

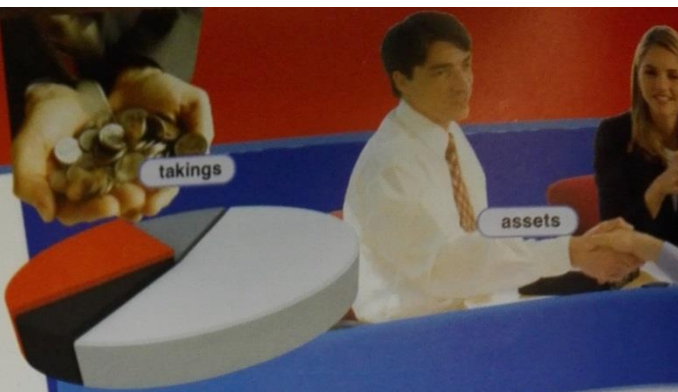
# 7 Finance

ready!

Before you read the passage, think about these questions.

What information might be included in a financial report?

Why is it important for a company to keep financial records?



Dear Mr. Ingol,

Please find enclosed the annual **financial report**. In summary, the **profit and loss** statement shows that we are up \$7,658.04 on our **earnings** last year. Our increased earnings were due to the **revenue** received from the Taylor Johnson project. In fact, you will see on the spreadsheet that this one project alone brought in 20% of our annual **income** after **deductions**. Our profit was greatest in the 3rd quarter when we received payment from Taylor Johnson and also received the **grant** from the Environmental Awards Group. Profit was lowest in the first quarter, when the company suffered a **net loss**. However, this was due to the increased **expenditure** incurred when we bought the new delivery vehicles, and there was no actual fall in earnings. The **balance sheet** shows that value of our **assets** is down this year. This is due to the **depreciation** incurred by our outdated computer system. However, the proposed purchase of a new computer system will result in an increased value in our assets by the end of the financial year. We also have over \$3,000 in **liabilities**.

If you have any questions about the report, please get in touch.  
Graham Knowles  
Director of Finance

**grant**

Listen and read this email from the Director of Finance to a CEO. Then, choose the correct answers. Summarise the email. Tell the class.

Which of the following statements is NOT true?

- A The takings are higher than last year.
- B Most of the profit came in the second quarter.
- C The company received a grant in the third quarter.
- D The company bought delivery vehicles in the first quarter.

The company's assets decreased in value because

- A this year's profits were low.
- B the company suffered a net loss.
- C the delivery trucks were expensive.
- D the computers decreased in value.

What is the company likely to do next year?

- A buy a new computer system
- B receive \$3,000 in debts
- C receive a grant
- D reduce spending

## Vocabulary

3 Match the words (1-7) with the definitions (A-G).

- 1 D expenditure
- 2 G balance sheet
- 3 E assets
- 4 F depreciation
- 5 A grant
- 6 B net loss
- 7 C financial report

- A money given to help a specific project
- B a situation where you spend more than you receive
- C a document giving information about finances
- D the money you spend
- E things you own which have value
- F the loss in something's value over time
- G a document containing statements relating to money

Choose the correct word pairs to fill in the blanks.

- The company's A was high, but it owes \$5,300 in A.  
 A revenue - liabilities      B quarter - earnings  
 C income - profit and loss
- The expenditure B was greatest in the last D.  
 A deductions - income      B incurred - quarter  
 C liabilities - asset
- The C statement shows that our C were higher last year.  
 A quarter - deductions      B incurred - net loss  
 C profit and loss - earnings
- Our total B increased, not including B for raises.  
 A financial report - assets      B income - deductions  
 C expenditure - depreciation

## Listening

5 Listen to a conversation between a CEO and a manager. Mark the following statements as true (T) or false (F).

- The company suffered a net loss in the last quarter.
- The company earned income from the Hilton project last month.
- The man expects losses in the next quarter.

6 Listen again and complete the conversation.

Manager: Okay. Well, 1 \_\_\_\_\_ is here on the left, and 2 \_\_\_\_\_ is on the right.

CEO: How do our 3 \_\_\_\_\_ to last quarter?

Manager: Well, they're up from the last quarter, but we actually suffered a net loss over the three months.

CEO: A loss? Why is that?

Manager: We updated the computer systems. It was pretty expensive.

CEO: Oh yes, of course.

Manager: But I expect us to make a profit in the next quarter. We'll 4 \_\_\_\_\_ the revenue from the Hilton project.

