case that has been dubbed Malaysia's Enron, the Securities Commission accused Gan Boon Aun, 46, together with ex-chief financial officer Lo Chok Ping, 38, and ex-executive director Khiudin Mohamed, 50, of having made a 'misleading statement' in the carrier's quarterly report for the financial year ending 31 December 2006. The official news agency Bernama reported that the commission told the court the 'misleading statement' was something that could have induced investors to purchase Transmile shares.

2. \_\_\_\_\_

They face a minimum fine of one million ringgit (\$289,855) and/or up to ten years in jail if convicted.

3. \_\_\_\_\_

Other shareholders include US based investment bank JP Morgan Chase and state-owned postal company Pos Malaysia Bhd. The first alarm was raised in May 2007, when Transmile announced that it had failed to meet the deadline to submit audited financial statements for 2008.

4. \_\_\_\_\_

Transmile announced that it had failed to meet the deadline to submit audited financial statements for 2006. Transmile had actually made a pretax loss of 172 million ringgit in financial year 2006, instead of the previously reported profit of 207 million ringgit.

5. \_\_\_\_\_

In the past month, its share price has dropped to more than half of what it was worth a year ago. It closed at 5.75 ringgit on Thursday. A year ago, its share price was around 15 ringgit. The company's shareholders had already formed a committee to take over operations from the previous management. Gan and Khiudin resigned from their top posts last month. though Khiudin's lawyer said his client remains an employee. It is not known when Lo left the firm.

6. \_\_\_\_\_

Others include Southern Bank Bhd, whose account books were found to have been cooked after it was sold to state-controlled lender Bumiputra-Commerce Holdings Bhd last year.

7. \_\_\_\_\_

They also highlight the unreliability of financial statements and poor corporate governance in Malaysia, Lim Guan Eng of the opposition Democratic Action Party said. These financial scandals show how poor the climate of accountability in corporate governance in Malaysia is despite the preventive measures put in place following the Enron and WorldCom financial accounting scandals in the USA many years ago, he said in a recent statement.

### ***Writing***

**Task 7. Synonyms. Match the words and phrases in the article (1 – 12) with their synonyms given below. The first one (0) is given as an example.**

(0) *shows*

*Comprising, endeavour, escalation, flagged, incidents, maintained, professional, shows, tendencies, uncover, victim, watchfulness, troubles.*

UK corporate fraud likely to hit record high

The latest KPMG Forensic Fraud Barometer, (0) **reveals** more than £1bn in fraud claims reached the UK courts in 2007 – the highest since 1995. Government bodies and agencies were the most popular (1) **target** of organized, criminal fraud. (2) **accounting for** £889 m of the total. Organized

gangs have been more active than ever with a (3) **proliferation** in VAT frauds, ID thefts and other forms of (4) **white-collar** crime, Hitesh Patel, a KPMG Forensic partner, told the Daily Telegraph. Mr Patel said that, as the economy (5) **weakened**, more employees might (6) **attempt** fraud to improve their own financial (7) **problems**. (8) **Vigilance** by companies over unusual spending (9) **patterns** or trends in their accounts was also likely to help (10) **detect** more (11) **cases** of fraud. London (12) **kept** its position from last year as the centre of fraud, accounting for £655 m of the £1 bn plus in fraud; followed by the Midlands at £117 m of the cases; and the North-West, £200 m of the total.

**Task 8. Paraphrasing. Read the article above and paraphrase it in your own words. Start like this:**

The most recent edition of the KPMG Forensic Fraud Barometer shows that over a £1 bn in fraud claims were made in the UK courts in 2007, representing the highest amount since 1995.

**Task 9. Writing a short report on a case study. A. Study this report on a case study on fraudulent activities.**

Case study: Regina vs Mr DBB

The charges. The accused was charged with one count of fraudulent trading contrary to Section 458 of the Companies Act 1985 and one count of forgery contrary to Section 3 of the Forgery and Counterfeiting Act 1981.

Initial assessment. Two meetings were held with the solicitors, in which a review of the documentation and initial assessment of the charges was made. Following these meetings, our assessment letter providing details of our estimated fee for the initial report was drafted.

Initial report. The purpose of this initial report was to identify areas of investigation and to establish whether evidence could be produced to counter the charges. It was also necessary to identify what additional information would be required in this regard. The initial report was based on 834 pages of statements and 6,287 pages of exhibits. The cost of preparing this report was £13,600 plus VAT.

Interim report. This report identified further forensic accountancy work that would be required in addition to that detailed in the initial report. The interim report was based on defence statements provided by the defendant and further unused material in 51 lever-arch files. The cost of this interim report was £18,575 plus VAT.

## **B. Write a report of this case study using the notes below.**

Case study: Regina vs Mr SC

*The charges:*

- fraudulent trading contrary to Section 458 of the Companies Act 1985.

*Initial assessment:*

• one meeting with solicitors – review of documentation – initial assessment of the charges;

- assessment – letter + estimated fee for initial report.

*Initial report:*

• purpose – identify main areas to investigate – main forensic accounting exercise for interim report – evidence for client's defence/additional defence;

• initial report based on 127 pages of witness statements and 669 pages of exhibits initial cost £5,800 plus VAT.

*Interim report:*

• extensive further forensic work required – additional evidence statements defendant/witnesses – 33 lever-arch files of financial records;

• final report required estimated costs £25,625 (interim report) and £15,000 plus VAT;

• funding approved – initial and interim reports – final report (not yet) – no further work done.

### **Task 10. Reporting the results of a survey. Write a report (200 – 250 words) about white-collar fraud based on these survey findings.**

A survey based on questionnaires to the top management of 100 medium-sized private companies:

- 25 % of fraudsters in companies in mid-management;

• typical fraudster profile – male, 31 – 40 years old, been in firm five years or more;

- most incidents of fraud not publicized – employees leave quietly;

• management feels fraud risk-management, tighter controls most effective ways of dealing with fraud;

• most companies reported they were able to recover money lost from petty fraud;

• 80 % of management believe a whistle blowing procedure helps to limit cases of fraud.

## **Grammar**

### **Task 11. Open the brackets and put the verb in the correct form (Present Simple Passive or Present Continuous Passive).**

1. Management coaching mostly ... (apply) in a business context.
2. Goods-sector GDP ... (estimate) indirectly by adding together final sales of commodities, changes in inventories and net import.
3. Google's uses ... (limit) only by the imaginations of those who punch in 150 million searches a day.
4. He ... (involve) in developing new company strategy.
5. Much ... (do), new report from the Conference Board, a research group, shows.
6. Older employees also ... (push) out.
7. The training of a team to carry out a task ... (base) on the same principles as training individuals.
8. The new regulations ... (intend) to bring about a closer match between the capital held by banks around the world and their risks.
9. The potential of e-commerce ... (bind) to be even bigger than in the last few years.
10. Their price closely ... (correlate) to that of the houses which underpin their cost.
11. This is a global trend: newspapers in France and Belgium and elsewhere ... (feed up) with giving away their articles for nothing on the internet.
12. Yet Mr Scholts' stubborn protectiveness of the German taxpayer strongly ... (support) at home.

### **Task 12. Open the brackets and put the verb in the correct form (Past Simple Passive or Present Perfect Passive).**

1. About half of all Web searches in the world ... (perform) with Google, which ... (translate) into 86 languages.
2. Bidders concerned about the reliability of a seller can see how he ... (rate) by other buyers, and read comments left by people who have done business with him before.
3. But Tansh, which ... (found) by a group of big airlines, and its rivals have to make it better still.
4. Last year some \$6.7 trillion ... (channel) through credit cards managed by the networks, according to the Fitzer Report, an industry newsletter.

5. Last year, losses of some \$200 m ... (report) to Britain's Federal Trade Commission.

6. Last year, revenues fell, R&D spending ... (cut) and employees ... (lay out).

7. Many imaginative people ... (involve) in starting and spreading coaching.

8. People of Chicago ... (give) a stark vision of a possible future.

9. No private business ... (expend).

10. Once a bid ... (win), the two sides contact one another, the buyer pays and the seller ships the goods.

11. Once the underlying cause of the problem ... (identify), the process may be re-engineered to eliminate the problem permanently.

12. Green-house effect ... (talk) about for years.

13. UAE has benefited from high oil price, and Latin American economies ... (give) a push by rising commodity prices.

14. So much ... (write) about the importance and the process of goal setting that there is certainly no need for me to repeat it all in a book of coaching.

15. Some smaller companies already ... (snap up).

16. The British administration ... (assume) to be apprised and approving of such statements.

17. The company, which ... (found) in 2020 – and was acquired last year by a big printing and marketing firm – licenses the technology for newspapers to erect a pay system in return for a cut of digital revenues.

18. The managers all ... (train) in the principles and have bought-in to the concepts.

19. Their system became a cult favorite among IT firms, and more computer power ... (require).

20. While many techniques ... (develop) to help with caused analysis, most situations call for the application of very few of them.

**Task 13. Fill in the blanks with the prepositions *by* or *with*.**

1. The ferry was carried ... the waves into the open ocean.

2. The tutor was pleased ... our work.

3. America was discovered ... Columbus.

4. "Hamlet" was written ... Shakespeare.

5. Omelette is eaten ... a fork.

6. He was knocked down ... a huge stick.



7. He was knocked down ... a truck.
8. He was taken to hospital ... an ambulance.
9. He was treated ... very effective medicines.
10. He was cured ... a very efficient specialist.
11. The letter was written ... a pencil.
12. He was scolded ... his elder sister.

**Task 14. Turn from Active into Passive.**

1. Someone is helping her with the housework. *She is being helped with the housework.*
2. Millions of people bought the book.
3. You must give up smoking.
4. Fleming discovered penicillin.
5. They opened the Statue of Liberty in 1886.
6. You can improve your health with more physical exercise.
7. They are holding the conference at 11 o'clock.
8. My colleague sent me an invitation.
9. The secretary has given Mrs Soyer some letters.
10. The traffic warden had already given him a ticket for illegal parking.
11. People must obey the law.
12. They are performing the concert in Paris.
13. They returned my bag to me: someone had picked it up in the street.
14. You should keep the flowers in a cold place.
15. A famous author was writing a TV documentary about Peru.

**Task 15. Rewrite the following passages in the passive. Omit the agent where possible.**

1. Yesterday morning, the school held a sports day. Eva's teacher entered her for the 100 m race because people thought Eva was the fastest runner in the school. Eva's teacher blew the whistle and the race started. Loud cheers filled the air as Eva's friends cheered her on. Eva overtook all the other runners and, as people had expected, Eva won the race. The headmaster gave her a trophy as a prize.

2. Do you think that people will ever use electric cars? Someone has already invented the electric car, but at the moment they are exorbitantly costly for most people to buy. Also you have to recharge their batteries often.

However, if people used electric cars instead of the cars we use today, the air we breathe would be much cleaner as they would not exhaust harmful fumes into the atmosphere.

**Task 16. Rewrite sentences using *have something done*.**

1. The money was deposited in his account by the company.
2. Sarah's new fridge will be delivered tomorrow.
3. Tim's car was serviced last week.
4. Mrs Scott's cat was examined by the vet yesterday.
5. Paul's house will be painted next weekend.
6. Mr Brown's book has just been published.
7. Becky's hair is done every week.
8. Edward's dinner was cooked by his mother yesterday.
9. Jane's living room will be redecorated next month.
10. My eyes are tested by the optician.

**Task 17. Rewrite the sentences using *have something done*.**

1. Sam's burglar alarm was fitted last week.
2. My car is being repaired at the moment.
3. The band's new single has just been recorded.
4. Our new furniture is going to be delivered tomorrow.
5. Their new house is being decorated at the moment.
6. The windows will be cleaned.
7. A new jumper has been knitted for me.
8. The lock has to be fixed.
9. A new pair of glasses is going to be made for him.
10. Their windows need to be cleaned.
11. The boss asked his assistant to type the letter.
12. A plumber fixed the dripping tap for Joe.
13. Have you told the secretary to make some photocopies?
14. The chef was cooking Tom's lunch.
15. Did you tell the shop to deliver the sofa to you?
16. My purse was stolen last Friday.
17. Did you employ a painter to decorate your house?
18. The builders are putting a new roof on Adam's house at the moment.
19. She asked the maid to polish the silver.
20. The man had asked the porter to take his luggage to his room.

## Unit 3. Insurance

### Reading

#### Discuss this question.

What is the role of accountants in insurance claims?

#### Task 1. Common insurance terms.

Match these insurance terms (1 – 12) with their definitions (a – 1). Compare your answers with a partner.

1. actuary	a) an attempt by the insurer to prevent the lapse of a policy
2. aggregate limit	b) a person who investigates and settles losses for an insurance firm
3. premium	c) deliberate failure of an applicant for insurance to reveal a material fact to the insurer
4. adjuster	d) insuring of risk by one insurance company with another
5. conservation	e) a person who calculates risks for insurance companies
6. actuarially fair	f) a limit in an insurance policy stipulating the most it will pay for all covered losses sustained during a specified period of time, usually one year
7. reinsurance	g) policy designed to provide coverage under a single limit for two or more items (e.g. a building and/or contents)
8. blanket insurance	h) replacement cost of property damaged or destroyed at the time of loss, with a deduction for depreciation
9. concealment	i) all-inclusive; insurance which provides complete protection
10. public liability	j) responsibility of a firm for damage caused to a member of the public
11. Actual Cash Value (ACV)	k) payment, usually monthly/yearly etc., for an insurance policy
12. comprehensive	l) price for insurance which exactly represents the expected losses

**Task 2. Insurance contracts. Complete the description of some basic concepts in insurance using the correct form of the words given below.**

*Concealed, confidence, disclose, insurance, judge, loss, premium, risk.*

## Reinsurance

A contract of (1) ... contained in a fire, marine, burglary or any other policy (excepting life assurance and personal accident and sickness insurance) is a contract of indemnity. This means that the insured, in case of (2) ... against which the policy has been issued, shall be fully indemnified. Since insurance shifts risk from one party to another, it is essential that there must be utmost good faith and mutual (3) ... between the insured and the insurer. The insured is duty bound to (4) ... accurately all material facts to the insurer, and nothing should be withheld or (5) ... . It is only when the insurer knows the whole truth that he is in a position to (6) ... (a) whether he should accept the (7) ... and (b) what (8) ... he should charge.

**Task 3. Sequencing a text. Put these sentences in the correct order to form a description of reinsurance. There is one extra sentence which you do not need to use.**

A. Hence, the reinsurers are liable to pay the amount to the original insurer only if the latter has paid to the insured.

B. In such cases, in order to safeguard his/her own interest, he/she may insure the same risk, either wholly or partially, with other insurers, thereby spreading the risk.

C. Reinsurance can be resorted to in all kinds of insurance, and a contract of reinsurance is also a contract of indemnity.

D. Reinsurance is subject to all the conditions in the original policy, and the reinsurer is entitled to all the benefits which the original insurer is entitled to under the policy.

E. However, if a profitable proposal comes his/her way, he/she may insure it, even if the risk involved is beyond his/her capacity.

F. First and foremost, every insurer has a limit to the amount of risk he/she can undertake.

G. This is called 'reinsurance'.

### ***Self-assessment task***

**Task 4. Word formation. Complete this description of the general principles of insurance accounting using the correct form of the given base.**

*Establish, specify, form, convene, undertake, disclose, base, practice.*

## GIM 2080 General principles of insurance accounting

The Insurance Accounts Directive (IAD) does not (1) ... a different set of standards for insurance companies as compared to other (2) ..., but aims to deal with items (3) ... to insurers. It lays down a standard (4) ... for the accounts of insurance companies and specifies the content of items for (5) ... on the balance sheet and in the profit-and-loss account. Accounts of companies (6) ... outside the EU will reflect the home state's own accounting (7) ... . The following description is based on UK (8) ... .

**Task 5. Completing a text. The two texts below both focus on accounting for insurance. For each one, first select the appropriate title (A, B or C) and then place the missing sentences (D – F) in the correct gaps.**

### Text 1

1. ... This is the second phase of the insurance contracts project, which in 2005 introduced IFRS 4, the International Financial Reporting Standard for Insurance Contracts.

2. ... Subsequent editions will address the other principal topics covered. We hope you find it useful and informative and would encourage insurers to provide practical observations and comments to the Board by the 16 November 2007. An Exposure Draft (ED) is expected to be issued in late 2008, with the final standard on accounting for insurance contracts in place during 2010.

3. ... Phase I of the project (IFRS 4) provides a specific definition of an insurance contract, temporary dispensations from certain standards, and guidance on implementing current standards not covered by the dispensations. IFRS 4 was designed to enable insurance companies to report under IFRS by 2005. Phase II of the project is the introduction of a comprehensive IFRS, dealing with the recognition and measurement of insurance contracts.

### Titles

- A. Phase II of IFR5 for insurance contracts
- B. Summary of IFRS 4
- C. International Financial Reporting Standards

### Missing sentences

D. This special edition of the *Insurance Market Update*, prepared by our Insurance Centre of Excellence, summarizes and comments on the measurement issues raised in the discussion paper.

E. The IASB insurance project aims to establish a common standard for financial reporting of insurance contracts, based on a form of "fair value".

F. On 3 May 2007, the International Accounting Standards Board released for comment a discussion paper on accounting for insurance and reinsurance contracts entitled 'Preliminary Views on Insurance Contracts'.

## Text 2

A captive insurance company is defined as "a closely held insurance company whose insurance business is primarily supplied by and controlled by its owners, and in which the original insureds are the principal beneficiaries".

(1) ... What is the point of a captive? Major Fortune 500 corporations (e.g. Coca-Cola or Boeing) will set up a captive of their own in order to better control, and minimize, their own insurance bill. In this way, they hope to reduce costs from insurance claims, by adopting a rigorous vetting procedure on all claims, as well as gain access to the reinsurance market at better premium rates. (2) ... It is a huge financial market: globally, captives generate \$18 billion in annual premium. Their capital and surplus amount to \$45 billion, and they control investment assets of more than \$100 billion. Captive insurance and reinsurance companies are an integral part of the alternative risk transfer market, which accounts for approximately 30 % of global commercial premium. (3) ...

## Titles

- A. Problems in global insurance
- B. Decline in the captive market
- C. The role of captives

## Missing sentences

D. A total of 4,000 captives serve their parents' risk financing needs around the world, and this number is growing steadily, in Bermuda and other leading offshore financial centres in the Caribbean, such as Grand Cayman and the BVI.

E. In layman's terms, a captive is an insurance company formed exclusively to insure (or reinsure) the insurance risks of its parent corporation.

F. In addition, they have the option to decide for themselves where to invest the premium dollars passed down to the captive entity, thereby possibly avoiding third party investment management fees.

## ***Speaking***

### **Task 6. Insurance scenarios. With a partner, discuss these situations and report your views to the group.**

1. You are in a meeting with the owner of a skiing chalet which was damaged by fire last week. As a result of damage caused by the fire, the chalet will be closed for a month. Explain briefly how you (as a forensic accountant) can help in the insurance-claim process for both the damage caused by the fire, as well as the loss of revenue for the business interruption claim.

2. You are in a meeting with the owner of a hotel that was destroyed by a hurricane. The insurance company has requested financial records to substantiate the business-loss claims. You have been asked what kind of records are required to be able to recreate the company's financial picture and how you can assist in this situation.

3. You are in a meeting with a frozen-pizza producer that has had a batch of its produces recalled due to contamination. Explain what role your firm of forensic accountants can take on in such a case and how you can work with the insurance company.

4. Due to a six-month delay in a construction project the anticipated commencement date of commercial operations of an insured property is pushed back. The owner of the company plans to file a claim for lost profits and asks you how you can assist him/her in this process.

### **Task 7. Insurance quiz.**

1. Where were the first methods of transferring or distributing risk practised:

a) India; b) China; c) Iran?

2. Who were the first to insure their people:

a) Egyptian pharaohs; b) Ottoman sultans; c) Achaemenid monarchs?

3. Which island invented the concept of the general average:

a) Rhodes; b) Corsica; c) Sicily?

4. Which culture first introduced the origins of health and life insurance by establishing benevolent societies to care for families of members upon their death:

a) the Babylonians; b) the Greeks; c) the Egyptians?

5. Where were separate insurance contracts invented:

a) Rome; b) Genoa; c) Venice?

6. How did Lloyds of London start:

a) as a bar; b) as a coffee shop; c) as an office for shipping news?

7. What disaster was the catalyst for creating property insurance as we know it today:

a) the First World War; b) the Black Death; c) the Great Fire of London?

8. Who helped to popularize and standardize insurance in the USA:

a) Benjamin Franklin; b) Mark Twain; c) Henry Ford?

9. The word insurance is derived from the Latin word for ...

a) security; b) guarantee; c) protection.

