Task 1
Fill in the gaps in this passage, using the words from the following list.

a) access  b) afford  c) affordable  d) approximate  e) cut  f) due  g) imports  h) providers  i) rate  j) reason  k) roughly  l) transport

Why isn’t the inflation rate higher?

Energy prices have risen, as well as prices of services, __1__ and some foods. Yet the inflation __2__ that was about 7% at the end of 2004 fell to an __3__ 2.7% by the end of 2006. How can this be explained? A probable __4__ is that many goods are still getting cheaper.

Although everyday life seems to have become more expensive for most households __5__ to the rise in energy bills, as well as heavier taxation, more and more people seem to be able to __6__ digital cameras, computers and plasma TVs. This is because the price of some products like clothes and electronic goods is falling. Cheap __7__ from China have __8__ the cost of goods from shoes to DVD players. Internet __9__ is getting cheaper with the growth in the number of __10__. Travelling is also more __11__, thanks to low-cost airlines.

Consumer expenses are measured by the Central Statistical Office, which follows the prices of __12__ a thousand products and services. In the statistics the proportion spent on household energy bills is only about 8.5 %, not much more than the roughly 7.3% for consumer durables.

Task 2
The paragraphs in the following text have been mixed. Put them in the correct order.

Addicted accountant pocketed £9m
A. Twenty-nine false accounting charges, which she denied, were not proceeded with.
B. Esmeralda Pi’s ever larger thefts to fund her addiction „simply slipped by unnoticed” next to the £800m turnover of engineering giant Enorm plc.
C. After repeatedly failing to explain the inconsistencies, she sent a late-night email to one of her superiors, in effect confessing her guilt, the court was told.

D. Pi, 34, pleaded guilty to 27 counts of theft between January 2000 and June 2004. She asked for 65 similar offences to be taken into consideration.

E. A gambling-mad accountant was able to steal £9m from under her bosses’ noses because it was nothing more than “peanuts” to them, Southwark crown court in London heard yesterday.

F. The case was adjourned for sentencing.

G. Her actions only came to light after she handed in her notice and was asked to help a replacement to reconcile some figures, the court was told.

**Task 3**

**Fill in the gaps in this passage, using words from the following list.**

<table>
<thead>
<tr>
<th>a) advantage</th>
<th>k) open</th>
<th>b) aspect</th>
<th>l) rather</th>
<th>c) beware</th>
<th>m) relies</th>
<th>d) branch</th>
<th>n) remedial</th>
<th>e) clearly</th>
<th>o) return</th>
<th>f) confident</th>
<th>p) security</th>
<th>g) find</th>
<th>q) shred</th>
<th>h) fraudsters</th>
<th>r) sophisticated</th>
<th>i) manage</th>
<th>s) through</th>
<th>j) online</th>
<th>t) throwing</th>
</tr>
</thead>
</table>

Customers want a ___1___ to face-to-face banking, according to research published last week. The survey, by Britannia building society, found that, for ___2___ reasons, nearly half didn’t want to discuss every ___3___ of their accounts over the phone. While 39 per cent of customers ___4___ online banking useful, 26 per cent do not feel ___5___ enough to use it to ___6___ their finances, and 55 per cent would ___7___ speak to a person than go ___8___ . Even among supposedly technology-savvy 18-24 year olds, 35 per cent would rather visit a ___9___ than use the internet or phone.

Several reports on credit card fraud show all too ___10___ why. It was reported that a well-known bank had left millions of customers who use its online banking services ___11___ to the threat of fraud ___12___ an apparent basic flaw in its system. They say their fraud rates are lower than those of other banks and say no one has taken ___13___ of the supposed flaw, probably because it ___14___ on a particular virus to infiltrate your PC, followed by a lot of ___15___ and time-consuming hacking by ___16___. They are considering whether ___17___ action is needed.
This just proves that no system is 100 per cent fraud-proof. Protect yourself by making sure your anti-virus software is up-to-date, __18__ of suspicious emails and __19__ all your banking documents before __20__ them away.

Task 4
Read the text below and decide what the underlined words refer to.

Sole Trader

Sole trader, as can easily be concluded from the name, is where an individual is the sole owner of a business. The business itself is often quite small (as measured, for example, by sales generated), but the number of these businesses is very large indeed.