CEO: And 5 \_\_\_\_\_ we'll get that small business grant, too.

Manager: It could be a very good quarter for us.

CEO: Could you 6 \_\_\_\_\_ an estimate for the upcoming quarter? I'd like to show that to the board.

## Speaking

7 With a partner, act out the roles below, based on the dialogue from Task 6. Switch roles.

### USE LANGUAGE SUCH AS

Have you completed...?  
 Why is that?  
 There's no guarantee...

**Student A:** You are a manager. Answer the questions to Student B about:

- financial report
- explanation of report
- next quarter

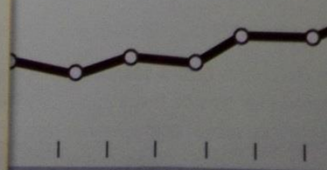
**Student B:** You are a CEO. Ask the manager. Answer Student A's questions.

## Writing

8 You are a financial manager. Write a brief memo to the CEO explaining why there was a net loss in the last quarter (100-120 words). Talk about:

### MEMO

- Lower takings in the last quarter
- Why expenditure was high in the last quarter
- What you expect will happen in the next quarter

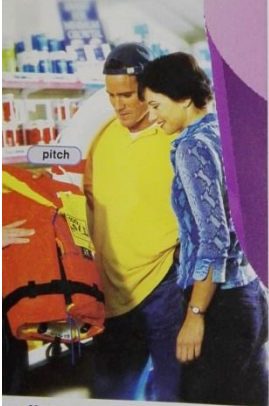




Get ready!

1 Before you read the passage, talk about these questions.

- 1 What must a salesperson do to ensure a sale?
- 2 What difficulties might a salesperson encounter when dealing with a client?



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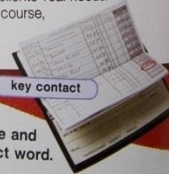
In today's competitive market, you need to be sure that your sales team is ahead of the game. That's why we've developed a successful five-day seminar to help organizations like yours to develop a professional and **effective** sales team. Our courses are specially designed to help your sales team **generate** more **appointments**, deliver successful **pitches** and bring in more business. The course covers the entire sales process, from the initial greeting to closing the deal.

During the course you will learn how to:

- Create an effective sales plan to help you set and achieve your sales goals
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### Reading

Listen and read this flyer advertising a set of seminars for salespeople. Then, read the paraphrase of the article. Fill in the blanks with the correct words from the word bank. What will people learn during the seminar? Tell the class.

#### Word Bank

seminars customers process business

Lucrative Solutions offers tailor-made courses to salespeople. The aim of the 1 \_\_\_\_\_ is to help salespeople be more professional and bring in more 2 \_\_\_\_\_. The course covers all elements of the sales 3 \_\_\_\_\_, such as analyzing territory, handling resistance and approaching 4 \_\_\_\_\_.

### Vocabulary

Read the sentence and choose the correct word.

- 1 The sales team delivered a successful (approach / pitch).
- 2 Tom's sales approach is not very (effective / existing).
- 3 (Capitalize / Analyze) on this new contact to sell more products.
- 4 The idea to lower prices met a lot of (influence / resistance).
- 5 Salespeople use many skills to (influence / demonstrate) people.
- 6 Many salespeople must (generate / approach) appointments.

# 9

## Quality standards

### PENN PLASTICS - Employee Manual Quality STANDARDS

In Plastics we take great pride in the quality of our work. As an employee, you will be expected to familiarize yourself with **guidelines** established by the **International Organization for Standardization (ISO)** that apply to our field. Each one in this manual outlines our **policies** regarding standards and **statutory requirements**. We are in compliance with all of the **statutes** governing our industry and proudly maintain the highest standards.

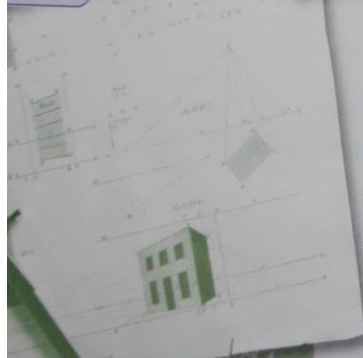
Since most of our products are made for children, we must follow strict **criteria**, especially when it comes to our **resources** and suppliers. We are ultimately responsible for every product that leaves our factory. It's a responsibility that we take very seriously. That's why every employee must complete a course and earn a **certification** in Product Safety.