### ***Writing***

**Task 8. Writing emphatic sentences. Look at the phrases in the box for expressing yourself emphatically, then match the two halves to make sentences.**

1. We categorically deny	a) to change your accounting software
2. I deeply regret	b) Mr Tide's opinion of the audit
3. I enthusiastically endorse	c) current difficulties in this market
4. We freely appreciate the	d) firm's excellent track record
5. I fully recognize	e) any involvement in fraudulent activities
6. They totally reject	f) your application was not successful on this occasion
7. We'd like to positively encourage you	g) you discuss your case with a forensic accountant
8. Our company readily endorses the	h) your decision to get a second opinion
9. I sincerely hope	i) you are able to find a suitable position soon
10. I'd like to strongly recommend	j) any compromise in these negotiations

**Task 9. Writing a persuasive letter. Write a letter (120 – 180 words) supporting your application to work for a team of forensic accountants specializing in insurance claims. Use this information in your letter.**

Qualifications and experience

- qualified Chartered Accountant and loss adjuster 15 years' experience in chartered accountancy and loss adjustment;
- specializes in business interruption and credit loss.



## Major assignments

### Business-interruption claims:

- Global logistics business on presentation of its business-interruption claim following the destruction of main warehouse holding customer goods (£2 million). Manufacturer of surgical products following an explosion at a plant in Ireland (£1 million).

### Advice on loss mitigation and presentation of advance loss-of-profits claim:

- Oil company following multi-million-dollar cyclone damage to new refinery in India while under construction (\$100 million).

### Forensic accounting:

- Appointed as expert by a global credit insurer to carry out forensic investigation into an adjustment of major losses.

## ***Self-assessment task***

**Task 10. Linking sentences. Link the following pairs of sentences using the appropriate link words given below.**

*For this reason, in accordance with, in addition, in consequence, in particular, notwithstanding.*

1. A. The section lays down general accounting principles in relation to insurers' financial statements.

B. ..., paragraph 15 requires accounting policies to be applied consistently within the same accounts and from one financial year to another.

2. A. In all cases, there should be consistent treatment between the recognition of the claim in the technical account for long-term business and the calculation of the long-term business provision.

B. ... Note 21 to the balance sheet format, provision for claims incurred but not reported (IBNR), including related claims handling expenses, should be included within balance sheet liabilities item C2 (a).

3. A. Under these regulations, the old Schedule 9A to the CA85 was replaced by a new Schedule 9A.

B. ..., the disclosure exemptions available to insurers in the old Schedule 9A have been withdrawn.

4. A. It is envisaged that insurers will not normally enter into joint arrangements that are not an entity.

B. ..., no guidance is given in this Statement on the appropriate accounting treatment.

5. A. Provisions, contingent liabilities and contingent assets arising from insurance contracts with policyholders are exempt from the requirements of FRS12.

B. ... this, however, insurers should apply the principles of paragraph 91 of FRS12 in certain circumstances.

6. A. The purpose of this section is to give guidance on the disclosure of uncertainties and estimation techniques required by FRS18 (Accounting policies).

B. ..., it introduces the requirement to give disclosure on contingent liabilities arising from insurance contracts in certain circumstances.

**Task 11. Accuracy with articles. Read this text and add or delete the articles as appropriate.**

The research by Association of British Insurers has shown that the UK insurance companies have paid up £5.5 bn in the tax to the government. The group's members paid £3.1 bn in taxes for 2006 – 2007, ranking it as third-highest amount of corporation tax of any sector. Besides the corporation tax, insurance providers collected additional £53.4 bn in tax on behalf of government through taxes such as the PAYE, employee National Insurance (NI) and Insurance Premium Tax (IPT). Data is the first-ever breakdown of insurance industry's contribution to the Treasury. It takes into account all direct and indirect taxes, as well as an employment and environment taxes. Spokesman from ABI commented that these results highlighted success of the industry.

**Grammar**

**Task 12. Complete the sentences with a modal verb from those given below. Sometimes more than one answer is possible.**

*Can, can't, can't have, could, could have, don't have, had better, might, must, must have, mustn't, need, ought, shouldn't.*

1. You ... be tired after your long journey. Come in and have a drink.
2. George ... taken your car keys. He hasn't even left the party.
3. I won't go out tonight because the weather forecast is not very favorable, and I ... get wet.
4. You ... to apply for the job yet. You can do it later next week.
5. I ... left my purse in the bus. I can't find it anywhere.
6. That ... be Jane. It's impossible. She said she was going to France.

7. You ... step into the CEO's office without permission.
8. Tell your friend she ... stay the night here if she wants to.
9. You have already drunken a glass of beer. You ... not drive. Let me.
10. You ... see the Statue of Liberty and the fifth Avenue when you go to the USA.
11. I ... to take orders from you. You're not my boss!
12. When I was younger, I ... run very quickly.
13. Your disease is getting worse and you have a runny nose. You ... to see the doctor.
14. My husband is cooking. He's not a good cook so you ... expect anything special.
15. Don't leave your windows open at night. Somebody ... climb in.
16. Julia ... be in late thirties. She graduated a year after me and I'm only 26.
17. You ... to come with me. I can manage on my own.
18. She ... got lost. Otherwise she'd be here by now.
19. You must be more careful. You ... been injured crossing the street without looking.
20. I didn't ... to buy more meat. We already had enough.

**Task 13. Complete the sentences with a modal verb from those given below. Sometimes more than one answer is possible.**

*May, might, can, can't, should, shouldn't, must, have to, has to, needn't, mustn't, don't have to, doesn't have to.*

1. ... I use your pencil, please?
2. You really ... see that new film. It's fantastic.
3. You ... write 30 tasks for your homework because you have misbehaved.
4. You ... to write 10 lines. 5 will be enough.
5. Please, excuse me but I really ... go now.
6. Joe, you ... speak so quickly. Nobody can understand you!
7. We ... watch TV tonight. We haven't decided yet.
8. If you've got such a bad cough, you ... smoke.
9. I am glad to inform you that I ... come to work next week.
10. You ... make so much noise. Granny is sleeping in the bedroom.
11. She ... work hard because she's a single parent and has little money.

12. You ... go now. The bus leaves in an hour, so you've still got some time left.
13. According to the weather forecast it ... snow this afternoon.
14. He ... speak Spanish fluently because he spent 10 years there.
15. That ... be Simon over there. He said he would be in Portugal this week.
16. You ... take the exam seriously, even if you already have enough good grades to pass.
17. I ... go out tonight, but I don't think so. I feel too exhausted.
18. ... Sheila come with us?
19. You ... speak German. I can speak French quite well.
20. You ... take an ID card with you if you enter the stadium. Otherwise you won't get in.

**Task 14. Fill in the blanks using the modal verbs given below and the verbs in brackets.**

*Must, can't, may, might, could, should, shouldn't.*

1. Teresa looks worried. She ... a problem with something. (have)
2. Edward ... at school because I haven't seen him all day. (be)
3. I ... you the money. Why didn't you ask me? (lend)
4. Mr Green hasn't come to work yet. He has never been late for work. He ... the bus. (miss)
5. She knew everything about our plans. She ... to our talk. (listen)
6. A: Will you come to my birthday party tomorrow afternoon?  
B: I'm sorry but I ... because I have to look after my little brother. (come)
7. Luis is a very good boy. He isn't naughty, so he ... that window. Somebody else ... it. (break 2X)
8. The street is wet this morning. I'm not sure but it ... last night. (rain)
9. She ... like an angel when she was a child. (sing)
10. A: I talked to your Math teacher yesterday.  
B: You ... to her because she wasn't at school yesterday. (talk)
11. – Mrs White bought a new fur coat! – She ... the lottery. (win)
12. He came home alone yesterday. You ... him do that; he ... lost. (let, get)
13. She read the message but she ... it. (understand)
14. The singer has got a bad cold so she ... at the concert. (sing)
15. It ... Michael I saw in the park yesterday, but I'm not sure about it. (be)
16. We can't wait any longer. Something ... at once. (do)

17. Everyone shouted in fear. They ... very afraid. (be).

18. A: I'm afraid Tony is watching TV again.

B: He ... TV because his room is completely silent and dark. He ... .  
(watch, sleep)

19. I can't find my wallet. I ... on the bus. (leave)

20. She ... silly. She teaches Chemistry at the university. (be)

21. She ... to school. It's Sunday. (go)

22. You were stupid to go skiing here. You ... an arm. (break)

23. He looked so tired when I saw him. He ... so hard. (work)

24. Jerry ... this because it is in English and Jerry doesn't know English.  
(write)

**Task 15. Complete the spaces in the text by using a phrase below.**

*May have landed, might have done this, must have used up all the food, can't have been easy, may have discovered the island, should have done this, could have been part, might have been gods, must not have landed.*

Easter island

Easter Island, 2,000 km off the coast of Chile in the Pacific Ocean is very far from land. Today, it is a small island with few people or trees, but at one time a lot of people lived there. Scientists believe that the original inhabitants (1) ... by accident. Around 100 people (2) ... on the western coast of the island. But then the number of inhabitants increased too quickly. Scientists agree that the inhabitants (3) ... on the island and finally all died. The Easter Island statues are famous, but nobody knows why they are there or why there are so many. The statues (4) ..., or Easter Island (5) ... of a much bigger island. The statues are very large and heavy, so they (6) ... to move. Scientists still do not know how the inhabitants (7) ... .

**Task 16. Complete each sentence B so that it has a similar meaning to sentence A. Use a modal verb from those given below and the correct form of the verb in brackets.**

*Can't, may, might not, must.*

1. A: I'm sure schools 100 years ago weren't the same as they are nowadays. (be)

B: Schools 50 years ago ... very different from nowadays.

2. A: It's possible Donald went to school by bus. (take)

B: Donald ... the bus to school.

3. A: I'm sure their holiday wasn't very nice because the weather was so awful. (have)  
 B: With such awful weather, they ... a very nice holiday.
4. A: I wonder if Thomas remembers how to get here. (forget)  
 B: Thomas ... how to get here.
5. A: I'm sure Renate isn't still looking for her watch. (find)  
 B: Renate ... her watch by now.
6. A: We are going in the wrong direction. (miss)  
 B: Yes, we ... a turning.
7. A: Shakespeare and Voltaire weren't alive at the same time, so they definitely never met. (know)  
 B: Shakespeare and Voltaire weren't alive at the same time, so they ... each other.
8. A: Roxane looks happy about her exam results, so she's certainly done well. (do)  
 B: Roxane looks happy about her exam results, so she ... well.
9. A: I'm not sure its right to blame Ronald for that mistake. (make)  
 B: Ronald ... that mistake.
10. A: Tony can't open the door. Maybe he can't remember where he put the key. (lose)  
 B: Tony can't open the door. He ... the key.

## Unit 4. Logistics: moving with the time?

### *Reading*

#### **Discuss these questions.**

1. Why is logistics fundamental to supply chain success?
2. How can logistics help improve efficiency and reduce costs?

**Task 1. Focus on vocabulary. Look at the words and expressions in bold in the text (1 – 13) and match them with their synonyms (a – m).**

*a) fast; b) initial point; c) go beyond; d) due; e) operational; f) improve; g) final destination; h) stock; i) economical; j) necessary; k) key plan; l) expenses of running a business; m) organizes.*

Logistics is an (1) **essential** component of supply chain management. It involves the planning, carrying out and management of goods, services, and information from the (2) **point of origin** to the (3) **point of consumption**.

Logistics (4) **aligns** the complex pattern of traffic and transportation, shipping and receiving, import and export operations, warehousing, inventory management, purchasing, production planning, and customer service. Companies see logistics as a critical (5) **blueprint** of the supply chain. It is used to manage, coordinate and monitor resources needed to move products in a smooth, timely, (6) **cost-effective** and reliable manner.

As the global economy moved into the 21st century, logistics became a critical part of supply chain management and consumer demand. In less than two decades, logistics management has influenced product movement to meet or (7) **exceed** consumer demand. Companies saw they could lower costs and increase productivity by managing logistics on a system theory and managing the company as a whole to (8) **boost** performance.

By creating partnerships with suppliers, shipping services and warehouse owners, and connecting these services through automated systems, the logistics of getting products to the consumer are improved with reduced (9) **overhead costs** and faster delivery. Understanding how the logistics system theory works require strategic planning when calculating what will be needed while focusing on obtaining materials and managing how quickly products are produced to help ensure (10) **swift** delivery to the consumer.

Simplifying communication and services between multiple departments help create a (11) **workflow** blueprint that reduces costs by increasing visibility and improving the overall understanding of company needs. Cost savings is created by reducing warehousing costs and purchasing based on supply forecasts, better (12) **inventory** management, reliable shipping and (13) **timely** delivery to the end-user.

**Task 2. Complete the following sentences.**

1. Logistics implies that ...
2. The firm's logistics department is also responsible for ...
3. Separate activities or functions include ...
4. There are several reasons why we use road transport ...
5. If the goods do not arrive, the buyer will have to ...

**Task 3. Read these topic sentences (A – E). Then scan the information below and match each topic sentence with the appropriate paragraph (1 – 5).**

- A. Interplant movements.
- B. Business logistics.

- C. Documentation flow.
- D. Customer service.
- E. Demand forecasting.

1. Separate activities or functions, all of which fall under a business firm's logistics "umbrella", include customer service, demand forecasting, documentation flow, interplant movements, inventory management, order processing, packaging, parts and service support, plant and warehouse site selection, production scheduling, purchasing, returned products, salvage scrap disposal, traffic management, and warehouse and distribution center management.

2. Customer service involves an array of activities to keep existing customers satisfied. An example is computer software manufacturers who allow consumers to telephone them to discuss problems they are encountering with the software. Servicing equipment in the field and training new users are other examples of customer service. The term user-friendly is sometimes applied; the firm wants to develop a reputation as being easy to do business with.

3. This activity is carried on in conjunction with the firm's marketing staff and is used to obtain a better idea of the logistic needs of the next planning period. These needs include both delivery to customers and receipt of raw materials or components for assembly. Because the logistics staff is involved with order processing, it also has early information about what customers are actually ordering. This is important intelligence for others in the firm who are planning and scheduling production.

4. The paperwork that accompanies the flow of physical product is considered to be the documentation flow. A bill of lading is the contract between the shipper and carrier. A packing list is placed in each carton of assorted merchandise by the person packing it; and upon receipt the consignee verifies both the count of freight on the carrier's waybill and the packing list's entries for each carton. International shipments require many more documents.

5. During the production process a firm moves products between its various plants. A large automobile manufacturer might have several thousand suppliers feeding parts into 100 factories that assemble components that will be used by, say, 20 assembly lines. Flows must be controlled and altered to meet changing demands. The just-in-time (JIT) inventory replenishment system insists on small, accurate resupply deliveries to be made just as they are needed – no sooner and no later. Also, the components must be free



of defects, because there is no batch of spare parts from which to pick a replacement.

**Task 4. Multiple-choice cloze. Read the following description. Choose the best word (A, B, C or D) to fill each gap. The first one (0) is given as an example.**

Stocks of goods or materials are (0) **inventories**. They are often located at points where there is a change in the rate and unit of movement. A grain elevator might receive grain from local farmers (1) ... the rate of two or three truckloads a day during the harvest season and hold the grain (2) ... it is shipped out at the rate of several railcars a week over a six-month period. Inventories represent an investment that the (3) ... hopes to sell. (Sometimes they represent an "involuntary" investment that (4) ... when goods are produced faster than they are sold.) There are costs associated with holding inventories, (5) ..., including interest on the money invested in the inventory, storage costs, and risks of deterioration, obsolescence, and shrinkage. A dealer holding this year's automobiles suffers a (6) ... in inventory value when next year's models are announced, because the autos in the inventory are now "one year old" in the buyers' (7) ... . Inventory "shrinkage" is the term that acknowledges and measures the fact that most inventory records show more goods have entered an inventory (8) ... can be found.

Many different classes of products are kept in a (9) ... inventory. They include company supplies, finished goods (made by the firm), packaging materials, labels, promotional materials (catalogs and samples), (10) ... materials and components, resale goods (purchased from other firms for resale – e.g., a firm that manufactures vacuum cleaners may buy vacuum bags from an (11) ... source), returned goods made by others, returned products made by the firm, scrap and waste to be disposed of, scrap and waste to be (12) ..., spare parts, traded-in goods of a competitor's brand, traded-in goods of one's own brand, and work-in-process goods.

0	A	catalogues	B	forms	C	<b>inventories</b>	D	assets
1	A	at	B	by	C	with	D	within
2	A	unless	B	until	C	when	D	as soon as
3	A	customer	B	owner	C	seller	D	holder
4	A	involves	B	meets	C	obtains	D	occurs
5	A	however	B	although	C	yet	D	and
6	A	failure	B	damage	C	loss	D	harm

7	A	mind	B	eyes	C	head	D	view
8	A	like	B	then	C	as	D	than
9	A	firm's	B	firms	C	firms'	D	firnes
10	A	crude	B	raw	C	tough	D	plain
11	A	outer	B	exterior	C	outside	D	external
12	A	utilized	B	recycled	C	reclaimed	D	restored

**Task 5. Transport documents are contracts for carriage of goods exchanged between different parties. Match the following documents depending on the method of carriage used.**

1. The Rail Consignment Note (CIM)	a) a contract for maritime carriage that specifies the taking of responsibility, or the loading, of goods by the carrier. It contains detailed information on destination
2. The Sea Waybill	b) or International Consignment Note is a document governed by the 1980 Convention concerning International Carriage by Rail (COTIF-CIM). It is issued by the carrier and is considered as the rail carriage contract. This document is non-transferable and is not requested upon arrival
3. Bill of Lading (B/L)	c) certifies the carrier's taking of responsibility for the merchandise and shipping upon signature by the carrier. It documents a carriage contract of the goods that exists independently of them. It must be established in the form specified by the "Convention on the Contract for the International Carriage of Goods by Road" (CMR)
4. The CMR consignment note	d) constitutes the proof of the carriage contract, the taking of responsibility for the goods and the documentation of the prices. It certifies the effective shipment once the carrier has entered the date and number of the flight. It is standardized by the IATA (International Air Transport Association), that moreover, develops solutions for the dematerialization of AWB's
5. The Air Waybill	e) documents only the carriage contract signed by the shipper and the maritime transport line and represents the receipt of the goods. It contains detailed information on the port of embarkation, the port of destination, the name of the ship, the name of the shipper, the name and the address of the recipient. Different from the Maritime Bill of Lading, the Sea Waybill is not a document of title to the goods and is non-transferable

## **Self-assessment task**

### **Task 6. A. Find the appropriate container for these goods:**

petroleum, cement, pallet, food/beverages, iron ore.

**Containers:** tanker, trainload, tamperproof packaging, forklift truck, vacuum device.

### **B. Fill out the gaps with the appropriate words or word combinations on the topic.**

*Staff, capacity, warehouse, wholesalers, freight, advertising, labour, purchase, delivery, utilize.*

1. Buyers of capital equipment insist on knowing that their ... will be kept in running order for many years.

2. Prompt ... of repair parts is also necessary.

3. A growing firm may decide that it needs a new ... to serve a certain region.

4. Criteria to this point would include markets, availability and wage rates of ..., tax rates, climate, and transportation.

5. Scheduling of production is done by others in the firm but with the assistance of the logistics ... .

6. Production is scheduled in an attempt to balance demand for products with plant ... and availability of inputs.

7. Manufactured products must be scheduled for shipment to ..., retailers, and customers.

8. If the firm is running a special ... campaign to promote its product, then additional products must be available for sale.

9. They hope to develop back-and-forth hauls of materials in order to better ... transportation equipment.

10. Shippers and receivers of freight sometime establish "windows" of two to three hours' length within which trucks must arrive to pick up or deliver ... .

### **Task 7. Use the words in brackets to form a word that fits in the gap.**

1. Dave left the office keys in a pub and he was sacked for being so ... (responsible).

2. It seems that Mr Jones lied about ... (qualify) on his application form.

3. "Leave it to me. I'll find a solution," the manager said, ... (help).

4. My job description includes the ... (supervise) of the telesales workers.

5. All our ... (employ) receive four weeks paid holiday per year.
6. The managing director didn't think the suggestion would ever be ... (work), so we had to come up with another solution.
7. All ... (apply) are asked to send their CV to Mrs Brown in the Personnel Department.
8. Susan has worked for us for over twenty years with great loyalty and ... (dedicate).

**Task 8. Sequencing. Below is a jumbled text containing seven parts (A – G). Put these parts in the correct order.**

The Federal Communications Commission (FCC) rules prevented internet service providers (ISPs) from blocking, slowing, prioritizing, or charging consumers extra money to access certain websites.

**B.** In Sep. 2018, California passed a net neutrality law and was immediately sued by the Trump Administration Justice Department.