Examples of these businesses can be found in most industrial sectors, but sole traders are exceptionally abundant in most service sectors. That’s why services such as electrical repair, hairdressing, photography, and retail shops have a large proportion of sole trader business.

A sole trader business is easy to set up. No formal procedures are required and operations can often start immediately. The owner of a sole trader business can decide how to run the business and restructure or dissolve the business whenever it suits them. The law does not recognise the sole trader as separate from the owner, and so the business will cease on the death of the owner.

Although the sole traders must produce accounting information for the taxation authorities, there is no legal requirement to produce this information for other user groups. However, some user groups may demand accounting information about sole traders (for example, lenders require accounting information on a regular basis). The sole trader will have unlimited liability, which means that no distinction will be made between the assets of the business and the sole trader’s personal assets if there are business debts.

The advantages of trading as a sole trader include being able to give a more personal service to your customers and making changes within your business very quickly, there being only one person to make the final decision. A sole trader also has complete control over the business and its profits. You are able to use any money the business brings as you consider best, without having to justify your spending.
However, as the expansion of the business depends on the amount of capital you are personally able to inject, you may find as a sole trader that investing in the growth of the business is very difficult, as capital is often not easy to find. A related drawback is that since it is difficult to expand a sole trader business, your competitors would have the edge over you, for example, businesses with greater access to investment would be able to adapt more quickly to market demands leaving you struggling to compete.

Larger organisations can change the prices without feeling the impact as much as the sole trader would. Multinationals are able to cope with demand and supply more readily and far more quickly than a small sole trader, as larger investment allows them to buy equipment, increase production, adopt new technology and develop new ideas. The pressure put on the sole trader must not be ignored, and if you are thinking of becoming self-employed as a sole trader you must consider it carefully.

Apart from the pressures placed on the sole trader by the larger organisations, you are also fully liable financially, and you must also give careful thought to the implications and consequences of possible bankruptcy or loss of personal possessions. The larger your business grows, the greater the risk of operating as a sole trader becomes.

**Task 5**

**Complete the summary below using the information in the text.**

The term sole traders comes from the fact that these businesses are __1__ by __2__ persons. Sole trader enterprises tend to be __3__ but there are a __4__ of them. Most sole trader businesses provide __5__, like __6__.

Starting a sole trader business is fairly __7__ because there is no need for __8__. Furthermore, sole traders do not have to __9__ other people about how __10__, and they can also __11__ the business whenever they want to.

Accounting information must be provided for __12__ and possible __13__, but there is no need to provide this information for __14__. Sole traders, however, are responsible for all __15__ of the business.

Main benefits of trading as a sole trader are the ability to provide __16__ and to make quick __17__. Moreover, sole traders can use the __18__ of the business on whatever they like.
On the other hand, it can be difficult to __19__ since the financial resources are limited. This can also create problems in __20__ to market changes.

Before deciding to start a sole trader business, besides making sure that you can cope with the __21__ of competition, you have to consider the full __22__. If the business fails, you may __23__ your personal property.

**Task 6**
Read the following text and find the appropriate heading for each paragraph.

Choose from the following:

a) Be a mentor  
b) Communicate the big picture  
c) Delegate work and responsibilities  
d) Give reviews  
e) Have a heart  
f) Help employees set goals  
g) Recognize problems  
h) Reward employees  
i) Take the time to be a manager

**Nine Effective Management Techniques**

Almost everybody thinks they’re a good manager. But according to a Gallup Poll, 25 percent of U.S. employees would fire their bosses if they could. That means at least one in four of you are failing.

But that number’s not surprising when you consider how few managers receive any kind of formal management training. If you’re curious about how you stack up, determine how many of the following practices you follow and how many you need to incorporate into your management style. It’s never too late to learn.

1. ____________________________________________________________________________

If you want your employees to work hard and be committed to your business, you’ve got to keep them in the loop. Open communication helps foster loyalty and gives employees a sense of pride. It helps them understand how their work contributes to the company’s success. Set up a recurring meeting (some companies call them “all hands” or “town hall” meetings) to inform your employees about new business developments and answer any questions.
2. __________________________________________________________

Now that you’ve hired some employees, share your workload with them. Delegate projects according to people’s strengths and weaknesses, and let employees develop their own good work habits and leadership skills. Control freaks (Hint: That’s most of you.) will struggle with this initially. Before you take on a project, try to get in the habit of asking yourself if one of your employees can handle it instead.