All products are designed to meet strict **specifications**. Every employee is expected to keep an eye out for quality control on the factory floor and in the shipping department.

In Plastics, we're like family. We all have a vested interest in what we do and what we produce. We've all joined a great team.

Chapter 4

guideline



criteria

UKAS  
QUALITY  
MANAGEMENT

ISO  
9001



### Get ready!

1 Before you read the passage, talk about these questions.

- 1 Why is it difficult to enforce international manufacturing standards?
- 2 How do international guidelines impact businesses?

### Reading

2 Listen and read the page from an employee manual. Then, mark the following statements as true (T) or false (F). Give two reasons why someone should join the company.

- 1  Penn Plastics executives determine regulatory statutes.
- 2  Most Penn Plastics products are intended for adult use.
- 3  All Penn Plastics employees have taken a product safety course.

### Vocabulary

3 Choose the word that is closest in meaning to the underlined part.

- 1 Alan gives the documents that give evidence of achievement.  
A certifications      B resources      C **statutes**
- 2 The company must comply with the laws and guidelines.  
A **specifications**      B certifications  
C statutory requirements
- 3 This manual contains the written rules and guidelines.  
A specifications      B **policies**      C resources
- 4 Follow the product requirements.  
A certifications      B **specifications**      C policies
- 5 What are the standards that must be used for testing the product?  
A statutory requirements      B resources      C **criteria**

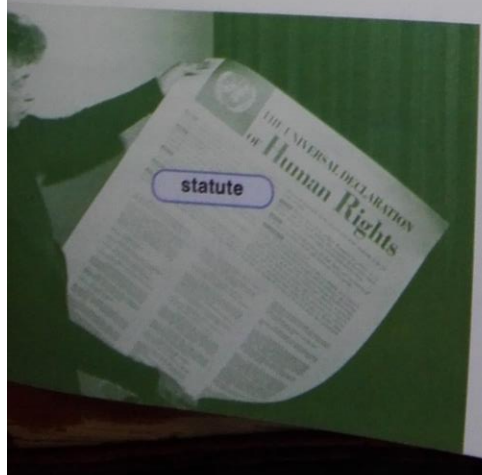


Place a check (✓) next to the response that answers the question.

- Does she know about the International Organization for Standardization?
- A  No, she has never traveled abroad.  
 B  Yes, she studied its guidelines at her previous job.
- Have the employees followed the safety guidelines?
- A  Yes, their supervisor made sure.  
 B  Yes, we'll have them done next week.
- Have you read about the new industry standards?
- A  Yes, I'm going to call a meeting about them.  
 B  Yes, I know the industry hasn't been profitable.
- What resources does this company use most often?
- A  It processes a lot of lumber every day.  
 B  It has produced more products every week.
- What does the statute say about this material?
- A  It is legal to use in everything except food.  
 B  The company hasn't hired a lawyer yet.

### Listening

- 6 Listen to a conversation between an instructor and a new employee. Mark the following statements as true (T) or false (F).
- The new employee has not read the ISO guidelines.
  - The woman is responsible for ensuring compliance.
  - The certification must be renewed every five years.



### 6 Listen again and complete the conversation.

**Instructor:** Just try to 1 \_\_\_\_\_ that apply to our industry. It addresses plastics in section seven

**Employee:** Great, thank you.

**Instructor:** Any other questions 2 \_\_\_\_\_?

**Employee:** Yeah, actually. I'm just working on the assembly line. But I'm responsible for monitoring 3 \_\_\_\_\_?

**Instructor:** Actually, that's 4 \_\_\_\_\_ . Making sure we're in compliance with all regulations, having our permits ...

**Employee:** But I have to know about it anyway

**Instructor:** We find that it 5 \_\_\_\_\_ if everyone understands what we have to do and why.

### Speaking

7 With a partner, act out the roles below based on the dialogue from Task 6. Then switch roles.

**USE LANGUAGE SUCH AS:**

Have you had a chance to read ...?  
 Just try to ...  
 How long does this certification last?

**Student A:** You are a product safety instructor. Answer student B's questions.

**Student B:** You are a new employee. Ask student A about: statutory requirements.

### Writing

8 You are a product safety instructor at a manufacturing company. Write a summary of what new employees must learn before becoming certified (100-120 words). Talk about:

- What you need to study
- How you will get your certification
- Why you must learn about these things