**C.** The net neutrality rules adopted in 2015 under the Obama administration regulated the internet as a common carrier, the same category as telephone service, under Title II of the Telecommunications Act of 1996.

**D.** According to the *National Law Review*, as of Mar. 1, 2021, "seven states have adopted net neutrality laws (California, Colorado, Maine, New Jersey, Oregon, Vermont, and Washington), and several other states have introduced some form of net neutrality legislation in the 2021 legislative session (among them Connecticut, Kentucky, Missouri, New York, and South Carolina)".

**F.** On Feb. 8, 2021, the Biden administration Justice Department withdrew the lawsuit against California, and FCC Acting Chairwoman Jessica Rosenworcel indicated support for reinstating net neutrality rules.

**A.** Many state attorneys general filed suit against the FCC decision. The US Senate voted 52-47 to approve a resolution to invalidate the decision, however the legislation fell short by 46 votes in the US House of Representatives. The FCC's removal of net neutrality rules was officially implemented on June 11, 2018.

**E.** On Dec. 14, 2017, under the Trump administration, the FCC voted (3 – 2) to overturn those net neutrality rules and reclassified internet service as an information source, rather than a common carrier.

**G.** For example, under net neutrality rules, Verizon could not speed up access to websites it owns, such as Yahoo and AOL, and could not slow down traffic, or charge extra fees, to other major websites like Google or YouTube.

## Speaking

**Task 9. The logistics manager typically oversees and leads a team of logistics specialists and coordinators, often in a specific area (i.e. warehouse staff).**

Logistics manager job description may include:

- managing and maintaining an accurate inventory of product storage warehouses;
- facilitating business relationships with clients and product suppliers;
- discussing and negotiating shipping rates with product carriers;
- setting up and maintaining schedules for inbound and outbound shipments;
- directing the flow of an organization's materials and products;
- working with other departments in the organization to implement logistical improvements;
- supervising the work of the rest of the logistics team;
- overseeing the importing and exporting process of a product.

**Discuss with your partner the possibilities of applying for this position.**

**Task 10. Express your opinion on one of the following quotes.**

1. "The line between disorder and order lies in logistics ...". *Sun Tzu*
2. "Without logistics the world stops." *Dave Waters*
3. "You will not find it difficult to prove that battles, campaigns, and even wars have been won or lost primarily because of logistics." *Dwight D. Eisenhower*
4. "Supply chain is like nature, it is all around us." *Dave Waters*

## Writing

**Task 11. The CMR consignment note describes how it should be filled in by the carrier or his/her partners to protect their rights and interests. Match the boxes with the appropriate information.**

1. Sender (name, address, country)	a. Particular instructions of the consignor
2. Consignee (name, address, country)	b. List of the documents handed by the consignor to the carrier
3. Taking over the goods	c. Usual description of the transported goods

4. Delivery of the goods	d. Name and the complete address of the consignor of the goods
5. Sender's instructions	e. Particular agreements between the consignor and the carrier
6. Carrier (name, address, country)	f. Name and complete address of the carrier
7. Carriers in charge of the further delivery	g. Name and the complete address of the consignee of the goods
8. Carrier's comment on taking over the goods	h. Successive carrier(s)
9. Sender's documents given to the carrier	i. Place and date when the goods are taken into charge by the carrier
10. Gross weight, number of packages, nature of goods, etc.	j. Reservations and observations of the carrier
11. Special agreements between the sender and the carrier	k. The foreseen place of the delivery of the goods

**Task 12. Write an essay on one of the topics.**

1. How I see the future of logistics.
2. Logistic operations in Ukraine.

**Grammar**

**Task 13. Put the verbs into the correct form (Past Simple).**

1. I ... (speak) to him on five different occasions last month.
2. A few months ago I ... (invest) \$1,000 because share prices ... (begin) to rise.
3. It ... (take) 50 years for radio to get an audience of 50 million. But the Internet ... (have) 50 million users within just four years of its introduction.
4. I ... (get) ready for the meeting when the phone ... (ring).
5. We ... (see) from the expression of our business partner that he ... (get) more and more interested.
6. Forgery ... (carry) the death penalty in England until 1832.
7. The founder of *Financial Times* ... (spend) five years in jail.
8. The Bank of Luxembourg ... (issue) the first European banknote in 1661.
9. Coins ... (be) invented in Egypt.
10. The company ... (look) for the ways to improve its productivity.

**Task 14. Insert the Past Simple or the Past Continuous.**

1. When we ... (to open) the window, it ... (to rain).
2. It ... (to get) dark when we ... (to reach) home.

3. You ... (to find) these examples in the book at the previous lesson.
4. I ... (not to forget) to lock the door this morning.
5. The pupils ... (to work) in the field.
6. We ... (to arrive) ten minutes later.
7. We ... (to see) the men in the boat which ... (to near) the harbour.
8. Ann still ... (to look) out of the window when I ... (to enter).
9. She ... (to lie) in bed. She ... (to say) she ... (not to feel) well.
10. The train ... (to pass) a big town in the night and so we ... (not to see) it.
11. You ... (to write) all day yesterday.

**Task 15. Fill in the blanks.**

A terrible nightmare

It ... (be) late at night, and I ... (be) at a party at a friend's house when the babysitter ... (call). "Come home straight away!" she said. I didn't stop to ask any questions. I ... (get) into my car and ... (drive) home as fast as possible. But when I ... (reach) Baker Street, the most dangerous street in town, I ... (get) a flat fire. It ... (be) very dark and quiet, and I ... (be) terribly afraid. I ... (start) to walk down the street, when I ... (see) a big dog. He ... (look) very angry, and he ... (bark) when he ... (see) me. What ... (can) I do? I ... (have) to think quickly. Fortunately, I ... (have) some food from the party with me. I ... (take) some biscuits from my pocket, and ... I (give) them to the dog. He ... (stop) barking right away, and ... (eat) the biscuits. While he was eating, I ... (walk) away. Half an hour later, I finally ... (arrive) home. I ... (look) in my pocket for the key, but it wasn't there. I guess I ... (lose) it when I was feeding the dog. I ... (decide) to get into the house through the kitchen window. A few minutes later, I ... (be) in the kitchen. I didn't see or hear anything strange, so I ... (go) upstairs. Then somebody ... (shout) "Help!" I ... (be) so nervous that I ... (trip) over chair and ... (fall) down. Then I ... (be) glad it was only a dream.

**Task 16. Write the words in the correct order to make sentences.**

1. you / How / get / with / partner / business / did / your / acquainted / with?
2. of / were / A / in / international / international / growing / number / companies / succeeding / markets
3. paying / payment / Transworld / did / what / was / send / When / number / they / the / with?

4. did / How / chair / one / cost / much?
5. trying / new / find / They / get / were / product / niche / for / not / to / a / their
6. sales / which / for / times / slow / they / others / boomed / in / they / There / were / when / were / and / slow

**Task 17. Complete the text with the Past Simple or Past Continuous form of the verbs below.**

*Damage, rain, write, rush, have, pick, arrive, read, play, dial, travel, run, make, realize, open, burst, hear.*

1. When I ... the lecture had already started and the professor ... on the overhead projector.
2. He suddenly ... that he ... in the wrong direction.
3. The burglar ... the safe when he ... footsteps.
4. – How you ... your car so badly? – I ... into a lamp-post yesterday.
5. I ... a cake when the light went out. I ... to finish it in the dark.
6. Everyone ... quietly when suddenly the door ... and a complete stranger ... in.
7. I ... up the receiver and ... a number.
8. As it ... the children ... in the sitting room.

**Word patterns**

**Task 18. Choose the correct answer.**

1. Who is responsible ... dealing with complaints?  
a) with;    b) for;    c) in;    d) at.
2. We began ... looking round for advertising agencies with experience of work in our market.  
a) to;    b) with;    c) by;    d) at.
3. The covering letter wasn't attached ... the CV.  
a) to;    b) with;    c) from;    d) by.
4. Don't you think you should apply for the job ... writing?  
a) with;    b) for;    c) at;    d) in.
5. I was absent ... the office for a few minutes!  
a) for;    b) from;    c) in;    d) about.
6. Success in this industry depends a lot ... luck!  
a) with;    b) from;    c) at;    d) on.



7. June's got several years' experience ... dealing with young children.  
a) of;      b) with;      c) in;      d) at.
8. Maybe you should write a letter ... complaint to the manager.  
a) on;      b) about;      c) with;      d) of.

### **Task 19. Insert prepositions.**

1. I will stay here ... she phones. 2. They will be in the office ... four o'clock. 3. Dad will be home ... lunchtime. 4. Mr. Bush has worked in this office ... six months. 5. We've been here ... May. 6. David worked in the Middle East ... the war. 7. The lecturer spoke ... two hours nonstop. 8. I'm going back to my college ... five days' time. 9. We arranged our next meeting ... May. 10. Jane has known her hairdresser ... ages. 11. We can't leave ... the others get back. 12. My cousin has been in the army ... he was eighteen. 13. Michael was at University ... five years. 14. It was hot ... July. 15. The Smiths haven't been to their country cottage ... a fortnight.

## **Unit 5. Agile working – adapting to change**

### *Reading*

#### **Discuss these questions.**

1. What do you think agile working is?
2. What's your experience of agile working?

#### **Task 1. Pre-reading. Before reading the text, discuss with a partner the meanings of the words in bold in these sentences.**

1. Companies need **to adapt** to the changing world we live in.
2. Agile working is about **valuing** people instead of **limiting** them.
3. More agile **employers** allow their workers more flexibility.
4. One of the roles of the manager is to **clarify** goals and **enable** collaboration.
5. Many **employees** can now work from home.
6. Companies should **adopt** agile approaches to find the most appropriate and efficient ways of working.

**Task 2. Ordering a text. Re-order the paragraphs in this extract about new ways of working and helping companies adapt to change so that they read logically.**

**B.** It is not only the time and location of the modern workplace that is changing. The role of the manager is evolving too. Many organisations are moving away from an approach where managers constantly supervise their staff and tell people exactly what is to be done. Instead, they are adopting a more project-based approach, where managers have the responsibility of clarifying project goals and enabling teamwork and collaboration. The roles of the individuals might differ from project to project, and agile managers can serve to support team members in adapting the way they contribute to a team.

**F.** Our world is changing rapidly. Being driven by technology, globalisation or in response to specific crises, there is no doubt that the workplace of today needs to constantly adapt to ongoing changes to remain efficient and competitive.

**A.** In more traditional work settings, the definition of a good employee was someone who came to the office on time at 9 a.m., sat at their desk and worked hard, taking direction from their managers and following the rules. This employee would be there rain or shine, always appearing busy until it was time to go home at 6 p.m. But with the development of smartphones and internet technologies, many companies are starting to form virtual teams with team members living in different time zones, and employees are now finding themselves answering emails, attending meetings and working on reports from home outside their usual working hours. People now need to work smarter and not just harder.

**D.** Agile working is about being ready to change the way we work – whether it be our working hours, our physical workplace, the technology we use, the nature of our roles and the way we work together, or the way our work is done. By encouraging such agility and flexibility, we can adapt to the ever-changing world around us, while creating a more dynamic workforce and improving our performance and productivity.

**C.** Agile working is not just about allowing employees to work from home and decide their own working hours. Another example of agile working might be workspaces designed to suit the different kinds of work taking place. This is an environment helping people to be at their best and most productive. An agile workspace might include open areas with small tables for people

to gather and work together and standing desks to improve energy levels and productivity. It might include quiet zones for a bit of thinking time and social areas for staff to chat and relax together. Like most things with agile working, there is no one-size-fits-all approach. Agile workspaces have to be adapted to the individuals and their roles in the company because agile working is about valuing people and their activities and not having them limited by the physical workplace.

**E.** These changes in modern work practices mean that organisations need to adopt agile working approaches so that they can find the most appropriate and efficient way of getting things done. The consumer goods company Unilever describes agile working as "an approach to getting work done with maximum flexibility and minimum constraints".

**Task 3. Choose the correct answer (A, B, C, D).**

1. In more traditional workplaces, employees are NOT expected to ...

- A. attend meetings at weekends.
- B. have fixed working hours.
- C. be present at the office.
- D. look as if they're always busy.

2. More and more people are working outside their normal working hours because ...

- A. they want to show that they are always busy.
- B. they work virtually with colleagues in different time zones.
- C. they don't have the technology to work from home.
- D. they work too slowly in the office.

3. The role of the agile manager is to ...

- A. make sure their customers understand their roles and their goals.
- B. watch what their employees are doing closely.
- C. help their employees adapt to the different projects and teams.
- D. tell their team members exactly what to do.

4. Organisations that adopt agile working approaches ...

- A. do not allow their employees flexible working hours.
- B. allow workers to choose where they prefer to work from.
- C. are bad at adapting to change.
- D. insist that employees work from their own desks.

5. Agile workspaces ...

- A. all have a similar design.

- B. encourage employees to stand at their desks.
  - C. must have social spaces.
  - D. are all different, depending on the needs of their employees.
6. By working in an agile way, companies can ...
- A. improve performance.
  - B. ensure that employees follow the rules.
  - C. increase salaries.
  - D. focus on the profit.

**Task 4. Vocabulary building. Match the words (1 – 6) from the text with their meanings (a – f).**

- |               |                       |
|---------------|-----------------------|
| 1. anticipate | a) defenceless        |
| 2. failure    | b) adverse fortune    |
| 3. encourage  | c) influence          |
| 4. vulnerable | d) look ahead         |
| 5. speak up   | e) vent one's opinion |
| 6. impact     | f) motivate           |

Many believe that the creation of psychological safety at work is the job of the manager, and indeed there is no doubt that in terms of role modelling, setting the tone and leading, the manager's role is critical. But there are certainly things everyone can do to protect themselves.

Very often we get in our own way – we anticipate failure before we start on a task or initiative, because we anticipate that negative outcomes arise from failure.

What would it be like if failure was an acceptable and expected step on the route to achievement and success? Perhaps when something goes wrong, we shouldn't call it "failure" (with all its connotations), but part of our testing / development process, a way to discover and learn about the best way forward. Only we can choose how we view what happens in our lives. We can choose to see things as failures or as opportunities – experiences that help us grow and develop.

Another way to create safety for ourselves is to support others by sharing resources, skills and knowledge that might be helpful to them – even if it's not our job and doesn't meet our personal objectives. One day that kindness and support will be repaid – and by doing this we encourage others to behave in the same way.

Safety enables us to be vulnerable and to take risks in order to grow. Without safety, we perceive more of what happens as threatening – and we know that threats can paralyse us, consume excess energy and lead to a team or organisational culture of silence where people don't speak up and fail to give their best ideas. Being more alert and aware of the impact of social threats and safety is a way to better understand ourselves and protect our brain's precious resources.

**Task 5. Fill out the gaps with the appropriate words or word combinations.**

*Grateful, productivity, attention, benefits, conscious, multitasking, unhappier, minds.*

1. When we multitask or get distracted, we're likely to feel ... .
2. Mindfulness is paying ... to the present moment.
3. Writing lists of what we are thankful or ... for helps us to achieve a more balanced view of reality.
4. The more we practise mindfulness, the more we see its ... .
5. Being mindful helps us become more ... of what we're doing and the people around us.
6. In our busy modern lives, it is common for our ... to wander, even when we're busy with something important.
7. We often try to perform several things at once, but research shows that ... makes us less productive and more stressed.
8. When we improve motivation and concentration, we also find that we improve ... .

**Task 6. Use the words in brackets to form a word that fits in the gap.**

1. Forming strong ... with friends and colleagues helps us feel less alone. (relate)
2. People are not born resilient – they learn ... . (resilient)
3. Getting enough sleep, exercise and ... food can help reduce stress. (health)
4. When we experience ..., talking to people close to us helps us see things from different perspectives. (difficult)
5. Resilience is the ... to recover quickly when things don't go well. (able)
6. A resilient person is capable of adapting to ... situations. (challenge)
7. Meditation can help us calm negative thoughts and increase our ... of our feelings. (aware)
8. Resilient people do feel stress, emotional pain and ... . (disappoint)

**Task 7. Read the texts below. Match choices (A – G) to (1 – 5). There are two choices you do not need to use.**

What are the benefits of agile working?

The benefits of agile working are wide and varied for both employees and businesses.

1. \_\_\_\_\_

In terms of cost-effectiveness, agile working allows businesses to save on their space in new and efficient ways. If, for example, traditional desk space took up approximately 70 % of your office, that could be scaled-down to 50 %, and the remainder could be filled with rich, engaging environments. These could include breakout spaces, phone booths, cafes, social spots, kitchens, quiet rooms or collaboration corners, each catering to a specific need.

2. \_\_\_\_\_

Thinking about office design in this way can also help to reduce a company's carbon footprint. By effectively utilising space, tracking occupancy, and powering each section of space with energy efficient resources (such as motion-sensor lights that automatically turn off when no activity is detected), offices can become more sustainable.

3. \_\_\_\_\_

In terms of engaging and keeping top talent, it's unsurprising that ambitious, bright minds want to work in exciting, high-spec environments that motivate them. Agile working also breaks up the monotony of an entire day spent in a single spot, helping to keep your workforce engaged.

4. \_\_\_\_\_

In an agile working environment, where employees are moving around different spaces and exploring new surroundings, teams are exposed to a heightened level of stimuli, and in turn, are privy to a greater propensity to innovate. Stimulating and dynamic workplaces can help our brains develop, thus agile working environments create the perfect foundation for creativity and growth.

5. \_\_\_\_\_

Sitting for long periods of time – at the same desk, for example – is believed to increase the risks of several chronic conditions in the long run and slow the metabolism in the short run, which hinders the body's ability to regulate blood sugar levels and blood pressure.

Facilities Managers, HR professionals and workplace experts have started to recognise the power of a diversified workplace – one that encourages mobility, and comprises an eclectic mix of spaces. Think sit-stand desks, desk bikes, active sitting chairs and even exercise balls.

- A. Employee wellbeing.
- B. Employee autonomy and productivity.
- C. Talent attraction and retention.
- D. Being environmentally-friendly.
- E. How businesses can use agile working effectively.
- F. Space utilization.
- G. Innovation and creativity.

### ***Speaking***

**Task 8. Read the information below and answer the questions.**

1. Denise Park, lead researcher and psychological scientist at the University of Texas, said in a statement: "When you are inside of your comfort zone you may be outside of the enhancement zone". What food for thought can it give us?

2. Our brains have been shown to be plastic in nature, so they can continue to grow or at least be maintained, given the right conditions and stimulus. If we stop using particular cognitive processes, this can result in their "wasting away" whereas if we subject ourselves to some stretching and challenging cognitive activities, these will help maintain or improve our abilities. What can we do to improve cognitive performance?

3. For years the terms *Agile working* and *Flexible working* have been used in a rather arbitrary way. This had led to confusion and not benefited the management of modern workplaces.

Divide the following descriptions into two columns:

space optimisation; easily persuadable; adaptable; minimum constraints; activity-based design; hot desking; variable; remote working; tractable; rapid adaptability; part-time working; optimize performance; job sharing; home working; do best work.

Agile working	Flexible working

**Task 9. Consider the following essential elements of an agile working environment. How important is each one for you? 1 = very important; 5 = not important.**

- Open plan areas offer good communication for project teams, are ideal for the staff performing intensive computer-based work. It gives a high density of workers, which is very space-efficient. At the same time, open plan areas can be noisy and distracting for the people performing focused work and there is little privacy for confidential work or sensitive conversations.

- Breakout areas are multi-purpose spaces. They can be used for informal ad-hoc meetings, for eating, for relaxation, and are ideal for brainstorming sessions. Breakout areas provide instant-access meeting facilities for project teams but can be noisy and not ideal meeting spaces if rules are not put in place.

- Quiet zones are an essential part of agile working. They provide areas where any worker can get privacy and quiet to perform work that is confidential or that requires focus and concentration. If designed carefully, quiet zones can also provide small confidential meeting spaces. On the other hand, they are relatively expensive to provide.

- Touchdown areas provide overflow work space to accommodate workers who may visit the office less frequently. They are ideal for short duration tasks like catching up with emails or doing a quick task between meetings. They are often incorporated with breakout areas and are typically smaller than standard work stations and not ideal for periods of sustained work.

- Resources and storage are vital cogs in the wheel. They want to be close to team work areas but screened to reduce noise intrusion. Facilities that need to be allowed for include copiers and printers, recycling stations, stationary storage and team filing.

### ***Writing***

**Task 10. Write an essay on one of the following topics.**

1. Working styles like agile working and activity-based working have become the future of work.
2. Components of an agile organization.



## Grammar

### Task 11. Put the verbs into the correct form (Future Simple / Future continuous).

1. A growing number of companies ... (succeed) in international markets next year.
2. Globalisation of business and politics ... (create) massive opportunities.
3. We ... (place) more weight upon change strategies in the next couple of years.
4. People ... (need) quiet workplace conditions to concentrate in the near future.
5. If there is a solid reason, you ... (explain) it to them.
6. Ultimately, the desire ... (grow) and with it there ... (come) the opportunity to introduce more agility in the workplace.