3. __________________________________________________________

Setting deadlines and goals helps keep employees focused and busy, and motivates them to do their work. Talk to each of your employees about the company’s goals, and work with them to set individual goals directly linked to your business’s mission. Make sure each employee understands their professional growth path in the company.

4. __________________________________________________________

It’s impossible to know about personality conflicts, lagging productivity or other problems in the office if you’ve got your head in the sand. Stay tuned in to your employees so you can be proactive and resolve situations before they escalate. If you notice a change in an employee’s work habits or attitude, try to get to the root of the problem before it starts affecting the rest of your staff.

5. __________________________________________________________

Everybody appreciates raises and bonuses, but monetary rewards aren’t the only way to thank employees for a job well done. In fact the easiest way to recognize a worker’s contribution — by simply saying “thank you” — is often the most overlooked. Whether you do it with words, money, an employee-of-the-month program or other incentives, make sure your employees know you value their efforts and contributions.

6. __________________________________________________________

As a business owner or manager, one of the greatest gifts you can give your employees is sharing your knowledge and experience. Showing your employees firsthand how you close a deal or forecast sales is far more effective than just talking them through it.

7. __________________________________________________________

Employees need feedback about their performance to improve their skills and grow professionally. Set up a formal review program and give performance appraisals once or twice a year. If you set goals and give performance reviews in the same meeting, make sure you spend equal time addressing past performance and future goals.

8. __________________________________________________________

Family emergencies, illnesses and other unplanned events always arise, so get used to it. Show employees some compassion by being flexible with work hours and time off so they can tend to important matters. Employees always
appreciate a sympathetic boss, and as long as your business won’t suffer, make every effort to accommodate workers who have special needs.

9. ____________________________

During busy times when work’s piling up, don’t forget to be a manager. Employees depend on your strength and guidance — especially when they’re stressed out or faced with new projects that require your time and input. Give employees your undivided attention when they want to talk. If you can’t do that in your office, head out to a neighbourhood café and chat over a cup of coffee.

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**Task 7**

Read the following text and decide whether the statements below are true or false according to the text. Indicate your choice with a capital letter T or F and give the evidence included in the text to support your choice.

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**Brussels fines chemical cartel companies €400m**

Seven chemicals companies, Degussa, of Germany; Solvay, of Belgium; Total/Elf Aquitaine/Arkema, of France; Akzo Nobel, of the Netherlands; FMC Corporation/Foret, of the United States and Spain; Kemira, of Finland; Edison, of Italy; and Snia/Caffaro, of Italy, were fined almost €400 million after the European Commission found them guilty of operating an illegal cartel that pushed up prices for consumers in Europe.

The penalty is one of the highest that has been imposed on firms that ignore European Union antitrust rules.

Neelie Kroes, the Competition Commissioner, said that these high fines took into account that certain companies were repeat offenders and that the fines would serve as a cold shower for the management and shareholders of all the companies concerned. She added that cartels were a scourge and that the work to track down and punish them would continue.

The companies operated a cartel in the hydrogen peroxide and perborate markets. Hydrogen peroxide is an oxidising agent used for bleaching paper and textiles and for disinfection and environmental applications, such as sewage treatment. Perborate is a common substance in synthetic detergents and washing powders.

After a series of raids three years ago, the Commission exposed the records of a meeting that was held in early 1995 to discuss “a model for sharing out among producers”. At a later gathering in 1997, the group examined the implementation of price rises agreed earlier and programmed further increases.
Details of the talks between the companies began to surface three years ago. The information that came to light included production limits, allocated market shares and customers, and fixed and target prices. In 2002, Degussa approached the Commission offering to provide information in exchange for immunity. The move enabled the company to avoid a potential €130 million penalty.

The heaviest individual penalty fell on Solvay. The company was fined €167 million. Solvay described the fine as “excessive” and said that it would consider an appeal.