### Task 12. Fill out the gaps with the verbs in brackets in the Future Continuous tense.

1. This time next month I ... (sit) on a beach.
2. When you arrive, I probably ... (pick) fruit.
3. When we reach England, it very likely ... (rain).
4. In a few day time we ... (fly) over the Himalayas.
5. – I'll call for her at eight. – No, don't; she still ... (have) breakfast then.
6. I'll give Jack your message. I can do it easily because I ... (see) him tomorrow.
7. In a hundred years' time people ... (go) to Mars for their holidays.
8. He ... (use) the car this afternoon.
9. It's a serious injury but he ... (walk) again in five weeks.
10. – I'll come at three o'clock. – Good, I ... (expect) you.
11. They are pulling down all the old houses in this street, I expect they ... (pull) down mine in a few years' time.
12. Stand there, they ... (change) the guard in a minute and you'll get a good view.

### Task 13. Write the words in the correct order to make sentences.

1. up / says / to / bus / us / at / will / the / He / stop / but / he / I'm / meet / sure / he / forget / turn / will
2. never / my / able / I / be / manage / on / to / own / will
3. will / time / month / skiing / the / be melting / over / This / snow / be / next / and / will

4. the / for / main / conversation / be / of / coming / the / Will / topic / the / fortnight / election / next?
5. holiday / won't / your / You / when / car / you're / on / will / use / you?
6. best / garden / will / The / its / next / look / month

**Task 14. Make up questions to the following sentences starting with the words in brackets.**

1. The police will watch all the ports. (who?)
2. We will be taking off in a few minutes. (when?)
3. We'd better go out tomorrow because Mary will be practicing the piano all day. (what?)
4. Let's go down to the harbour; the fishing boats all will come in because of the gale. (why?)
5. This time next Monday I will be sitting in a London cafe reading the *Times*. (what?)

**Task 15. Complete the text with the Future Simple or the Future Continuous form of the verbs below.**

*Walk, watch, study, work, not write, be, will wear, not teach, not meet.*

1. There is going to be a bus strike. Everyone ... to work next week.
2. I ... for Mr Rogers next week as his own secretary will be away.
3. I ... you next week, as I have to go to Lisbon.
4. I ... for some time, as I only write once a month.
5. I know you don't like wearing ties, but ... you ... one tomorrow, just to please me?
6. You ... TV all night again?
7. ... you computer programming at college?
8. He ... her, because they ... be in different places.

### **Word patterns**

**Task 16. Choose the correct answer.**

1. When was the last time you had a time ...?  
a) with;    b) off;    c) in;    d) of.
2. Hardly had the police officer come ... duty when he had to respond to an emergency.  
a) on;    b) in;    c) of;    d) out of.

3. My dad's ... work at the moment, I'm afraid. Can you call back later?

a) on;      b) with;      c) in;      d) at.

4. Sol's made an arrangement ... the wholesalers to deliver more frequently in future.

a) at;      b) about;      c) with;      d) in.

5. I put a lot of effort ... writing this report.

a) into;      b) on;      c) in;      d) at.

6. They've made their decision ... who's going to get promoted.

a) of;      b) about;      c) on;      d) at.

7. The secretary kept me ... hold for ages.

a) on;      b) onto;      c) in;      d) at.

8. I don't know why you didn't apply ... that position.

a) of;      b) in;      c) on;      d) for.

### **Task 17. Insert prepositions.**

1. You can't get a driving licence ... you pass the test. 2. Let us know ... you get the e-mail. 3. ... you make up your mind, there will be no going back. 4. I'm going to Plymouth ... Tuesday ... John. Would you like to come ... us? Are you going ... bus? No, we're going ... John's car. 5. I saw him standing ... the queue but I don't know whether he got ... the bus or not. 6. How do you go ... school? It depends ... the weather. ... wet days I go ... tube. ... fine weather I go ... foot. 7. The car stopped ... the traffic lights and wouldn't start again, so the driver got ... and pushed it ... the side ... the road. 8. Someone threw a stone ... the speaker. It hit him ... the head and knocked his glasses ... . 9. I want to post this ... a friend ... Italy. Will he have to pay duty ... it? 10. According ... James, it is impossible to live ... Paris ... less than £15,000 a year. 11. Are you ... your own (alone)? No, I'm ... a friend ... mine. 12. You ought to be ashamed ... yourself for coming ... my nice clean kitchen ... muddy boots. 13. Children get presents ... Christmas and ... their birthdays. 14. How would we get ... (escape from) this room if the hotel were ... fire? 15. He arrived ... London ... 7 p.m. ... a foggy November day. We often have fogs ... November.

## Unit 6. The benefits of working collaboratively

### Reading

#### Discuss these questions.

1. How can we work together more effectively?
2. What are collaboration skills?
3. How collaboration skills work?

#### Task 1. Pre-reading.

Before reading the text, match the words with their definitions.

1. productivity	a) a high level of knowledge or skill in a particular subject
2. to set an example	b) interested in personal relationships
3. contribution	c) the position or fact of being a leader, the qualities of a good leader
4. to stay focused	d) to behave in a way that other people should copy
5. leadership	e) the rate at which a person or company produces things or does useful work
6. expertise	f) something that you give or do to achieve something with other people
7. to bond with someone	g) to develop a close connection to or strong relationship with someone
8. relationship-oriented	h) to keep giving attention to one particular thing

**Task 2. Speed scanning. Read these topic sentences (A – E). Then scan the information below and match each topic sentence with the appropriate paragraph (1 – 5).**

- A. Respect for diversity.
- B. Emotional intelligence.
- C. Creating cooperation.
- D. Encouraging the spirit of community.
- E. Communication Skills.

1. Getting your point across can be a challenge. Within a team, you can't be afraid to share your perspective, but you also can't impose your viewpoint on everyone else. These communication skills are essential collaboration skills. We need to provide effective channels of communication and encourage people to share what they're doing.

2. Emotional intelligence is one of the most sought-after soft skills in the workplace. It is the ability to identify and manage your emotions, recognize emotions in others, react appropriately and apply your emotions to tasks. Those with emotional intelligence can determine that the irritability could be evidence of the moody colleague's need for rest or assistance. Even issues such as perceived laziness or stubbornness are seen by those with emotional intelligence as symptoms of a larger issue that everyone can work together to address.

3. In our global economy, you may be working with colleagues from other countries and cultures. To be successful, it's essential to reflect on any implicit biases you may hold so you can work respectfully with the others. You should also call attention to behaviors or decisions that could be subtle forms of discrimination. For example, if a minority colleague is consistently being talked over or ignored during meetings, you might make a deliberate effort to bring the conversation back to that colleague's ideas.

4. To achieve the goals effectively, team members need to cooperate and be generous with their resources, including their own talents. When people get to know the strengths of their individual team members, they can use the different skills and expertise in the team to their advantage. Team leaders can create a culture of cooperation by setting an example that includes spending time talking to and supporting individuals, and sharing their knowledge and resources with their team.

5. Companies often organise social events because they know the importance of creating a sense of community. The activity could be anything from a weekly lunchtime food share to a quiz afternoon. Or we can start with simple, everyday things like having coffee breaks together or creating a space to share books. Ideas like these all encourage collaboration by bringing people together and helping them bond with their colleagues.

**Complete the following sentences.**

1. Collaboration skills enable you to ...
2. Most work environments require ...
3. Collaboration skills include ...
4. Active listening means ...
5. Conflict resolution is the process by which ...

**Task 3. Multiple-choice cloze. Read the following description. Choose the best word (A, B, C or D) to fill each gap. The first one (0) is given as an example.**

Soft skills are the skills that (0) **enable** you to fit in at a workplace. They include your (1) ..., attitude, flexibility, motivation, and manners. Soft skills are (2) ... important that they are often the reason employers decide whether to keep or promote an employee.

Soft skills are different (3) ... hard skills (also known as technical skills), which are directly relevant to the job to which you are applying. These are often more (4) ... , and easier to learn than soft skills.

Communication skills are important in almost (5) ... job. You will likely need to communicate with people on the job, to be able to speak clearly and politely with people (6) ... person, by phone, and in writing. You will also likely need to be a good listener. Employers want employees who can not only (7) ... their own ideas, but who also listen empathetically to others. Listening is a particularly important skill in customer service jobs.

No matter what the job, employers want candidates who can analyze situations and make (8) ... decisions. Whether you are working with (9) ..., teaching students, or fixing a home heating system, you need to be able to understand problems, think critically, and (10) ... solutions. Skills related to critical thinking include creativity, flexibility, and curiosity.

Employers are always seeking people who will bring a positive attitude to the office. They want employees who will be friendly to others, eager to work, and generally a pleasure to be (11) ... . Being able to keep things positive is especially important if you're working in a fast-paced, high-stress (12) ... environment.

0	A	allow	B	let	C	<b>enable</b>	D	make
1	A	individuality	B	personality	C	person	D	character
2	A	so	B	such	C	that	D	as
3	A	to	B	than	C	from	D	for
4	A	quantitative	B	qualitative	C	quantity	D	quantifiable
5	A	each	B	any	C	every	D	no
6	A	on	B	in	C	by	D	with
7	A	discuss	B	talk	C	communicate	D	tell
8	A	informing	B	informed	C	informative	D	informing
9	A	dates	B	indicators	C	evidence	D	data
10	A	invent	B	create	C	devise	D	think
11	A	around	B	about	C	within	D	like
12	A	job	B	work	C	occupation	D	profession

**Task 4. Fill out the gaps with the appropriate words or word combinations.**

*Remote, facial, avoid, uncomfortable, team, leadership, point, pay.*

1. If people multitask during meetings, there's a risk they don't ... attention.
2. It's a good idea to ask for everyone's ... of view on new projects.
3. Carol wanted to use her new role to demonstrate her ... abilities.
4. If we want our remote teams to be successful, we need to find opportunities for ... bonding.
5. Trying to understand why people are silent helps to ... misunderstandings.
6. She realised that there are particular challenges to leading a ... team.
7. During the meeting, some people talked at the same time and there were ... silences.
8. It can be difficult to know how people are reacting if you can't see body language or ... expressions.

**Task 5. Use the words in brackets to form a word that fits in the gap.**

1. There are many project ... tools that can provide a regular and open channel of communication with everyone. (manage)
2. The most productive and innovative teams often have leaders with a flexible ... style. (leader)
3. When people get to know the strengths of the people in their team, they can use their different skills and ... to their advantage. (expert)
4. When two or more people work together to achieve the same goal, it is called ... . (collaborate)
5. Collaboration is a source of energy, ... and continued effort. (strong)
6. To achieve their goals ..., team members need to share their resources. (effective)
7. Strong teamwork and effective collaboration will improve ... and get better results. (produce)
8. Creating a group on messaging apps like WhatsApp or LINE offers team members a chance to communicate ... with others. (formal)

**Task 6. Read the text below and think of a word which best fits each gap. Use only one word in each gap. There is an example at the beginning (0).**

Whether you are a manager or (0) an employee, you will likely need to resolve conflicts at some point in your job. This might involve solving

an issue between two staff members, (1) ... yourself and a colleague, or between a client and your company. You will need to be (2) ... to listen fairly to both sides and use creative problem solving to arrive at a solution.

Conflict resolution skills are required (3) ... a wide range of positions across many job sectors. This requirement is based around the fact (4) ... conflict tends to reduce productivity and create a difficult work environment. Individuals (5) ... are able to resolve conflicts are often excellent mediators, rational, and able to manage difficult personalities from a place of empathy.

Problem-solving skills help you solve issues quickly and effectively. It's (6) ... of the key skills that employers seek in job applicants, as employees with (7) ... skills tend to be self-reliant. Problem-solving skills require quickly identifying the underlying issue and implementing a solution.

Problem-solving is considered a soft skill (a personal strength) (8) ... than a hard skill that's learned through education or training. You can improve your problem-solving skills by familiarizing yourself with common issues in your industry and learning from more experienced employees. Problem-solving starts with identifying the issue, coming (9) ... with solutions, implementing those solutions, and evaluating their effectiveness. Since this is a skill that's important to most employers, put them front and center on your resume, cover letter, and in interviews.

Negotiation is an important skill for many positions. Depending (10) ... the specific job, it might involve creating formal agreements (or contracts) between clients or helping colleagues solve a problem and determine a solution. To be a good negotiator, you must be able to listen to others, use creative problem solving, and arrive at an outcome that satisfies everyone.

**Task 7. Read the texts below. Match choices (A – H) to (1 – 5). There are two choices you do not need to use.**

Delegating means trusting someone else in your team with work and responsibilities. It might be tempting to think (1) ... . It might be hard to hand over tasks you enjoy doing. But attempting to do everything all by yourself shows poor leadership and can end in personal burnout. You end up over-worked, stressed and unable to be the leader your team needs.

Leading a team brings new responsibilities and challenges, and managers need to learn to delegate as much as possible. That means sharing or transferring some of your responsibilities, (2) ... . Effective delegation gives you



the time and space to offer the support needed, deal with the problems that arise and keep an eye on the bigger picture – things that a leader should be doing.

If you're worried about handing over large projects, start by delegating the smaller tasks that don't require much overseeing. This will also give your team members time to get used to their new responsibilities. Delegation shouldn't just be about reducing your workload. It should also be about developing your team and giving them learning opportunities. Choose tasks (3) ..., and allow them time to get better at doing them. By passing on work you are good at doing yourself and training your team members to do it, you're helping them grow professionally.

A good team leader knows their team well and knows (4) ... . Don't just delegate tasks you don't like doing. When people are doing tasks they enjoy, they're more motivated to do the best job they can do. After handing over a task, some managers regularly look over their staff's shoulders and correct every action they see. (5) ... – a style of management where a manager watches and controls what their team is doing too closely. Micromanaging takes almost as much time as doing the task yourself. It's also demotivating for your team, and discourages creativity and innovation. When we delegate, we need to be able to trust that things will get done, just not in the exact way we would do them.

As a team leader, you need to set clear goals and expectations, communicate timelines and offer guidance where needed. Don't expect your team members to read your mind and understand your expectations (6) ... . Check in regularly to make sure everything is on track.

It is not easy to delegate, and it takes practice to do it effectively. But it is by sharing responsibilities that we can become a valuable team player and a true leader.

- A. that help their professional development.
- B. if there's someone who could do the work better.
- C. which tasks would suit which person best.
- D. you can do everything faster and better than your team members.
- E. when you haven't given them the necessary information.
- F. This is called micromanagement.
- G. and trusting other people to do some of the work that you normally do.
- H. you likely have more years of experience in your field.

## Speaking

**Task 8. To find out about your collaboration skills, take the following test.**

Decide on your answers, then add up your points: often = 3; sometimes = 2; rarely = 1.

1. I'm reliable by doing what I promise to do.
2. When I have an idea that will help our team, I speak up and share it.
3. I support other members of my team and find ways to be helpful.
4. I show respect for my group's leader or coach.
5. I'm honest and tactful when someone asks for my opinion.
6. When I make a mistake, I stay optimistic and try to learn from it.
7. I'm friendly and courteous with competing people and teams.
8. I listen carefully to others' ideas, even if I don't agree with them.
9. I have a positive attitude and stay focused on doing my best.
10. I practice, so I'm prepared to contribute to the group's goals.
11. I share the spotlight instead of always trying to be the star.
12. I'm flexible if the group wants to make a change or try doing something in a new way.

How are your teamwork skills?

**36 – 28 points:** You're definitely a positive team player. Way to support and encourage your group!

**27 – 20 points:** Your cooperative skills are starting to shine through. Keep up the good work.

**19 – 12 points:** You've made it through teamwork tryouts. Add some skills to boost your score.

Are you happy with your results? How can you improve your skills? What have you learned about yourself by completing this test?

**Task 9. Express your opinion on the quotes:**

"Coming together is a beginning. Keeping together is progress. Working together is success". *Henry Ford*

"No one cares how much you know, until they know how much you care". *Theodore Roosevelt*

## Writing

### Task 10. Write an essay on one of the following topics:

1. What is the main attribute that binds members of a team together?
2. What makes a good group member?

## Grammar

### Task 11. Change the sentences into reported speech according to the model.

Model. *Miranda says, "I work for a small publishing house". – Miranda says (that) she works for a small publishing house.*

1. I'm going to work in England next year.
2. I'm their marketing manager.
3. The company has opened an office in Miami.
4. Up till now I've been very successful in my career.
5. I've been chosen to run the new office in Paris.
6. I'm studying English in the evenings.
7. I don't have much time to enjoy myself.
8. I haven't had lunch with a friend for ages.
9. I hope my friends will come and visit me in London.
10. I went there last week with my secretary.
11. We didn't have much time for sightseeing.
12. I have to get back to work now.

### Task 12. You are being interviewed for a job and are asked the following questions. When you come back home, tell your parents what questions you were asked.

1. How old are you?
2. Where do you live?
3. What's your address?
4. What school did you go to?
5. When did you leave school?
6. Where are you working now?
7. Who are you working for?
8. How long have you been working?
9. Are you enjoying your present job? How big is your salary?
10. Why do you want to leave?

### Task 13. Report the dialogue.

A. – How was your trip to Chicago?

B. – I wish I'd spent my vacation here.

A. – In other words, you didn't like Chicago.

B. – Oh, it wasn't that. I liked the city very much. But I got sick while I was there.

A. – I'm sorry to hear that.

B. – I came near having to call the doctor. But I had some medicine and I took that. I always carry it, just to be on the safe side.

A. – Lucky you had it on hand.

B. – Little did I think I'd get sick in Chicago. Next time I won't take chances. I'll make sure I'm in good health before I leave.

A. – Keep your fingers crossed.

**Task 14. Put the following into indirect speech using *ask, advise, invite, offer, remind, tell, warn*.**

1. "Would you like to have lunch with me on Sunday?" he said to me.

2. "Take these letters to the post, will you? And shut the door as you go out", said the boss.

3. "Will you help me, please?" she said. "I can't reach the top shelf".

4. "This is a horrible room. Why don't you ask for something better?" he said.

5. "If I were you I'd try to get a room on the top floor", he said.

6. "You might check these figures for me", he said.

7. "You'd better apologize for being late", said my mother.

8. "Why don't you go by train? It's much less tiring than driving", I said.

9. "Would you like to wait here?" said the receptionist, showing me into the waiting room.

10. "You must see this exhibition!" said all my friends.

**Task 15. Put the following sentences into indirect speech, using *tell/order/urge/ask/beg/invite/advise/warn/remind + object + infinitive, or ask (+ object) + for, or, in some cases, ask + infinitive*.**

1. "Go on – apply for the job", said my friend. "It would just suit you".

2. "I should say nothing about it if I were you", said my brother.

3. "Don't lend Harry any money", I said to Ann. "He never pays his debts".

4. "Could you please ring back in half an hour?" said the secretary.

5. "Hold the ladder", he said. "It's rather unsteady".

6. "Why don't you tie it at the top?" I said. "It's much safer that way".

7. "Don't take more than two of these at once", said the doctor, handing me a bottle of pills.

8. "Fasten your seat belts; there may be a little turbulence", said the air hostess.

9. "Don't drive through fog with only a fog light on", he said, "or on-coming drivers may take you for a motorcycle".

10. "Would you please fill in this form and then join the queue by the door?" said the clerk.

### ***Word patterns***

#### **Task 16. Choose the correct answer.**

1. I think we are all in agreement ... this, aren't we?

a) about;    b) on;        c) in;        d) with.

2. Dean's been ... of work for over two months now.

a) in;        b) without; c) on;        d) out.

3. Ironworks Limited has closed ... and 400 people have lost their jobs.

a) about;    b) over;        c) down;    d) on.

4. Mr Carter asked me to see ... the orders while he spoke to a customer.

a) to;        b) about;    c) on;        d) into.

5. I heard that Bigburger have taken ... Cookright and plan to close some branches.

a) about;    b) over;        c) in;        d) with.

6. Roger says he never set ... to become a millionaire – it just happened!

a) out;        b) on;        c) in;        d) over.

7. Apparently, Fatfoods are bringing ... a new flavor of ice-cream next month.

a) on;        b) out;        c) about;    d) over.

8. I'm thinking of setting ... a business selling my own jewellery.

a) in;        b) over;        c) out;        d) up.

#### **Task 17. Insert prepositions.**

1. The man ... his back ... the camera is the Minister ... Agriculture.

2. How do I get ... the Public Library? Go ... the end ... this street and turn right; turn left ... the next traffic lights and then take the second turning ... your right. This will bring you ... Brook Street, and you'll find the library ... your left.

3. Alternatively you could get a 12 bus ... this stop and ask the conductor to tell you where to get ... (alight). 4. The boy was leaning against the wall ... his hands ... his pockets. "Take your hands ... your pockets", said his father sharply.

5. As she was getting ... the car one ... her buttons fell ... . Although

we were ... a hurry she insisted ... stopping to look for it. 6. Mr Jones is very keen ... punctuality. His lessons start dead ... time and you get ... terrible trouble if you're late. 7. The man ... the pipe and red hair is the brother ... the girl ... blue. 8. Don't leave your luggage ... the corridor. It'll be ... everyone's way. Bring it ... the compartment and put it ... the rack. 9. He sits ... his desk all day ... his head ... his hands. It gets ... my nerves. 10. ... mistake I opened Amanda's letter instead ... my own. She was very angry ... me and said that I'd done it ... purpose. 11. I buy a newspaper ... my way ... the station and read it ... the train. By the time I get ... London I've read most ... it. 12. He was charged ... driving while ... the influence ... alcohol. 13. People who drop litter ... the pavements are liable ... a fine ... £50. 14. He accused me ... selling secret information ... the enemy. 15. You look worried. Are you ... some sort ... trouble? Yes, ... a way. I'm ... debt and my creditors want to be paid ... the end ... month, and ... the moment I haven't any money ... the bank.

## **Unit 7. Auditing**

### ***Reading***

#### **Discuss these questions.**

1. What is the main priority of an auditor?
2. Why has the auditing profession been criticized in recent years?

#### **Task 1. Pre-reading.**

**Before reading, consider these questions. Then read the text below and try to answer them.**

1. When did forensic accounting start?
2. What famous gangster was investigated with the use of a forensic accountant?
3. What kind of government institutions use forensic accountants?
4. What does a forensic accountant actually do?
5. What does forensic accounting lack compared to other branches of accounting?
6. When are forensic accountants usually engaged?

**Task 2. Reading. In this text, the first sentence of each paragraph is missing. Read it, then choose the appropriate sentence for each**

**paragraph from the sentences below (A – F). There is one extra sentence which you do not need to use.**

What to look for in a forensic accountant

1. ... A forensic accountant audits evidence, conducts analyses, interviews involved parties and comes to the conclusions. Forensic accountants are usually kept after a supposed fraud has occurred to evaluate the extent of a fraud and to bring those accountable to justice. Forensic accountants are frequently called upon to provide expert evidence on fraud and accounting-related matters. Forensic accountants can also be used to install proactive fraud-prevention programmes.

2. ... Al Capone, one of the most known gangsters of the 20th century, was prosecuted for tax evasion with the use of a forensic accountant by the Internal Revenue Service. Nowadays, forensic accountants in their enlarged role can be relied on to work on all types of cases where having knowledge of accounting concepts and investigations has been applied to some of the biggest cases ever, including terrorism and corporate fraud cases. A forensic accountant owns the knowledge and expertise to clarify financial statements or to work under circumstances where financial information has been destroyed, forcing the recreation of information to set up if inappropriate actions have occurred.

3. ... Many accounting firms, both large and small, have developed forensic accounting practices that service a wide variety of lawsuit and investigative needs. Many private investigation firms have forensic accountants on staff. Governmental entities, such as the IRS, Federal Bureau of Investigation and state and local police departments, hire forensic accountants to handle law-enforcement needs. Moreover, many large corporations employ forensic accountants to handle legitimate and fraud-related issues inwardly.

4. ... The cost of every alternative should be considered attentively, comparative to the loss. Besides, the duration of the engagement should be factored into the equalization, to address the cost-benefit reviews.

5. ... Many professional organizations blend forensic accounting with other titles and specialties including fraud, auditing, and general accounting. When a person chooses a forensic accountant, many considerations must go into choosing the right person for the job. In many cases, experience has an important effect between a good and bad result. Unlikely, forensic accounting presently lacks the standardized methodologies and standardized practices found in many other professions.

- A. Where can a person find a forensic accountant?
- B. Forensic accountants can track their roots back to America's Prohibition days.
- C. The field of forensic accounting has existed for a while, using other names, such as "financial investigations", nevertheless, only a few professional certifications handle forensic accounting concretely.
- D. Forensic accountants are frequently requested to be present at court proceedings.
- E. Deciding of what type and what size of firm to employ requires many speculations.
- F. A forensic accountant is actually part investigator, part auditor, part lawyer and part bookkeeper.

**Task 3. Read these topic sentences (A – E). Then scan the text below and match each topic sentence with the appropriate clause (1 – 5).**

- A. Description of confidentiality agreement.
- B. Supply and return of financial statements and pertinent documentation.
- C. Calculation of annual fees.
- D. Percentage fee of amount obtained.
- E. Costs pertinent to collection of excess amounts charged due to bank fault.

#### Draft audit contract

We herewith instruct GHALC to audit the company's interest charges, tariff charges and facilities in compliance with the following terms and conditions.

1. Audit fees are calculated at £378.00 per annum for the main account. Supplementary accounts and paying-in stations are calculated at £145.00 per annum each. The total audit fee is indicated below.

2. In addition to the above, a further fee is payable, calculated at 24 % of any sum recovered for whatever reason including the return of fees, relating to any period up to and including the final date of the audit period covered by this audit contract.

3. All costs (excluding legal costs if they become necessary) associated with the recovery of overcharges from the lender/bank will be met by GHALC. GHALC will be solely responsible for negotiating the recovery of any overcharges.



4. BCALC agrees to maintain complete confidentiality in all matters, and no contact will be made with the bank/lender without first receiving specific written authorization from the company.

5. The company will supply GHALC with all bank statements, facility and other relevant letters relating to the audit period. (Paying-in books are only necessary if there are substantial cash deposits.) The company will arrange delivery of such documents to GHALC at the address below. Documents will be returned to the company at GHALC's expense when the audit is completed.

VAT is applicable to all fees quoted above.

**Task 4. Using link words. Complete the sentences using the link words given below.**

*For instance, furthermore, in accordance with, in addition, subsequently.*

1. The figures must provide comparisons, ... industry averages and company targets.

2. Our fees are calculated ... the rates specified in the contract.

3. ... to detailing its expenditure requirements, Audit Scotland provided information for the Autumn Budget Revision.

4. Following the audit, KPMG was ... asked to evaluate the project.

5. ..., accountancy measurements must be accurate, precise and compatible with national standards.

**Task 5. Multiple-choice cloze. Read the following description of auditing. Choose the best word (A, B, C or D) to fill each gap. The first one (0) is given as an example.**

Auditing in brief

Auditing is a related (0) **but** separate discipline to accountancy of which there are two sub-disciplines; internal and external auditing. External auditing is the process (1) ... an external auditor is appointed (2) ... outside by the organisation to examine its financial statements and accounting records in (3) ... to ensure that the records show a true and fair (4) ... of the statements and the accountant's compliance to accounting standards (5) ... as Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS) in all material respects.

The auditors of a limited company are (6) ... by the shareholders. Internal auditing aims (7) ... provide information for the management of

a business entity, and is (8) ... undertaken by auditors who are employed by the company, and in some (9) ... by consultants or external service providers. The auditor's report is usually (10) ... brief and indicates that the financial statements have been audited and also gives the auditor's (11) ... about them. The report is attached to the main financial statements published by a company as a (12) ... requirement.

0	A	and	B	however	C	<b>but</b>	D	not
1	A	in	B	by	C	whereby	D	which
2	A	by	B	through	C	via	D	from
3	A	order	B	case	C	particular	D	addition
4	A	record	B	view	C	opinion	D	report
5	A	referred	B	by	C	called	D	such
6	A	specified	B	employed	C	appointed	D	identified
7	A	at	B	to	C	for	D	on
8	A	usually	B	seldom	C	always	D	never
9	A	places	B	firms	C	cases	D	exceptions
10	A	slightly	B	remarkably	C	very	D	quite
11	A	report	B	opinion	C	assessment	D	results
12	A	voluntary	B	comprehensive	C	statutory	D	official

### ***Speaking***

**Task 6. Giving an "elevator pitch". Read this description of an "elevator pitch", then prepare to give a brief introduction of your firm or department.**

The expression "elevator pitch" is used to describe the 60 – 90 seconds an entrepreneur has to interest a venture capitalist in his or her business idea.

It comes from the approximate amount of time they would have if they travelled in an elevator from the bottom to the top of a building.

The most important point when giving an elevator pitch is that you make your presentation interesting so that it grabs the attention of your audience.

**Task 7. Active listening and speaking. As you listen to your partner's brief introduction, make a note of some follow-up questions.**

**Task 8. Discussing auditing issues. Read these statements about the harmonization and convergence of financial reporting and auditing standards and discuss them in groups of three.**

1. The reporting method should not differ depending on country, industry, size of company or any other consideration, and managers should not be permitted choices of reporting methods for similar transactions.

2. The quality of both audit standards and the resulting audits differs substantially worldwide.

3. Investors, companies and markets will benefit from the complete harmonisation on a global basis of the differing national and supra-national standards.

4. The costs investors incur to harmonize the various standards so that cross-border comparisons of companies may be made are huge.

5. Auditing should not be standardized.

6. Different local standards for auditing should be accepted.

**Task 9. One-minute presentation. Work in groups of three. Choose one of the topics from the list below and prepare to give a one-minute presentation to the group. In your presentation, emphasize three important points about your topic.**

1. The role of the forensic accountant in cases of corporate fraud.

2. Dos and don'ts of auditor interviews.

3. A brief introduction to auditing.

**Task 10. Presentation feedback. As you listen to other members of the group give their presentations, consider the following points and make notes on both positive aspects and points for improvement.**

Accuracy.

- How accurate was the presentation?
- What kind of mistakes did you notice?

Clarity.

- How clear was the presentation?
- How did the speaker clarify key points?

Speed.

- Was the presentation too slow or too fast?

Presence of the speaker.

- What impression did the speaker give to the audience?
- Was he/she confident/enthusiastic/calm?

## Writing

**Task 11. Writing accurately. In the following article about credit-rating agencies, there are 15 mistakes. With a partner, try to find them.**

Recently, credit-rating agencies were sharply criticized for failing to recognize the risks in hundreds of billions worth of mortgage-backed securities, which values continue to plummet as home-loan defaults grow. The Treasury, the SEC and several congressional committees are now investigating why credit-rating agencies such as Standard and Poors, Moody's and Fitch gave endorsed securities backed by sub-prime mortgages downgrading them only in July.

Real mystery is why this issue to be investigated. It's obvious why credit-rating agencies didn't blow the whistle. They didn't blow the whistle on Enron or WorldCom before those entities collapsed, either. You see, credit-rating agencies are paid by same institutions that package and sell the securities the agencies are rating. If investment bank doesn't like the rating, it doesn't have to pay it.

And even if it likes the rating, they pay only after the security is sold. It's as if movie studios hired film critics to review their movies, and paid them only if the reviews were positive enough to get lots of people to see a movie.

Until the recent collapse, the results were great for credit-rating agencies. Profits at Moody's more than doubled between 2002 and 2006. And it was a great ride for the issuers of mortgage-backed securities. Demand soared due to the high ratings expanded the market. Traders that bought, rebundled and then sold them didn't have to examine anything except the ratings. It was actually a market in credit ratings – a multi-billion-dollar game of musical chairs. Then the music stopped.

**Task 12. Checking your spelling. This is a list of words that are frequently misspelt. Circle the correct spelling and compare your answers with a partner.**

1.	A	acheve	B	acheive	C	achieve	D	achive
2.	A	maintaning	B	mantaining	C	maintianing	D	maintaining
3.	A	interviwed	B	interviewed	C	interveiwed	D	interviewed
4.	A	increasingly	B	incresingly	C	increaseingly	D	increasigely
5.	A	hypophysis	B	hypothesees	C	hypothesis	D	hypophesis

6.	A	friquently	B	frequantly	C	frecuently	D	frequently
7.	A	emphasis	B	emphasus	C	emphise	D	emphisis
8.	A	diveded	B	divided	C	devided	D	dividid
9.	A	developpment	B	developmente	C	development	D	divelopement
10.	A	creticism	B	criticism	C	critisism	D	critism
11.	A	choise	B	chouce	C	choce	D	choice
12.	A	biginning	B	beginning	C	begining	D	begginin

**Task 13. Writing a report. Write a report to a client outlining how your company can set up a sound internal auditing department for the management of a medium-sized furniture manufacturer.**

In your report, you should explain:

- the importance of having an internal auditing department;
- the connection between internal and external accounting;
- how management accounts would assist the company in monitoring its performance;
- what kind of training managers would need to benefit from this facility.

### ***Grammar***

**Task 14. Put the verbs into the correct form (Present Perfect Simple).**

1. I (not / work) ... today.
2. We (buy) ... a new armchair.
3. We (not / plan) ... our holiday yet.
4. Where (be / you) ...?
5. She (write) ... three letters.
6. He (not / see) ... him for a long time.
7. (be / you) ... to school?
8. School (not / start) ... yet.
9. (speak / he) ... to his chief?
10. No, he (have / not) ... the time yet.

**Task 15. Fill in the gaps with the right forms of the verbs in brackets to complete the following English sentences in the Present Perfect Tense.**

1. They ... Tokio this month. (leave)
2. She ... a lot of French papers. (bring)
3. He ... me about it. (tell)

4. I ... a long letter from mother this week. (get)
5. He (just) ...; he will speak to you in a minute. (come)
6. I ... to Forest City. (be)
7. I think the boss ... the town. (leave)
8. I ... my flat. (paint)
9. We ... her since she arrived in our city. (know)
10. I ... your surname. (forget)
11. He ... the window. (close)
12. She ... it since we left her. (do)
13. I ... him my last penny. (give)
14. This order ... to many misunderstandings. (lead)
15. He ... his name on my newspaper. (write)
16. She ... a new jacket. (buy)
17. He ... my essay over and over. (look)
18. I ... those books very cheaply. (buy)
19. He ... for five months. (work)
20. She ... a new job. (find)
21. He ... very well. (speak)
22. The children ... the whole cheesecake. (eat)
23. You ... many detective stories. (read)
24. Our team ... the second prize. (win)
25. My little son ... his hand with a knife. (cut)

**Task 16. Put in the verbs in brackets into the gaps. Use Present Perfect. Mind the signal words (if given).**

1. The students ... a flight to Rome. (*to book*)
2. The cat ... a bird. (*just / to catch*)
3. Mary and Michael ... this picture. (*just / to draw*)
4. She ... her relatives. (*already / to invite*)
5. Pauline ... a table with four columns. (*just / to make*)
6. My friends ... the chemistry test. (*to pass*)
7. I ... the kittens. (*just / to feed*)
8. The baby raccoons ... the water. You need to get more. (*already / to drink*)
9. The teacher ... the keys, so he can't open the door. (*to lose*)
10. We ... the worksheets. (*already / to download*)

**Task 17. Use the words in brackets to put each of the following into either Past Simple or Present Perfect.**

1. Katy: How many times (you / try) ... to pass your driving test?  
George: Three times so far.
2. When (you / go) ... to Italy?
3. You look different. (you / have) ... a haircut?
4. I (not / see) ... Joe at all this week. I don't even know where he is.
5. Katy: (you / speak) ... to Paul yet?  
George: No, not yet.
6. When (you / start) ... your job?
7. I (move) ... house five times in the last five years.
8. My sister (be) ... to Orlando two times and she's going again next year.
9. The US President (be) ... in our country last year.
10. The US President (visit) ... our country four times in the last three years.

## **Unit 8. Ethics**

### *Reading*

**Discuss these questions.**

1. What aspects of ethics did you study prior to qualifying?
2. After accounting scandals such as Enron, how can certification programs be altered to help accountants approach issues of ethics?

**Task 1. Pre-reading. Before reading the text, discuss with a partner the meanings of the words in bold in these sentences.**

1. It is crucial to **distinguish** between cash basis and accrual basis of accounting.
2. Most CEOs resist the **temptation** to use their accounting system to misstate the results of operations.
3. Here is a list of **ad-hoc** accounting queries.
4. The panel discussed why **consistency** of accounting standards makes a difference.
5. The candidate must have the ability to orally **articulate** audit findings and procedures.
6. Our software helps bookkeepers check the accuracy and completeness of the **underlying** accounting data.

**Task 2. Ordering a text. Re-order the paragraphs in this extract from a report about ethical reporting principles so that they read logically.**

Ethical reporting principles

A. Finally, it is also important to distinguish what activities are truly voluntary and what are not. For example, there are legal requirements on some industries (notably the telephone, water, gas and electrical sectors) related to providing easy access to services for disabled customers. Despite being excellent work, it would not be appropriate to claim this as part of a voluntary programme covering social responsibility in business.

B. Companies should also avoid the temptation to advertise themselves as having solved all their problems. It is far better for a company to commit to continuous improvement in this arena.

C. A key test of leadership is the consistency with which the company's different forms of communication reflect the same message.

D. This integration of reporting to cover not only financial but also social and environmental issues can permit a "triple bottom line" form of accounting or a development into "sustainability reporting" – that is, reporting on all the company's activities in a way that demonstrates its commitment to meeting long-term as well as short-term responsibilities and goals.

E. For many companies, the formal Annual Report can act as a spine, containing core messages and articulating central purpose, values and principles. Numerous larger companies already make a point of connecting this with their other communications on social and environmental issues. They thus make it clear that there is a genuine company approach to overall social impact, rather than just a set of ad-hoc initiatives.

F. However, it's important not to overclaim. This can create the impression that your work is just a publicity front. Commercial sponsorships, for example, should not be presented as community investments.

G. Separate reports on environmental or social impact are therefore valuable, but they need very clear links back to the underlying logic of your business purpose.

**Task 3. Vocabulary building. Match the words (1 – 6) from the text in Task 2 with their meanings (a – f).**

- |                 |            |
|-----------------|------------|
| 1. to adhere to | a) endorse |
| 2. vigilant     | b) protect |
| 3. adopt        | c) failure |



- |              |                   |
|--------------|-------------------|
| 4. errant    | d) cautious       |
| 5. safeguard | e) mistaken       |
| 6. oversight | f) to comply with |

**Task 4. Predicting unknown words.** In this extract, some of the words have been replaced by the names of animals. Read the whole article, then look carefully at the words before and after each animal name and try to predict:

- what type of word is missing – verb, noun, adjective, etc.
- the exact word required to complete the gap.

**Example: o) noun – creditors.**

Accounting and professional ethics

Because investors and (0) **horses** place great reliance on financial statements in making their investment and credit (1) **snakes**, it is imperative that the financial reporting process be (2) **tiger** and dependable. Accountants are expected to behave in an entirely (3) **monkey** fashion, and this is generally the case. To help ensure integrity in the reporting process, the profession has adopted a (4) **wolf** of ethics with which its licensed members must (5) **crocodile**. In addition, checks and (6) **foxes** via the audit process, government oversight, and the ever-vigilant "plaintiff's attorney" all serve a (7) **whale** role in providing additional safeguards against the errant (8) **giraffe**. If you are preparing to enter the accounting profession, you (9) **mouse** do so with the intention of behaving with honour and integrity. If you are not planning to enter the profession, you will likely (10) **bat** upon accountants in some aspect of your personal or professional (11) **elephant**. You have every right to expect those accountants to behave in a completely trustworthy and ethical fashion. After all, you will be (12) **bear** them with your financial resources and confidential information.

### ***Self-assessment task***

**Task 5. Gapped text.** For each section of this text (1 – 6), select the best sentence (A – G) to complete it. Remember to read the sections prior to and after each gap carefully. Discuss your choices with a partner. There is one extra sentence which you do not need to use.

The ethical dilemma

Imagine that you are the Chief Financial Officer of a medium to large company. It is April, and the Chief Executive Officer has just returned from

a meeting with the company's bankers. She calls you to her office to discuss the results of the negotiations. As things stand, the company requires a fairly significant injection of capital, which will be used to modernize plant and equipment. (1) ...

Existing machinery is incapable of manufacturing the required level of quality. Whilst the bank is sympathetic, current lending policies require borrowers to demonstrate an adequate current and projected cashflow, as well as a level of profitability sufficient to indicate a capacity to make repayments from an early date. (2) ... Strictly speaking, the figures would not satisfy the bank's criteria.

The CEO reminds you of all of this and then mentions that she has told the bank that the company is in excellent shape, that she believes that its financial results will meet the criteria and that she will ask the Chief Financial Officer to deliver a financial report to the bank at the beginning of the next week. She tells you that it is up to you to decide upon the contents of that report. Two final pieces of information:

- you have recently purchased a home, leveraged with a significant mortgage;
- failure to invest and gain the promised new orders is almost certain to lead to major retrenchments of personnel.

Let's look at some of the most obvious ethical questions arising in a case such as this:

Should the accountant tell the truth to the bank, irrespective of the consequences? Does the accountant have a duty to do everything possible to ensure the preservation of jobs at the factory? (3) ...