The next biggest fine, €78 million, was imposed on Total/Elf Aquitaine/Arkema. Fines on the other five members ranged from €1 million to €58 million. The ninth company involved, L’Air Liquide, avoided any punishment since it had left the market in 1998.

Statements:

1. The seven chemicals companies were fined exactly €400 million.
2. No British company was involved in this cartel.
3. Some of the fines were bigger because the companies had been involved in cartels before.
4. Perborate is used for bleaching and disinfection.
5. The cooperation between the companies to influence the prices begun in 1997.
6. The main aim of the companies was to keep the price of the products at the level reached in 1995.
7. The only two things the companies agreed about were prices and market shares.
8. The cartel was disclosed because one of the companies involved wanted to avoid paying a fine.
9. The companies that were fined had to pay amounts between €1 million to €167 million.
10. Two of the companies involved avoided punishment because they had left the market.

Task 8
Fill in the gaps in this passage, using words from the following list.

a) and  f) exchange  k) guilty  p) ranging
b) as  g) facilities  l) launched  q) rates
c) basis  h) fined  m) offer  r) strategies
d) cartel  i) follow  n) oligopoly
e) equivalent  j) goes  o) proportion
Kérdések és válaszok üzleti angol nyelvből

Top Paris hotels guilty of price fixing

Six luxury hotels in Paris have been found of fixing their room rates part of a and have been by the Conseil de la Concurrence, France’s of the Competition Commission.

The Bristol, Crillon, George V, Meurice, Plaza Athénée and the Ritz have been ordered to pay fines from £35,000 to £159,000. The Crillon in the Place de la Concorde, where room start at £320, attracted the largest fine.

The fines the publication of a four-year-long report looking at the pricing of the six hotels, which was after allegations about price fixing were made on French television channel M6. The report says the hotels met on a weekly or monthly to information on historic room rates to discuss future plans.

The report on to say that an existed in the luxury hotel market in Paris because the six hotels were the only in the French capital to the combination of prestigious central locations, a high of suites among their room stock, gastronomic restaurants, exceptional and a high staff/guest ratio.

Task 9

Read the text below and decide whether the statements after the text are true or false according to the text. Indicate your choice with a capital letter T or F and give the evidence included in the text to support your choice.

Future of free trade

From 1948 forward, the world has opened up to freer trade as countries negotiated rules governing the flow of goods, services and investment. Now this entire order is in question, following the collapse of global trade negotiations.

When World Trade Organization chief Pascal Lamy announced in Geneva that he was suspending global talks, it raised the question of whether this was a pause in a conflict-ridden negotiation or the end of an era. No round of trade negotiations has ever ended in failure since the creation of the General Agreement on Tariffs and Trade, the first world-trade agreement, in 1948.

When GATT began, there were 23 participating countries, and world exports totalled about $50 billion. Today, the WTO, which oversees global trade, has 149 member nations. Global exports last year exceeded $10.7 trillion. No nation gained more from free trade over the past half-century than the United States, where the steady rise in living standards was fuelled in part by ever-expanding sales of U.S. products abroad and imports of foreign-made goods.
Setbacks have occurred during the eight previous rounds of global trade negotiations. But there has never been a round as awkward from the outset as the latest Doha round, named after the capital of Qatar, where talks began in November 2001.

The Doha round focuses on boosting the exports of the goods of developing countries, mainly agricultural products. The difficulty is that this requires opening the heavily protected agriculture markets of the rich – the United States, the European Union and Japan – to imported farm products.

The talks also aim to open global markets further to manufactured goods, as well as to approve new rules and access for various services. But it has been impossible to move on these secondary issues because the developing nations insist that agriculture, their most competitive sector, must be dealt with first.

Although rules already agreed to by the 149 WTO members make a severe backslide improbable, even free trade’s most ardent supporters are concerned. Some experts believe trade may have reached a turning point.

“I think we might be seeing the high-water mark of the WTO,” said Gary Hufbauer, a trade expert at the Institute of International Economics in Washington. He anticipates a shift in emphasis rather than a slide back into old-style protectionism. Preferential trade will outdo free trade. Instead of global talks to create rules that apply to all, countries will seek bilateral and regional trade agreements, such as the North American Free Trade Agreement, which are mutually beneficial to their members but do not apply to the rest of the world.

The net result could be trade disarray, where some of the players are favoured against others. Economic relations between countries could grow more complex and uncertain. We should not forget that nationalistic frictions over trade in the 1930s helped fuel the tensions that led to World War II.

Statements:

1. Free trade has been growing since the 1948 creation of GATT.
2. There is a danger that the growth of free trade may come to end.
3. The Doha round of negotiations will be the second failure of a WTO negotiation round.
4. The number of countries signing global trade agreements has grown by more than 500% since 1948.
5. All the WTO countries have profited equally from the agreements.
6. The Doha round has been the most problematic of all the WTO rounds.
7. The main aim of the Doha round is to advance the agricultural export of developing countries.
8. The main problem of the Doha round is that the agricultural market in Europe is heavily protected.
9. The export of developing countries is the only topic of the Doha round.
10. Some experts think that more and more countries will make bilateral agreements instead of signing global ones.

11. Bilateral and regional agreements are as beneficial to world trade as global agreements.

**Task 10**
Read the text below, decide what the underlined words refer to and answer the questions.

**Fraud could account for 10% of UK’s exports**

According to the Office for National Statistics, suspected VAT “missing trader” fraud activity jumped 50% in the first quarter of the year. The quantity of fraud is now more than five times higher than a year ago, and the ONS said it was distorting Britain’s trade figures.

The figure showed that the fraud, known as missing trader intra-community (MTIC), has grown so fast that 10% of UK exports are now attributed to criminal activity which may involve no goods actually being exported at all.

After removing the estimates of MTIC fraud from Revenue & Customs from the total recorded exports of £59.5bn in the January to March period, exports amount to £54bn. The £5.5bn gap is up sharply from £3.6bn seen in the fourth quarter of last year, and more than half the £10bn total for all of 2005.

Although the latest numbers are estimates, and Revenue & Customs says it is difficult to extrapolate actual VAT losses from the amount of trade it thinks might be fraudulent, the agency said that the amounts involved were rising sharply. Since the figures reflect attempted fraud, not VAT stolen, it is not possible to draw definite conclusions about losses incurred by the Exchequer.

MTIC fraud works when someone imports goods, usually small and of high value, into Britain from another European Union country free of VAT. The trader then sells the goods on with the 17.5% VAT added to another trader, but then goes missing without handing the VAT on to Revenue & Customs. In a more sophisticated version, the goods get re-exported and re-imported again, with the VAT being reclaimed each time. This is known as “carousel” fraud and it inflates the data for both exports and imports.

1. How much has “missing trader” fraud grown in the first quarter?
2. Which community is the ‘intra-community’ of the abbreviation MTIC?
3. How big was the amount arising from fraud in the 2005 export statistics?
4. Why is it difficult to define the budget losses caused by fraudulent VAT claims?
5. What is MTIC fraud?
6. What is “carousel” fraud?
Task 1
You are working for an accountant, Charles Gere, and in his absence you are required to answer the following letter. Mr Gere is on holiday for a week and comes back to work only next Monday.

23 Grove Road
Kingston Upon Hull
North Humberside
HU5 9RX

Charles Gere
Chartered Accountant
125-127 Wincolmlee
North Humberside
HU1 2JA

Dear Mr Gere,

I have just started up in business as a restaurateur here in Hull and I have been advised to seek the services of an accountant. Mr Clements of DBG Amusement Centre has recommended you and I am wondering whether you would be prepared to look after my interests, of course assuming the fees are reasonable.

Apart from dealing with my accounts, I am also considering the possibility of forming a limited company and would welcome your advice on this. My wife’s family might be prepared to help with the finances. I think I should warn you that although I consider myself a first-class chef, I have no experience of keeping accounts.

Yours sincerely,

Henry Brook
Task 2
Write an essay of about 250 words that gives advice about how to be environmentally friendly when you want to handle things you want to throw away. You can use the four Rs of rubbish, reduce, re-use, recycle and repair, to organize your thoughts. Below are some questions to help you.

Re-use: What can be used again as it is for the same purpose? What can be used as it is for a different purpose?
Recycle: What can be taken back to shops? What can be taken to selective rubbish collecting? What can be used for composting?
Repair: Instead of buying a new one, what products can be repaired?