Whilst this presentation involves a fictional dilemma, it is not too far removed from the actual experience of many practitioners. Even so, it is important to realize that there is still something rather artificial about such a construction. It's not that the case is unreal. (4) ...

Indeed, one of the things that we need to acknowledge is that many people find it difficult to recognize an ethical dilemma as such. It is not that most people are inherently unethical. (5) ...

Before trying to explain the reason for this, it may be interesting to pause and consider some of the relatively "invisible" cases where ethical questions seem to be ignored. Take a simple example: have you ever seen a person avoid taking a telephone call by telling someone else to answer and say that the person is not there? Even such a simple case has at least two aspects

to consider. (6) ... Some might respond by saying that this sort of behaviour is quite harmless. But is it really? What sort of message does such behaviour give about the prevailing values of an organization? How easy is it to accept an avowal of honesty from a person who is habitually deceitful for the sake of minor personal convenience?

A. Instead, the problem is that many people are unconscious of the fact that nearly everything that they do has an ethical dimension.

B. Rather, the problem arises from the fact that most ethical dilemmas are of a much smaller dimension, perhaps lacking the obvious significance of the type of "big-ticket" issue outlined above.

C. The company has been promised new orders if it can produce goods to an international standard.

D. Firstly, there is the matter of deceit, and secondly there is the matter of getting someone else to do the "dirty work".

E. How should the accountant tackle the matter of loyalty to the CEO?

F. Practical concerns and pragmatic considerations can make one relatively blind when it comes to spotting ethical issues which arise.

G. The problem is that, largely because of some industrial problems, the business has not been performing at a level which realizes even its "unimproved" potential.

**Task 6. Word formation. Read this introduction to an article about the tightening of reporting regulations. Use the words below to form one word that fits in the same numbered gap in the text.**

*Regulate, deteriorate, legislate, attest, penalty, issue, represent, accurate, consider, detect.*

A crucial test for new CPAs

The number and magnitude of recent business scandals have created an overwhelming need to re-examine the (1) ... environment of the accounting profession. The confidence in the integrity of financial statements has (2) ... . Since the downfall of Enron, WorldCom, and others, changes have certainly been made or proposed in an attempt to restore the public's confidence, such as the Sarbanes-Oxley Act of 2002, the most significant accounting (3) ... since 1933. The act created the Public Company Accounting Oversight Board, which has the authority to set and enforce auditing, (4) ... quality control and ethics standards for auditors of public companies. Furthermore, the Act creates new roles for audit committees and auditors, creates tougher

(5) ... for those who commit certain fraudulent acts, and requires (6) ... of public stock and their auditors to adhere to new rules and procedures for the financial reporting and audit process. For example, managers are now required to assess and make (7) ... about the effectiveness of the company's internal control structure. The chief executive and chief financial officers must certify the (8) ... of the company's quarterly and annual reports. Additionally, a new fraud standard has been issued, SAS 99: (9) ... of Fraud in a Financial Statement Audit, which provides more specific guidance to auditors regarding the (10) ... of fraud.

### ***Speaking***

#### **Task 7. Do this quiz with a partner and discuss your answers.**

##### Ethics quiz

##### 1. Records transfer.

A former tax client of yours demands you provide copies of all his records to his new accountant. The former client has not yet paid you for preparing last year's tax returns.

How would you respond to this request?

##### 2. Business valuation.

Your client, ABC Pest Control, for whom you've only prepared corporate tax returns, has asked you to perform a business valuation for the purpose of a buy-sell insurance contract for the two stockholders. You have never formally performed a business valuation and possess no ABV or CVA designations.

Would you provide this service to your client?

##### 3. Client confidentiality.

You specialize in accounting for fish processors. Your client, Best Fish, requires an audited financial statement. You are currently engaged in an audit of Top Fish, a competitor of Best Fish. In the audit of Top Fish, you learn that a customer of both businesses is about to file for bankruptcy.

Can the CPA perform the audit for both clients, and can the information learned in the Top Fish engagement be used in the Best Fish engagement?

##### 4. Disclosure conflict: business.

A general partnership owned by two partners engages you to provide services to the partnership and each of the partners. One partner has a 70 % share and the other 30 %. Two years into the engagement, the majority

partner solicits you to provide confidential advice on how to creatively finance some large debts he has accumulated.

What are the issues in this request?

5. Fiduciary duty.

You have been doing tax work for a limited partnership as well as for the general partners of the partnership. After three years, you notice the general partners are paying themselves fees larger than those that were specified in the limited partnership agreement.

How could you address this situation?

### **Task 8. Approaching tricky interview questions.**

Look at these interview questions. Work with a partner to decide what you think would be a good answer to each question and what would constitute a bad answer (i.e. your potential employer would not like this answer).

1. Don't you think you are overqualified?

2. Do you mind reporting to a boss who is ten years younger than you?

3. What's your biggest weakness?

4. Where do you want to be in five years' time?

5. Who do you admire the most, and why?

6. Describe your current situation and tell me about a significant achievement you are very proud of.

7. Tell me about the longest day you worked at the office last month. When did this happen, and what did you accomplish?

8. Why do you think you are the best person for the job?

9. Tell me about yourself.

10. How did you prepare yourself for this interview?

11. What are your long-term goals?

12. Why did you leave your last job?

### **Task 9. Concluding a presentation.**

At the end of every presentation, you should:

- announce that you are concluding;
- summarize the main points;
- make a strong final comment;
- invite questions politely.

Create a topic for yourself and your partner. Then practise summarizing and concluding your presentations.

### **Task 10. Three-minute presentation.**

Prepare to deliver a three-minute presentation to the group in which you present three main points. Choose from this list of topics.

- Three of the most common complaints made against accounting firms.
- Three accounting scandals in recent years.
- Three problems graduate accountants face.
- Three tricky parts of the accounting exam.
- Three conflicts of interest an accountant may face.
- Three important points to pay attention to in financial statements.

### ***Writing***

#### **Task 11. Writing an auditor's report.**

**The usual format for an external audit report on the financial statements of a company incorporated in Great Britain is as follows:**

- 1. Opening or introductory paragraph.**
- 2. Scope paragraph with respective responsibilities of directors and auditors and basis of opinion.**
- 3. Opinion paragraph.**

**Write a short auditor's report of company XYZ, using this framework.**

Opening or introductory paragraph (about XYZ).

- Identify the financial statements, including the date and period covered by the financial statements.

- Include a statement that the financial statements are the responsibility of XYZ's management and a statement that the responsibility of the auditor is to express an opinion on the financial statements based on the audit.

Scope paragraph.

- Describe the scope of the audit by stating that the audit was conducted in accordance with established standards or practices.

- Include a statement that the audit was planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement.

- Describe the audit as including:

- A. Examining on a test basis; evidence to support the financial statements and disclosures.

- B. Assessing the accounting principles used in the preparation of the financial statements.

C. Assessing significant estimates made by the management in preparing the financial statements.

D. Evaluating the overall financial statement presentation.

- Include a statement by the auditor that the audit provides a reasonable basis for the opinion.

Opinion paragraph.

- Indicate the financial reporting framework used.

- State the auditor's opinion as to whether the financial statements give a true and fair view and whether they comply with statutory requirements.

**Task 12. Sequencing a report. Below is a jumbled auditor's report containing seven sentences (A – G). Put the sentences in the correct order to form a report containing three paragraphs.**

Statutory joint auditors' report

To the Chairman of the Executive Board of the Central Bank of Tunisia.

A. The Bank's Executive Board has finalized the annual accounts, and our responsibility is to give an opinion of these accounts based on our audit exercise. Our review has been carried out in accordance with the provisions of article 29 of law No. 58-90 of September 1958 governing the founding and organization of the Central Bank of Tunisia, as modified by law No. 2006-26 of 15 May 2006 and generally accepted auditing standards.

B. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

C. In compliance with the assignment entrusted to us by the President of the Republic, we have reviewed the Central Bank of Tunisia's balance sheet and statement of off-balance sheet commitments as of 31 December 2006 and with the statement of the results for the period then ended.

D. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

E. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

F. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

G. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**Task 13. A brief report. Using these skeleton notes, write an Independent Auditor's Report on Internal Control (200 – 250 words), in consideration of internal control over financial reporting based on an audit of financial statements and internal control over compliance.**

We have audited the financial statements of ... as of and for the year ended ... .

We conducted our audits in accordance with ... .

The management of ... is responsible for ... .

Our consideration of internal control over ... .

This report is intended solely for ... .

### ***Grammar***

**Task 14. Choose the Past Perfect, or the Past Perfect Continuous.**

1. When we arrived the movie ... (start).
2. She ... (work) in that corporation for ten years when she was made redundant.
3. I felt ill because I ... (drink) three cups of coffee.
4. I ... (study) all day, so I was exhausted.
5. How long ... (you / live) in Sydney when your son was born?
6. When I arrived at the airport I understood I ... (forget) my documents.
7. I ... (break) my leg, so I couldn't go skating last year.
8. She ... (study) German for two years when she took the exam.
9. I ... (run), so I was hot and worn out.
10. I didn't go to the class because I ... (not / do) my home task.

**Task 15. Complete the sentences with the Past Perfect Simple form of the verbs in brackets.**

1. He made a dentist's appointment because he ... (broke) his tooth.



2. We ... (not leave) enough time, so we missed our train.
3. After she ... (chose) a new jacket, she looked for a hat to match it.
4. I couldn't make my new mobile phone work because I ... (lose) the instructions.
5. When I checked the receipt later, I found out I ... (pay) too much for my shopping.
6. Sam forgot to take a sweater on the camping trip, but fortunately his friend ... (bring) an extra one.
7. The car went off the road because it ... (hit) a huge stone.
8. You would have saved money if you ... (buy) that computer in the sale.

**Task 16. Complete the sentences with the Past Perfect Continuous form of the verbs below.**

*Cook, hurt, learn, look, travel, try, wait, work.*

1. We ... for less than an hour when the bus broke down.
2. I ... for my friend for half an hour when he phoned to say he couldn't come.
3. When I met Sarah, she ... as a teacher in Columbia since 2009.
4. I could tell my dad ... because the kitchen smelled of coriander.
5. They ... for their cat for three days when it turned up outside their house.
6. My best friend ... to drive for a year before he passed his test.
7. He finally went to the doctor because his arm ... for a week.
8. I ... to get a ticket to the performance for half an hour when the website crashed.

**Task 17. Write the words in the correct order to make sentences.**

1. you / went / eaten / Had / you / breakfast / out / before?
2. long / They / bus / waiting / the / hadn't / arrived / been / when
3. been / swimming / because / just / was / He / cold / he'd
4. before / London / he / living / to / Where / he / had / been / moved?
5. so / expected / presents / get / hadn't / She / to / many
6. before / for / long / married / they / dating / they / Had / been / got?

**Task 18. Complete the text with the Past Perfect Simple or Past Perfect Continuous form of the verbs below.**

*Date, enjoy, find, not imagine, live, star, think.*

Jennifer Lawrence was born in the United States in 1990. Once, before she became famous, she (1) ... about being a doctor and (2) ... that she'd ever become an actress. That changed when she was fourteen. She (3) ... a spring break with her parents when a stranger spotted her and asked to do a screen test. Then things progressed fast. Not long after she (4) ... work in commercials for MTV, she appeared in a TV series. Her family (5) ... in Kentucky for many years, but they moved to Los Angeles when her career took off. Two years before filming *The Hunger Games* in 2012, she (6) ... in *Winter's Bone* and been nominated for an Oscar. She (7) ... Nicholas Hoult, her co-star from *X-Men*, for two years when they split up in 2013.

## Unit 9. Bankruptcy

### Reading

#### Discuss these questions.

1. What are the advantages of going bankrupt?
2. What is a debt-management plan?

**Task 1. The language of bankruptcy. Match these words and expressions connected to bankruptcy (1 – 10) with their appropriate definitions (a – j).**

1. voluntary liquidation	a) the value of a company in a liquidation as an ongoing entity, which means the business continues, and a higher price is obtained
2. apparent insolvency	b) a formal demand by a creditor giving a person 21 days to repay a debt
3. going concern	c) the placing of a company into liquidation by resolution of its members
4. winding up	d) a legal term that means someone is unable to pay their debts and that at least one of the creditors has taken legal action against him/her
5. statement of affairs	e) a legal term for a formal application to the court for bankruptcy
6. receiving order	f) a person who administers the bankruptcy (can be either the accountant in bankruptcy or a private insolvency practitioner)

7. petition	g) a procedure whereby the assets of companies and partnerships are gathered in and liquidated
8. statutory demand	h) a document completed by a bankrupt, company officer or director, which gives details of assets, debts and creditors
9. trustee	i) someone who has priority when funds are distributed by a liquidator, administrative receiver or trustee in bankruptcy
10. preferential creditor	j) a court order in England or Wales placing assets under control of an Official Receiver

**Task 2. Pre-reading. Scan the first paragraph of the article to find the following information.**

1. Cynthia Cooper's position at WorldCom.
2. The title of her book.
3. The amount of the accounting fraud.

**Task 3. Guessing unknown words and phrases. Look at the words in bold in the text. With a partner, discuss their meanings.**

**Task 4. Reading and predicting. Read the article about the renowned whistleblower, Cynthia Cooper, who exposed the problems of WorldCom. Look carefully at the sentences before and after the gaps and predict what kind of information is missing. Make notes for each gap.**

WorldCom whistleblower Cynthia Cooper tells all

(1) ... She became famous not by choice, but because of the WorldCom financial statement fraud valued at \$11 billion. She was the Vice President of Internal Audit at WorldCom, a position that was not easily obtained. She almost **single-handedly** created the internal audit department at WorldCom, and her book "Extraordinary Circumstances: The journey of a Corporate Whistleblower" details the struggle to get management to take internal audit seriously.

(2) ... The company **went on an acquisition spree**, and the merging of many small companies, managers and accounting systems **was a disaster waiting to happen**. Cynthia says that WorldCom was much better at acquiring companies than integrating them, and that is clear.

(3) ... There were too many small systems being pieced together, and it was easy for numbers and authorizations to get lost in the shuffle. This struggle is well documented by Cynthia, who no doubt **painstakingly** researched the various acquisitions in order to give such a complete history.

The process of uncovering the WorldCom fraud, as Cynthia and her team found out, was **gruelling**. Their investigation into the accounting **shenanigans** was long because the accounting entries behind this manipulation of the financial statements were complex. (4) ... And the investigation was hard because management didn't want Cynthia and her people looking into the entries, for obvious reasons.

After the fraud became clear to Cynthia and her team, there was a long fight over whether something should or could be done about it. (5) ... It is no surprise that there is no accounting rule that backs up what was done, because it wasn't done with the accounting rules in mind. It was done with only Wall Street in mind.

**Task 5. Matching missing sentences. Read the article again and choose the correct sentence (A – E) to fill each gap. There is one extra sentence which you will not need to use.**

- A. Things started going wrong at WorldCom very early.
- B. Scott Sullivan was determined to find an accounting rule to justify the fraudulent accounting entries.
- C. Cynthia Cooper was a true corporate whistleblower.
- D. The story of the investigation comes to life through Cynthia's words.
- E. Hundreds of entries were made to a variety of accounts in order to confuse anyone who might later look at them.
- F. From an accounting perspective, it was next to impossible to create a properly controlled system.

### ***Self-assessment task***

**Task 6. Predicting missing words. Complete the descriptions of bankruptcy procedures in the USA with the words given below. The first one (0) is given as an example. Discuss your choices with a partner.**

*Appointed, converts, corporations, fiduciary, limits, majority, property, possession, purposes, straight bankruptcy, supervision, wiping out.*

Chapter 11 bankruptcy is a form of bankruptcy reorganization available to individuals, (0) **corporations** and partnerships. It has no (1) ... on the amount of debt, as Chapter 13 does. It is the usual choice for large businesses seeking to restructure their debt. The debtor usually remains in (2) ... of its assets, and operates the business under the (3) ... of the court and for the benefit

of creditors. The debtor in possession is a (4) ... for the creditors. If the management is ineffective or less than honest, a trustee may be (5) ... . Individuals usually file Chapter 7 or Chapter 13 rather than Chapter 11.

Chapter 7 bankruptcy, sometimes called a (6) ..., is a liquidation proceeding. The debtor turns over all non-exempt (7) ... to the bankruptcy trustee, who then (8) ... it to cash for distribution to the creditors. The debtor receives a discharge of all dischargeable debts, usually within four months. In the vast (9) ... of cases, the debtor has no assets to lose, so Chapter 7 will give that person a relatively quick "fresh start". One of the main (10) ... of bankruptcy law is to give a person who is hopelessly burdened with debt a fresh start by (11) ... his or her debts. In a Chapter 7 case, however, a discharge is only available to individual debtors, not to partnerships or corporations.

**Task 7. Multiple matching. Read the article about the bankruptcy process in the USA. Choose the best sentence (A – H) to fill each of the gaps. There is one extra sentence which you do not need to use. The first one (0) is given as an example.**

The bankruptcy process

Article I, Section 8, of the United States Constitution authorizes Congress to enact "uniform laws on the subject of bankruptcies".

(0) ... The Bankruptcy Code, which is codified as title 11 of the United States Code, has been amended several times since its enactment. It is the uniform federal law that governs all bankruptcy cases. The procedural aspects of the bankruptcy process are governed by the Federal Rules of Bankruptcy Procedure (often called the "Bankruptcy Rules") and local rules of each bankruptcy court. The Bankruptcy Rules contain a set of official forms for use in bankruptcy cases. (1) ...

There is a bankruptcy court for each judicial district in the country. Each state has one or more districts. There are 90 bankruptcy districts across the country. The bankruptcy courts generally have their own clerk's offices.

The court official with decision-making power over federal bankruptcy cases is the United States bankruptcy judge, a judicial officer of the United States district court. (2) ... Much of the bankruptcy process is administrative, however, and is conducted away from the courthouse. In cases under Chapters 7, 12, or 13, and sometimes in Chapter 11 cases, this administrative process is carried out by a trustee who is appointed to oversee the case.

(3) ... A typical Chapter 7 debtor will not appear in court and will not see the bankruptcy judge unless an objection is raised in the case. A Chapter 13 debtor may only have to appear before the bankruptcy judge at a plan confirmation hearing. Usually, the only formal proceeding at which a debtor must appear is the meeting of creditors, which is usually held at the offices of the U.S. trustee.

(4) ... A fundamental goal of the federal bankruptcy laws enacted by Congress is to give debtors a financial "fresh start" from burdensome debts. The Supreme Court made this point about the purpose of the bankruptcy law in a 1934 decision: (5) ...

Local Loan Co. v. Hunt, 292 U.S. 234, 244 (1934). This goal is accomplished through the bankruptcy discharge, which releases debtors from personal liability from specific debts. (6) ... This publication describes the bankruptcy discharge in a question-and-answer format, discussing the timing of the discharge, the scope of the discharge (what debts are discharged and what debts are not discharged), objections to discharge, and revocation of the discharge.

A. The Bankruptcy Code and Bankruptcy Rules (and local rules) set forth the formal legal procedures for dealing with the debt problems of individuals and businesses.

B. The bankruptcy judge may decide any matter connected with a bankruptcy case, such as eligibility to file or whether a debtor should receive a discharge of debts.

C. A debtor's involvement with the bankruptcy judge is usually very limited.

D. This meeting is informally called a "341 meeting" because section 341 of the Bankruptcy Code requires that the debtor attend this meeting so that creditors can question the debtor about debts and property.

E. "It gives to the honest but unfortunate debtor ... a new opportunity in life and a clear field for future effort, unhampered by the pressure and discouragement of preexisting debt".

F. The cases are traditionally given the names of the chapters that describe them.

G. At the same time, it prohibits creditors from ever taking any action against the debtor to collect those debts.

H. Under this grant of authority, Congress enacted the "Bankruptcy Code" in 1978.

## ***Speaking***

**Task 8. Bankruptcy forum. Consider these questions addressed to an online bankruptcy forum and answer them with a partner.**

1. My company has been experiencing problems, and we currently face insolvency. What can we do in this situation? Are there any alternatives to bankruptcy?

2. I need some advice. Can anybody tell me more about bankruptcy? I mean, how do I petition for my bankruptcy? Is this advisable?

3. I was declared bankrupt by the court last year. How long does bankruptcy last, and how can I be discharged from bankruptcy?

4. Can you tell me what the main changes of the new legislation (Enterprise Act 2002) are, and will this enable me to make a fresh start?

5. How can my bankruptcy be reversed, and in what circumstances?

6. What is discharge from bankruptcy, and how can I obtain it?

7. For the past 18 months we have been having serious financial difficulties, and I am considering applying for bankruptcy. If I do so, what will happen to my business in bankruptcy? Will I be able to continue trading?

8. Is it cheaper to make myself bankrupt? What are the costs involved?

9. What happens if a Bankruptcy Restrictions Order (BRO) is placed on me, and what are the restrictions?

10. My company was declared bankrupt last month. What effect will bankruptcy have on my personal credit rating?

**Task 9. Three-minute presentations. Using the skeleton notes, create interactive three-minute presentations for these three headlines.**

A. UK Surge of Business Failures as Credit Crunch Hits Companies.

- Experian report – UK corporate insolvency: up 8.5 % this quarter.
- Problem business sectors – agriculture, banking, food retail and clothing.
- 10 % of failures – building and construction.
- East Midlands worst – insolvencies up 53.6 %.
- Creditors' voluntary liquidations up 14.1 %.
- Compulsory liquidations down 2.2 %, perhaps reinforcing concerns about confidence as most debtors choose CVLs, not compulsory winding-up.
- Growth of corporate rescue-administrations and company voluntary arrangements – 23.7 % and 37.6 % respectively.

B. Increase in IVAs Strengthen Debt-Management Companies.

- Increase in media coverage of debt problems – TV, Internet, newspapers.
  - Record level of bankruptcies in UK – easy access to credit.
  - Debt-management companies – high growth, i.e. Debts.co.uk – 79 % jump in turnover.
  - Individual voluntary arrangements – very popular solution – allow individuals % payment of debt over a period.
  - Banks are calling for tighter regulation – losing money – many customers opt for IVAs – result – lower recovery for banks.
- C. PWC Predict More Insolvencies Ahead.
- Accountancy firm PricewaterhouseCoopers predict increase in UK bankruptcies.
  - PWC predictions – higher mortgages – more people rely on credit cards – debts will increase.
  - Backlog of individual voluntary arrangements (IVAs) – push up insolvency figures.
  - UK insolvency figures and credit-card debt down slightly, but PWC report "precious plastic", predicts change in trend.
  - Over-borrowing by consumers – leading to more personal insolvencies.

### ***Writing***

**Task 10. Sequencing sentences in letters. Put these sentences in a letter from a debtor to a creditor in the correct order.**

1 H ..., 2 ..., 3 ..., 4 ..., 5 ..., 6 ..., 7 ..., 8 ..., 9 ..., 10 ... .

A. I also request that, if accepted, you will mark any entry on a credit-reference agency file relating to the above account as "satisfied in full".

B. Yours faithfully,

C. However, I can raise £2,800 and I want to offer this as an ex-gratia payment in full and final settlement of the account.

D. I look forward to receiving your reply.

E. This offer is made on the clear understanding that, if accepted, neither you or any associate company will take any other action to enforce nor pursue this debt in any way whatsoever and that I will be released from any liability.

F. Payment can be made within ten days of receiving your written agreement of this offer and method of payment.



G. Re: Account No / Reference No: 66 55-101. Arrears £ 4 032.

H. Dear Sir/Madam,

I. I can confirm that I am unable to pay the money which I owe in full as I am currently unable to work due to illness.

J. I write with reference to the money which you are claiming on the above account.

**Task 11. Word forms. Complete these sentences with words formed from the base words in brackets.**

1. The Financial Director faces ... of fraud for modifying the company's financial statements. (allege)

2. Many people believe that there is a crisis in corporate ... nowadays. (govern)

3. Members of the top management of leading corporations have been involved in legal ... . (proceed)

4. Cynthia Cooper found several ... in the accounts of WorldCom. (illegal)

5. In recent years, many corporations such as Tyco and Adelphia have been plagued by ... activities. (fraud)

6. At Enron, massive accounting ... were discovered by auditors. (regular)

7. My ... as bankruptcy examiner in the WorldCom case came after 25 years in the forensic accounting business. (appoint)

8. The court reports will be available to the public for their ... similar cases. (guide)

9. Unfortunately, there are many examples of the ... of corporate governance in the USA. (fail)

10. My ... to clients is always to look at ways of avoiding bankruptcy. (recommend)

**Task 12. Writing a report.**

One of your clients is having financial difficulties and is considering entering into a company voluntary arrangement (CVA) as opposed to administration or liquidation. Prior to a meeting with the directors of the firm, she has asked you to compile a brief report. Write the report (200 – 250 words), explaining the following points:

- what a CVA is and what it involves;
- how a CVA proposal is made;
- the approval process.

## Grammar

### Task 13. Complete the conditional sentences with the verbs in brackets.

1. They ... enough time if we wanted to see the cathedral. (have)
2. In case you ... a motorbike, will you teach me to drive? (buy)
3. He ... angry if you had told her. (get)
4. If they ... our product when we asked them, they would get a discount now. (support)
5. Even if I ... him, he won't come. (ask)
6. It will be a catastrophe unless Mike ... us. (help)
7. If you ... something to eat in the evening, you wouldn't feel sick now. (have)
8. I wouldn't risk it if I ... you. (be)
9. The beef isn't very good. It ... better if you had put some spices on it. (taste)
10. I won't go to the dance unless you ... me. (join)
11. If the hotel in Oslo had been full, we ... somewhere else. (stay)
12. If I got the job, I ... thankful to you. (be)
13. Unless she ... the test she will get her driving licence next week. (fail)

### Task 14. Choose the right variant.

1. If he had been more careful nothing ...  
a) would happen;      b) will have happened; c) would have happened.
2. If I ... you, I would not tell him.  
a) will be;      b) was;      c) were.
3. She will finish the test, if you ... her any more.  
a) will not disturb;      b) don't disturb;      c) would not disturb.
4. She would have helped if you ... her.  
a) had asked;      b) asked;      c) ask.
5. We always have a nice chat in the evening if we ... time for that.  
a) will have;      b) have;      c) had.
6. If she had had time she ... the work on time.  
a) will have done;      b) would have done;      c) did.
7. They will finish the work in the morning if we ... them.  
a) help;      b) will help;      c) helped.
8. If I ... a bear wearing a wreath I would be very surprised.  
a) will see;      b) had seen;      c) saw.
9. If my eye-sight ... better, I would not need lenses.  
a) is;      b) was;      c) were.
10. My mother would have cooked dinner if he ... the food.  
a) bought;      b) buys;      c) had bought.

11. He always has something to say if we ... about dogs.  
 a) will speak;                      b) speak;                      c) spoke.
12. If I ... the book, I would not have been able to answer.  
 a) had not read;                      b) read;                      c) would read.
13. If I remember I ... you later today.  
 a) will call;                      b) call;                      c) would call.
14. She would cleanse her room, if she ... time for that.  
 a) has;                      b) had had;                      c) had.
15. He always gets sick when he ... too much sugar.  
 a) will eat;                      b) eats;                      c) ate.

**Task 15. Conditionals quiz.**

1. What would you do if it ... on your wedding day?  
 a) rained;                      b) will rain;                      c) would rain.
2. If he comes, I ... call you.  
 a) will;                      b) would;                      c) would have.
3. If I eat ice cream, I ... sick.  
 a) would have gotten; b) would get;                      c) get.
4. What will you do if you ... the geography exam?  
 a) would fail;                      b) will fail;                      c) fail.
5. If they had not ... the car, I would have driven you.  
 a) take;                      b) taken;                      c) would take.
6. If it snows, ... still drive to the coast?  
 a) will you;                      b) would you;                      c) would you have.
7. "She would have gone with you if you had asked her". Which conditional is this?  
 a) first;                      b) second;                      c) third.
8. "If I won a million dollars, I would buy my own helicopter". Which conditional is this?  
 a) zero;                      b) first;                      c) second.
9. "If I forget her birthday, George gets upset". Which conditional is this?  
 a) zero;                      b) first;                      c) second.
10. "What will he do if he misses the bus"? Which conditional is this?  
 a) first;                      b) second;                      c) third.

**Task 16. Complete the sentences with *if* or *unless*.**

1. We cannot go skiing ... the snow stops.
2. I won't talk to him ... he apologizes to me.
3. You won't be able to find the street ... you get help from your GPS.

4. I won't go ... he is going.
5. ... we don't take the necessary measures now, we may have serious problems later.
6. ... you don't take notes you will have hard time studying later.
7. He must have graduated already, ... she failed a class.
8. Michael is always happy ... something really bad happens.
9. I will never forgive you ... you tell her the truth.
10. You are not allowed into the casino ... you are under 21 years old.
11. My father will cook ... they decide to eat out.
12. I should be there by 9 o'clock ... I don't catch any traffic.
13. I should be there by 9 o'clock ... I catch a lot of traffic.
14. The show should start at 8:15 ... they changed the schedule.
15. ... they behave, those teenagers are not welcome here.

**Task 17. Rewrite the sentences and keep the same meaning.**

Example:

*My car will be out of order. I won't drive you there.*

*If my car is out of order, I won't drive you there.*

1. We'll have a nap after dinner. We'll be sleepy.
2. We'll have a nap after dinner if we ... sleepy.
3. I won't know his phone number. I won't be able to call him.
4. If I ... his phone number, I won't be able to call him.
5. Jeremy will be at work. He won't go with us.
6. As long as Jeremy ... at work, he won't go with us.
7. He won't like the refrigerator. He can send it back to the shop.
8. Provided that he ... the refrigerator, he can send it back to the shop.
9. We won't help you. We won't have enough time.
10. We won't help you if we ... enough time.
11. You will choose some other motel. You won't be happy about it.
12. You will choose some other motel unless you ... happy about it.
13. Take up this course. You will like it.
14. If you ... this course, you will like it.
15. Don't tell your parents. They will be amazed.
16. Unless you ... your parents, they will be amazed.
17. You won't eat anything. You'll be hungry.
18. If you ... anything, you'll be hungry.
19. We'll set off tomorrow. The weather will be good.
20. We'll set off tomorrow on condition that the weather ... good.

## Recommended reading

1. Українсько-англійський/англійсько-український словник юридичних термінів : [близько 10 000 термінів / уклад. Т. Коломоєц]. – Київ : Гельветика, 2017. – 316 с. – ISBN 978-000-000-000-0.
2. Barral I. Intelligent Business / Barral Irene, Barral Nikolas. Coursebook. – London : Longman, 2008. – 176 с. – ISBN 978-1-4058-4975-3.
3. Cotton D. Market Leader / Cotton David, Falvey David, Kent Simon. Coursebook. – London : Longman, 2001. – 176 с. – ISBN 0-582-43464-5.
4. Tullis Gr. New Insights into Business / Graham Tullis, Susan Power. Workbook. – London : Longman, 2004. – 96 с. – ISBN 058283800-2.
5. Знання [Electronic resource]. – Access mode : <https://znaniya.com/task/179427>.
6. A guide to planning and navigating your career [Electronic resource]. – Access mode : <https://www.thebalancecareers.com>.
7. Accounting information. Blog archive [Electronic resource]. – Access mode : <http://onlineworkdhanu.blogspot.com/2010/02/accounting-information.html>.
8. An ethical dilemma for accountants [Electronic resource]. – Access mode : <https://ethics.org.au/an-ethical-dilemma-for-accountants/>.
9. An Ethics Quiz [Electronic resource]. – Access mode : <https://www.journalofaccountancy.com/issues/2002/aug/anethicsquiz.html>.
10. Bankruptcy petition and key definitions [Electronic resource]. – Access mode : <https://advocatetanmoy.com/2020/09/27/bankruptcy-and-bankruptcy-petition/>.
11. Britannica [Electronic resource]. – Access mode : <https://www.britannica.com>.
12. British Council [Electronic resource]. – Access mode : <https://learnenglish.britishcouncil.org/>.
13. English Grammar Exercises for B2. Past Perfect and Past Perfect Continuous [Electronic resource]. – Access mode : <https://english-practice.net/english-grammar-exercises-for-b2-past-perfect-simple-and-past-perfect-continuous/>.
14. English Grammar Exercises for B2. Past Perfect Simple and Past Perfect Continuous [Electronic resource]. – Access mode : <https://english-practice.net/english-grammar-exercises-for-b2-past-perfect-simple-and-past-perfect-continuous/>.

15. GrammarBank.com [Electronic resource]. – Access mode : <https://www.grammarbank.com/if-unless-exercise-2.html>.

16. Past Perfect and Past Perfect Continuous [Electronic resource]. – Access mode : [https://www.perfect-english-grammar.com/support-files/past\\_perfect\\_or\\_past\\_perfect\\_continuous.pdf](https://www.perfect-english-grammar.com/support-files/past_perfect_or_past_perfect_continuous.pdf).

17. Present Perfect – Sentences – Exercises [Electronic resource]. – Access mode : [https://www.englisch-hilfen.de/en/exercises/tenses/present\\_perfect\\_statements2.htm](https://www.englisch-hilfen.de/en/exercises/tenses/present_perfect_statements2.htm).

18. Present Perfect Tense exercises with answers [Electronic resource]. – Access mode : <https://www.focus.olsztyn.pl/en-present-perfect-tense-exercises-with-answers.html>.

19. Robert R. Exposing where power lies and how it's used and abused [Electronic resource]. – Access mode : <https://robertreich.org/post/2573091>.

20. What to Look for in a Forensic Accountant [Electronic resource]. – Access mode : <https://casiembiz.wordpress.com/2013/09/05/forensic-accountant-detective-accountant-auditor-or-attorney/>.

# Key

## Unit 1. Company performance

**Task 1.** 1. transactions; 2. relationships; 3. bookkeeping; 4. entries; 5. debit; 6. credit; 7. errors; 8. practices; 9. reform; 10. assets; 11. principles; 12. measures.

**Task 3.** 1. C; 2. E; 3. D; 4. F; 5. B.

**Task 4.** 1. who; 2. for; 3. provided / supplied; 4. done; 5. delivering / sending; 6. terms; 7. date; 8. simple; 9. can; 10. up; 11. company's; 12. owe; 13. classified / classed.

**Task 5.** 1. computation; 2. liabilities; 3. accrual; 4. subsidiaries; 5. estimation; 6. reported; 7. disclosure.

**Task 6.** 1. snapshot; 2. condition; 3. income; 4. expenditure; 5. held; 6. covered; 7. accrued; 8. dues; 9. flow; 10. money; 11. collected 12. value.

**Task 13.** 1. with; 2. in; 3. by; 4. since; 5. thereby; 6. to; 7. how; 8. such; 9. nor; 10. an; 11. both; 12. for; 13. this; 14. the; 15. made; 16. at; 17. further; 18. of.

**Task 14.** A. 1) is changing; 2) are becoming; 3) is developing; 4) are learning. B. 1) boils; 2) freezes; 3) drops; 4) is; C. 1) is; 2) has; 3) is; 4) begins; 5) trying; D. 1) kicks; 2) passes; 3) runs; 4) passes; 5) shoots; 6) scores.

**Task 15.** 1. a) am seeing; b) see. 2. a) are having; b) has. 3. doesn't fit. 4. smells. 5. is smelling. 6. are you looking. 7. look. 8. think. 9. am just thinking. 10. feels. 11. am feeling. 12. is. 13. is. 14. love. 15. don't understand. 16. are having fun. 17. tastes.

**Task 16.** 1. am seeing. 2. Are you doing. 3. A: am going to; B: does the film start. 4. is going; Are you going? 5. A: opens, finishes; B: am going. 6. A: is coming; B: is she arriving. 7. does the train leave. 8. A: is going to give; B: want. 9. will get. 10. will enjoy it. 11. will be. 12. will probably watch. 13. will not pass. 14. would like to have. 15. is flying; is giving.

**Task 17.** 1. don't like. 2. isn't studying. 3. go. 4. doesn't usually do. 5. don't eat. 6. don't study. 7. do you like. 8. does she go. 9. is he eating. 10. We are going. 11. they are studying. 12. clean. 13. works. 14. aren't sleeping. 15. doesn't go. 16. rains. 17. am going. 18. is she staying. 19. read. 20. don't drink.

**Task 18.** 1. is taking. 2. are we having. 3. has. 4. am not solving. 5. comes. 6. begins. 7. do you wake up. 8. are you doing. 9. usually don't work; working. 10. isn't sleeping now; studying. 11. do you review. 12. am not going. 13. don't

understand. 14. works. 15. takes. 16. is. 17. is. 18. smells. 19. doesn't belong.  
20. do you live.

**Task 19.** 1. love. 2. want. 3. surf. 4. looks. 5. are taking. 6. own. 7. aren't surfing / don't surf. 8. are studying. 9. know. 10. includes. 11. believe.

**Task 20.** 1. appears. 2. close. 3. is trying. 4. are having. 5. is seeing.  
6. don't think.

## Unit 2. Fraud

**Task 1.** 1. D. 2. A. 3. C. 4. H. 5. B. 6. E. 7. F. 8. I. 9. J. 10. K. 11. G.

**Task 2.** 1. D. 2. E. 3. C. 4. A. 5. F. 6. B.

**Task 3.** 1. Andersen was convicted of obstruction of justice for shredding documents connected to its audit of Enron. 2. Since convicted felons are not permitted to audit public companies, the firm agreed to surrender its licences and its right to practice. 3. ... the Supreme Court of the United States unanimously overturned Andersen's conviction as a result of flaws in jury instructions. 4. It is highly unlikely Andersen will ever return as available business. 5. There are still over 100 civil suits pending against Arthur Andersen. 6. The firm has been reduced to around 200 employees.

**Task 4.** 1. felony. 2. obstruction. 3. conspiracy. 4. prosecution. 5. ruling.  
6. fraudulent.

**Task 5.** 1. amendment. 2. seizure. 3. fraudulent. 4. obstruction. 5. investment. 6. conspiracy. 7. convicted. 8. prosecution. 9. permitted. 10. annulled.

**Task 6.** 1. C. 2. E. 3. F. 4. A. 5. G. 6. B. 7. H.

**Task 7.** 1) victim; 2) comprising; 3) escalation; 4) professional; 5) flagged; 6) endeavor; 7) troubles; 8) watchfulness; 9) tendencies; 10) uncover; 11) incidents; 12) maintained.

**Task 8.** The most recent edition of the KPMG Forensic Fraud Barometer shows that over £1 bln in fraud claims were made in the UK courts in 2007, representing the highest amount since 1995. The main victims of fraudulent crimes were identified as government bodies and agencies, which made up £889 m of the total. One of the partners of the KPMG forensic team, Hitesh Patel, in an interview with the *Daily Telegraph*, commented that gangs had stepped up their activities, resulting in an escalation of crimes such as VAT frauds, ID thefts and other forms of professional crime. He also added that, in the current economic climate, there is a possibility that other employees may try to solve their financial woes by turning to fraud. Companies should



be increasingly cautious of any unusual trends in their accounts, which may help them to discover fraudulent transactions. Last year, £655 m of over £1 bn in fraudulent crimes took place in London, which means that the capital still maintains the lead in the amount of fraud committed, followed by the Midlands (£117 m) and the North-West (£200 m).

**Task 11.** 1. is applied; 2. is estimated; 3. are limited; 4. is involved; 5. is done; 6. are pushed; 7. is based; 8. are intended; 9. is binded; 10. is correlated; 11. are fed up; 12. is supported.

**Task 12.** 1. have been performed, have been translated. 2. has been rated. 3. has been found. 4. was channelled. 5. was reported. 6. was cut, were laid down. 7. have been involved. 8. have been given. 9. is expended. 10. has been won. 11. has been identified. 12. has been talked. 13. have been given. 14. has been written. 15. have snapped up. 16. have been assumed. 17. was found. 18. have been trained. 19. has been required. 20. have been developed.

**Task 13.** 1. by; 2. with; 3. by; 4. by; 5. with; 6. with; 7. by; 8. by; 9. with; 10. by; 11. with; 12. by.

**Task 14.** 2. The book was bought by millions of people. 3. Smoking must be given up by you. 4. Penicillin was discovered by Fleming. 5. The Statue of Liberty was opened in 1886. 6. Your health can be improved by more physical exercise. 7. The conference is held at 11 o'clock. 8. The invitation was sent to me by my colleagues. 9. Mrs Soyer has been given some letters. 10. He had been given a ticket for illegal parking by the traffic warden. 11. The law must be obeyed by people. 12. The concert is being performed in London. 13. My bag was returned to me: it had been picked up by someone in the street. 14. Flowers should be kept in a cold place. 15. A TV documentary about Peru was being written by a famous author.

**Task 15.** Yesterday morning a sports day was held in the school. Eva was entered for the 100 m race by her teacher because Eva was thought to be the fastest runner in the school. The whistle was blown and the race was started. The air was filled with cheers, Eva was cheered on by her friends. All other runners were overtaken by Eva. She was given a trophy as a prize by the headmaster.

**Task 16.** 1. He had his money deposited on his account by the company. 2. Sarah will have a new fridge delivered tomorrow. 3. Tim had his car serviced last week. 4. Mrs. Scott had her cat examined by the vet yesterday. 5. Paul will have his house painted next weekend. 6. Mr. Brown has his had book published. 7. Becky has her hair done every week. 8. Edward had his dinner

cooked by his mother yesterday. 9. Jane will have her room redecorated next month. 10. I have my eyes tested by the optician.

**Task 17.** 1. Sam had his burglar alarm fitted last week. 2. I'm having my car repaired at the moment. 3. The band has had a new single recorded recently. 4. We are going to have our new furniture delivered tomorrow. 5. They are having their house redecorated at the moment. 6. I will have my windows cleaned. 7. I have had a new jumper knitted for me. 8. I have my lock needed to be fixed. 9. He's going to have new pair of glasses made for him. 10. They need to have their windows cleaned. 11. The boss had the letter typed. 12. Joe had the dripping tap fixed. 13. Have you had the photocopies made? 14. Tom had his lunch cooked. 15. Did you have the sofa delivered? 16. I had my purse stolen last Friday. 17. Did you have your house decorated? 18. Adam is having a new roof put on his house at the moment. 19. She had her silver polished by the maid. 20. He had his luggage taken to the room.

### Unit 3. Insurance

**Task 1.** 1. e; 2. f; 3. k; 4. b; 5. a; 6. l; 7. d; 8. g; 9. c; 10. j; 11. h; 12. i.

**Task 2.** 1) insurance; 2) loss; 3) confidence; 4) disclose; 5) concealed; 6) judge; 7) risk; 8) premium.

**Task 3.** 1. F; 2. B; 3. G; 4. C; 5. A; 6. D.

**Task 4.** 1) establish; 2) undertaking; 3) specific; 4) format; 5) disclosure; 6) based; 7) conventions; 8. practice(s).

**Task 5.** Text 1: title A; 1. F; 2. D; 3. E. Text 2: title C; 1. C; 2. E; 3. D.

**Task 7.** 1. b; 2. c; 3. a; 4. b; 5. b; 6. b; 7. c; 8. a; 9. a.

**Task 8.** 1. e; 2. f; 3. b; 4. c; 5. h; 6. j; 7. a; 8. d; 9. l; 10. g.

**Task 10.** 1. In particular; 2. In accordance with; 3. In consequence; 4. For this reason; 5. Notwithstanding; 6. In addition.

**Task 12.** 1. must be; 2. can't have taken; 3. could; 4. don't have to; 5. must have left; 6. can't be; 7. mustn't / can't; 8. can; 9. have already drunken; 10. must; 11. I don't have to; 12. I could; 13. ought; 14. shouldn't expect; 15. might / could; 16. can't be; 17. don't have to; 18. must have got lost; 19. could have been killed; 20. I didn't need.

**Task 13.** 1. may / can; 2. must / have to / should; 3. must / have to; 4. needn't / don't have to; 5. have to / must go; 6. mustn't; 7. might / may; 8. shouldn't / mustn't; 9. can; 10. mustn't; 11. must / has to; 12. needn't / don't

have to; 13. might / may; 14. can; 15. can't be; 16. should; 17. might / may; 18. can; 19. needn't / don't have; 20. must / have to.

**Task 14.** 1. must have / must have had; 2. can't be / can't have been; 3. could have lent; 4. must have missed; 5. must have listened; 6. can't come; 7. can't have broken, must have broken; 8. could / may / might have rained; 9. could sing; 10. can't have talked; 11. must have won; 12. shouldn't have let, might have got lost; 13. couldn't understand; 14. can't sing; 15. may / might, have been; 16. must be done; 17. must have been; 18. can't be watching, must be sleeping; 19. must have left; 20. can't be; 21. mustn't go; 22. could have broken; 23. must have worked; 24. can't have.

**Task 15.** 1. may have discovered the island; 2. may have landed; 3. must have used up all the food; 4. might have been gods; 5. could have been part; 6. can't have been easy; 7. might have done this.

**Task 16.** 1. must have been; 2. may have taken; 3. must have had; 4. may have forgotten; 5. must have found; 6. may have missed; 7. can't have known; 8. must have done; 9. can't be; 10. may have lost.

## Unit 4. Logistics

**Task 1.** 1. j; 2. b; 3. g; 4. m; 5. k; 6. i; 7. c; 8. f; 9. l; 10. a; 11. e; 12. h.

**Task 3.** 1. B; 2. D; 3. E; 4. C; 5. A.

**Task 4.** 1. at; 2. until; 3. owner; 4. occurs; 5. however; 6. loss; 7. eyes; 8. than; 9. firm's; 10. raw; 11. outside; 12. recycled.

**Task 5.** 1. b; 2. e; 3. a; 4. c; 5. d.

**Task 6.** A. Petroleum – tankers; cement – vacuum device; pallet – forklift truck; food / beverage – tamperproof packaging; iron ore – trainload.

B. 1. purchase; 2. delivery; 3. warehouse; 4. labour; 5. staff; 6. capacity; 7. wholesalers; 8. advertising; 9. utilize; 10. freight.

**Task 7.** 1. irresponsible; 2. qualifications; 3. helpfully; 4. supervision; 5. employees; 6. workable; 7. applicants; 8. dedication.

**Task 8.** C; G; E; A; B; F; D.

**Task 11.** 1. d; 2. g; 3. i; 4. k; 5. a; 6. f; 7. h; 8. j; 9. b; 10. c; 11. e.

**Task 13.** 1. spoke; 2. invested; began; 3. took; had; 4. was getting; rang; 5. saw; getting; 6. carried; 7. spent; 8. issued; 9. were; 10. was looking.

**Task 14.** 1. opened; was raining; 2. was getting; reached; 3. found; 4. didn't forget; 5. were working; 6. arrived; 7. saw; nearing; 8. looking out; entered; 9. was lying; said; wasn't feeling; 10. passed; didn't see.

**Task 15.** was; was; called; got; drove; reached; got; was; was; was starting; saw; was looking; barked; could; had; had; took; gave; stopped; ate; arrived; looked; lost; decided; was; went; shouted; was; tripped; fell; was.

**Task 16.** 1. How did you get acquainted with your business partner?  
2. A growing number of companies were succeeding in international markets.  
3. When Transworld was paying, what number did they send with the payment?  
4. How much did one chair cost? 5. They were not trying to find a niche for their new product. 6. There were times when sales boomed and others in which they were slow.

**Task 17.** 1. arrived; was writing; 2. realized; was travelling; 3. was opening; heard; 4. did ... damage; ran; 5. was making; had; 6. was reading; opened; 7. picked up; dialed; 8. was raining; were playing.

**Task 18.** 1. b; 2. b; 3. a; 4. d; 5. b; 6. d; 7. c; 8. d.

**Task 19.** 1. until; 2. till; 3. before; 4. for; 5. since; 6. during; 7. for; 8. in; 9. for; 10. for; 11. until; 12. since; 13. for; 14. in; 15. for.

## Unit 5. Agile working

**Task 2.** F; A; B; E; C; D.

**Task 3.** 1. A; 2. B; 3. C; 4. B; 5. D; 6. A.

**Task 4.** 1. d; 2. b; 3. f; 4. a; 5. e; 6. c.

**Task 5.** 1. unhappier; 2. attention; 3. grateful; 4. benefits; 5. conscious; 6. minds; 7. multitasking; 8. productivity.

**Task 6.** 1. relationship; 2. resilience; 3. healthy; 4. difficulty / difficulties; 5. ability; 6. challenging; 7. awareness; 8. disappointment.

**Task 7.** 1. F; 2. D; 3. C; 4. G; 5. A.

**Task 8.** Flexible working: adaptable, variable, easily persuadable, tractable, part-time working, job sharing, home working. Agile working: rapid adaptability, minimum constraints, optimize performance, do best work, activity based design, hot desking, remote working, space optimization.

**Task 11.** 1. will succeed; 2. will create; 3. will be placing; 4. will need; 5. will; 6. will be growing; will come.

**Task 12.** 1. will be sitting; 2. will be picking; 3. will be raining; 4. will be flying over; 5. will be having; 6. will see; 7. will go; 8. will use; 9. will be walking; 10. will be expecting you; 11. will pull down; 12. will be changing.

**Task 13.** 1. He says he will meet us at the bus stop, but I'm sure he will forget to turn up. 2. I will never be able to manage on my own. 3. This time

next month the snow will be melting and skiing will be over. 4. Will the coming election be the main topic of conversation for the next fortnight? 5. You won't use your car when you're on holiday, will you? 6. The garden will look its best next month.

**Task 14.** 1. Who will watch all the ports? 2. When will we be taking off? 3. What will Mary be doing? 4. Why will all the fishing boats come in? 5. What will I be doing this time next Monday?

**Task 15.** 1. will walk; 2. will be working; 3. won't meet; 4. won't write; 5. will you wear; 6. Will you be watching; 7. Will you study; 8. won't teach, will be.

**Task 16.** 1. b; 2. a; 3. d; 4. c; 5. a; 6. c; 7. a; 8. d.

**Task 17.** 1. unless; 2. when; 3. as soon as; 4. on, with, with, by, in; 5. in, on; 6. to, on, on, by, in, on; 7. at, out, to, of; 8. at, on, off; 9. to, in, on; 10. to, in, on; 11. on, with, of; 12. of, into, in; 13. for, on; 14. out of, on; 15. in, at, on, in.

## Unit 6. The benefits of working collaboratively

**Task 1.** 1. e; 2. d; 3. f; 4. h; 5. c; 6. a; 7. g; 8. b.

**Task 2.** 1. E; 2. B; 3. A; 4. C; 5. D.

**Task 3.** 1. B; 2. A; 3. C; 4. D; 5. C; 6. B; 7. C; 8. B; 9. D; 10. C; 11. A; 12. B.

**Task 4.** 1. pay; 2. point; 3. leadership; 4. team; 5. misunderstanding; 6. remote; 7. uncomfortable; 8. facial.

**Task 5.** 1. management; 2. leadership; 3. expertise; 4. collaboration; 5. strength; 6. effectively; 7. productivity; 8. informally.

**Task 6.** 1. between; 2. able; 3. for; 4. that; 5. who; 6. one; 7. these; 8. rather; 9. up; 10. on.

**Task 7.** 1. D; 2. G; 3. A; 4. C; 5. F; 6. E. Extra: B; H.

**Task 11.** 1. was going ... the following year; 2. was; 3. had opened; 4. up till that moment ... had been; 5. had been; 6. was studying; 7. didn't have; 8. hadn't had; 9. would come and visit; 10. had gone there the previous week...; 11. hadn't had; 12. had to ... then.

**Task 12.** 1. how old I was; 2. where I lived; 3. what my address was; 4. what school I had gone to; 5. when I had left school; 6. where I was working then; 7. who I was working for; 8. how long I had been working for; 9. if I was enjoying ...; how big my salary was; 10. when I wanted to leave.

**Task 13.** A wanted to know how B's trip to Chicago had been. B answered that he wished he had spent his vacation in his town. A was curious if B liked Chicago. B replied that he had liked the city but he had got sick while being there. A was sorry to hear that. B added that he had wanted to call the doctor but had taken the medication he had had with him as he always carried medication to be on the safe side. A was glad that B had had it. B also said he would never have thought he might have fallen ill in Chicago and next time he wouldn't take chances. He would make sure he would be in good health before leaving. A offered B to keep his fingers crossed.

**Task 14.** 1. He invited me to have lunch with him on Saturday. 2. The boss told me to take those letters to the post and shut the door. 3. She asked me to help her reach the top shelf. 4. He advised us to ask for a better room as that one was horrible. 5. He advised us to get a room on the top floor. 6. He asked to check the figures for him. 7. My mother reminded me to apologize for being late. 8. I offered him to go by train and warned that it would be less tiring than driving. 9. The receptionist offered me to wait in the waiting room. 10. All my friends advised me to see that exhibition.

**Task 15.** 1. My friend advised me to apply for that job as it would suit me. 2. My brother warned me not to say anything. 3. I reminded Ann not to lend Harry any money as he never paid his debts. 4. The secretary told me to ring back in half an hour. 5. He warned me to hold the ladder as it was rather unsteady. 6. I advised him to tie it at the top as it was much safer that way. 7. The doctor reminded me not to take more than two of those pills at once. 8. The air hostess urged us to fasten our seat belts as there might be a little turbulence. 9. He begged me not to drive through fog with only a fog light on or oncoming drivers might take me for a motorcycle. 10. The clerk invited me to fill in that form and then join the queue by the door.

**Task 16.** 1. b; 2. d; 3. c; 4. a; 5. b; 6. a; 7. b; 8. d.

**Task 17.** 1. with, to, of; 2. to, to, of, at, on, to, on; 3. at, off; 4. with, in, out of; 5. out of, of, off, in, on; 6. on, on, into; 7. with, of, in; 8. in, in, into, on; 9. at, with, in, on; 10. by, of, with, on; 11. on, to, on, to, of; 12. with, under, of; 13. on, for, of; 14. of, to; 15. in, of, in, in, at, of, at, in.

## Unit 7. Auditing

**Task 1.** 1. In America's Prohibition days. 2. Al Capone. 3. Governmental entities, the IRS, the Federal Bureau of Investigation, state and local police

departments. 4. Reviews evidence, conducts analyses, interviews involved parties and draws conclusions. 5. Standardized methodologies and practices found in many other professions. 6. After an alleged fraud has taken place.

**Task 2.** 1. F; 2. B; 3. A; 4. E; 5. C.

**Task 3.** 1. C; 2. D; 3. E; 4. A; 5. B.

**Task 4.** 1. for instance; 2. in accordance with; 3. In addition; 4. subsequently; 5. Furthermore.

**Task 5.** 1. C; 2. D; 3. A; 4. B; 5. D; 6. C; 7. B; 8. A; 9. C; 10. D; 11. B; 12. C.

**Task 11.** Recently, credit-rating agencies were sharply criticized for failing to **recognize** the risks in hundreds of billions worth of mortgage-backed securities, **whose** values continue to plummet as home-loan defaults grow. The Treasury, the SEC and several congressional committees are now investigating why credit-rating agencies such as Standard and Poors, Moody's and Fitch gave **endorsed** securities backed by sub-prime mortgages **after** downgrading them only in July.

**The** real mystery is why this issue to be investigated. It's obvious why credit-rating agencies didn't blow the whistle. They didn't blow the whistle on Enron **or** WorldCom before those entities collapsed, either. You see, credit-rating agencies are paid by **the** same institutions that package and **sell** the securities the agencies are rating. If **an** investment bank doesn't like the rating, it doesn't have to pay it.

And even if it likes the rating, **it** pays only after the security is sold. It's as if movie studios hired film critics to review their movies, and paid them only if the reviews were positive enough to get lots of people to see a movie. Until the recent **collapse**, the results **were** great for credit-rating agencies. Profits at Moody's more than doubled between 2002 and 2006. And it was a great ride for the issuers of mortgage-backed securities. Demand soared due to the high ratings **and** expanded the market. Traders that bought, rebundled and then sold them didn't have to **examine** anything except the ratings. It was actually a market in credit ratings – a multi-billion-dollar game of musical chairs. Then the music stopped.

**Task 12.** 1. C; 2. D; 3. D; 4. A; 5. C; 6. D; 7. A; 8. B; 9. C; 10. B; 11. D; 12. B.

**Task 14.** 1. haven't worked; 2. have bought; 3. haven't planned; 4. have you been; 5. has written; 6. hasn't seen; 7. Have you been; 8. I haven't started; 9. Has he spoken; 10. hasn't had.

**Task 15.** 1. have left; 2. has brought; 3. has told; 4. have got; 5. has come; 6. have been; 7. has left; 8. have painted; 9. have known; 10. have forgotten;

11. has closed; 12. has done; 13. have given; 14. has led; 15. has written; 16. has bought; 17. has looked; 18. have bought; 19. has worked; 20. has found; 21. has spoken; 22. have eaten; 23. have read; 24. has won; 25. has cut.

**Task 16.** 1. have booked; 2. has just caught; 3. have just drawn; 4. has already invited; 5. has just made; 6. have passed; 7. have just fed; 8. have already drunk; 9. has lost; 10. have already downloaded.

**Task 17.** 1. how many times have you tried; 2. when did you go; 3. have you had / did you have; 4. I have not seen; 5. have you spoken; 6. when did you start; 7. I have moved. 8. has been; 9. was; 10. has visited.

## Unit 8. Ethics

**Task 1.** 1. C; 2. E; 3. D; 4. G; 5. F; 6. B; 7. A.

**Task 3.** 1. f; 2. d; 3. a; 4. e; 5. b; 6. c.

**Task 4.** 1. noun: decisions; 2. adjective: truthful; 3. adjective: ethical; 4. noun: code; 5. verb: adhere; 6. noun: balances; 7. adjective: vital; 8. noun: accountant; 9. verb: should / must. 10. verb: rely; 11. noun: life; 12. verb: (en) trusting.

**Task 5.** 1. C; 2. G; 3. E; 4. B; 5. A; 6. D. Sentence F is not used.

**Task 6.** 1. regulatory; 2. deteriorated; 3. legislation; 4. attestation; 5. penalties; 6. issuers; 7. representations; 8. accuracy; 9. consideration; 10. detection.

**Task 12.** 1. C; 2. A; 3. F; 4. B; 5. E; 6. G; 7. D.

**Task 14.** 1. had started; 2. had been working; 3. had drunk; 4. had been studying; 5. had you been living; 6. had forgotten; 7. had broken; 8. had been studying; 9. had been running; 10. hadn't done.

**Task 15.** 1. had broken; 2. hadn't left; 3. had chosen; 4. had lost; 5. had paid; 6. had brought; 7. had hit; 8. had bought.

**Task 16.** 1. had been travelling; 2. had been waiting; 3. had been working; 4. had been cooking; 5. had been looking; 6. had been learning; 7. had been hurting; 8. had been trying.

**Task 17.** 1. Had you eaten breakfast before you went out? 2. They hadn't been waiting long when the bus arrived 3. He was cold because he'd just been swimming 4. Where had he been living before he moved to London? 5. She hadn't expected to get so many presents. 6. Had they been dating for long before they got married?

**Task 18.** 1. had thought; 2. hadn't imagined; 3. had been enjoying; 4. had found; 5. had been living; 6. had starred; 7. had been dating.



## Unit 9. Bankruptcy

**Task 1.** 1. c; 2. d; 3. a; 4. g; 5. h; 6. j; 7. e; 8. b; 9. f; 10. i.

**Task 2.** 1. Vice President of Internal Audit. 2. Extraordinary Circumstances: The Journey of a Corporate Whistleblower. 3. \$11 billion.

**Task 5.** 1. C; 2. A; 3. F; 4. E; 5. B.

**Task 6.** 1. limits; 2. possession; 3. supervision; 4. fiduciary; 5. appointed; 6. straight bankruptcy; 7. property; 8. converts; 9. majority; 10. purposes; 11. wiping out.

**Task 7.** 1. G; 2. E; 3. D; 4. A; 5. B; 6. C. Sentence F does not fit.

**Task 10.** 1. H; 2. G; 3. J; 4. I; 5. C; 6. E; 7. A; 8. F; 9. D; 10. B.

**Task 11.** 1. allegations; 2. governance; 3. proceedings; 4. illegalities; 5. fraudulent; 6. irregularities; 7. appointment; 8. guidance; 9. failure; 10. recommendation.

**Task 13.** 1. would have; 2. buy; 3. would have got; 4. had supported; 5. ask; 6. helps; 7. had had; 8. were; 9. would taste; 10. join; 11. would have stayed; 12. would be; 13. fails.

**Task 14.** 1. c; 2. c; 3. b; 4. a; 5. b; 6. b; 7. a; 8. c; 9. c; 10. c; 11. b; 12. a; 13. a; 14. c; 15. b.

**Task 15.** 1. rained; 2. will; 3. get; 4. fail; 5. taken; 6. will you; 7. third; 8. second; 9. zero; 10. first.

**Task 16.** 1. unless; 2. unless; 3. unless; 4. if / unless (with different meanings); 5. if; 6. unless; 7. unless; 8. unless; 9. if / unless (with different meanings); 10. if; 11. if; 12. unless; 13. unless; 14. unless; 15. unless.

**Task 17.** 1. We'll have a nap after lunch if we are sleepy. 2. If I don't know his phone number, I won't be able to give him a ring. 3. As long as John is at work, he won't go with us. 4. Provided that he doesn't like the monitor, he can send it back to the shop. 5. We won't help you if we don't have enough time. 6. You will choose some other hotel unless you are happy about it. 7. If you take up this course, you will like it. 8. Unless you tell your parents, they will be surprised. 9. If you don't eat anything, you'll be hungry. 10. We'll set off tomorrow on condition that the weather is good.

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## **ПРАКТИКУМ З АНГЛІЙСЬКОЇ МОВИ**

**Навчальний посібник**  
**(англ. та укр. мовами)**

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