

# Università di Cagliari



Corso di Laurea in Economia e Gestione Aziendale  
Corso di Laurea in Economia e Finanza

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# FINANCE



# FINANCE

English words connected with FINANCE

What words come to your mind when  
thinking about **Finance**?



# FINANCE

## Money Quotes and Proverbs

"Money is better than poverty, if only for financial reasons."

Woody Allen

"It is better to have a permanent income than to be fascinating."

Oscar Wilde

"Money is the root of all evil."

Unknown

"Lack of money is the root of all evil."

George Bernard Shaw



# FINANCE

## Money Quotes and Proverbs

"Oh Lord won't you buy me a Mercedes-Benz!"  
Janis Joplin Song

"Remember that time is money"  
Benjamin Franklin

"There's one thing that money can't buy. That's  
poverty"  
John Lennon

"The love of money is the root to all evil"  
The Bible



# FINANCE

CASH

COIN

NOTE

BUCK

QUID

GRAND

CURRENCY

CHANGE

BILL

RECEIPT

LOAN

MORTGAGE

LEND

INTEREST RATE

BORROWING

SEC

CREDIT

DEBT

OWE



LOSS

PROFIT

BANKRUPTCY

BALANCE SHEET

FINANCIAL STATEMENT



INCOME STATEMENT

PROFIT & LOSS ACCOUNT

INCOME OUTGOINS

MISMANAGEMENT

IRREGULARITIES



# The Profit and Loss Account

Complete the document on page 68 with the following expressions:

Research and development costs

Cost of materials

Gross profit

Interest receivable

Turnover

Dividend

# FINANCE

## SAYING NUMBERS

### Years

1984

2002

### Currencies

£3.15

\$7.80

### Decimals

16.5

17.38%

0.185

### Bigger Numbers

3560

5980,347

1,300,402

**1m**

**3bn**

**£7.5bn**

**\$478m**



# FINANCE

Mon

Tue

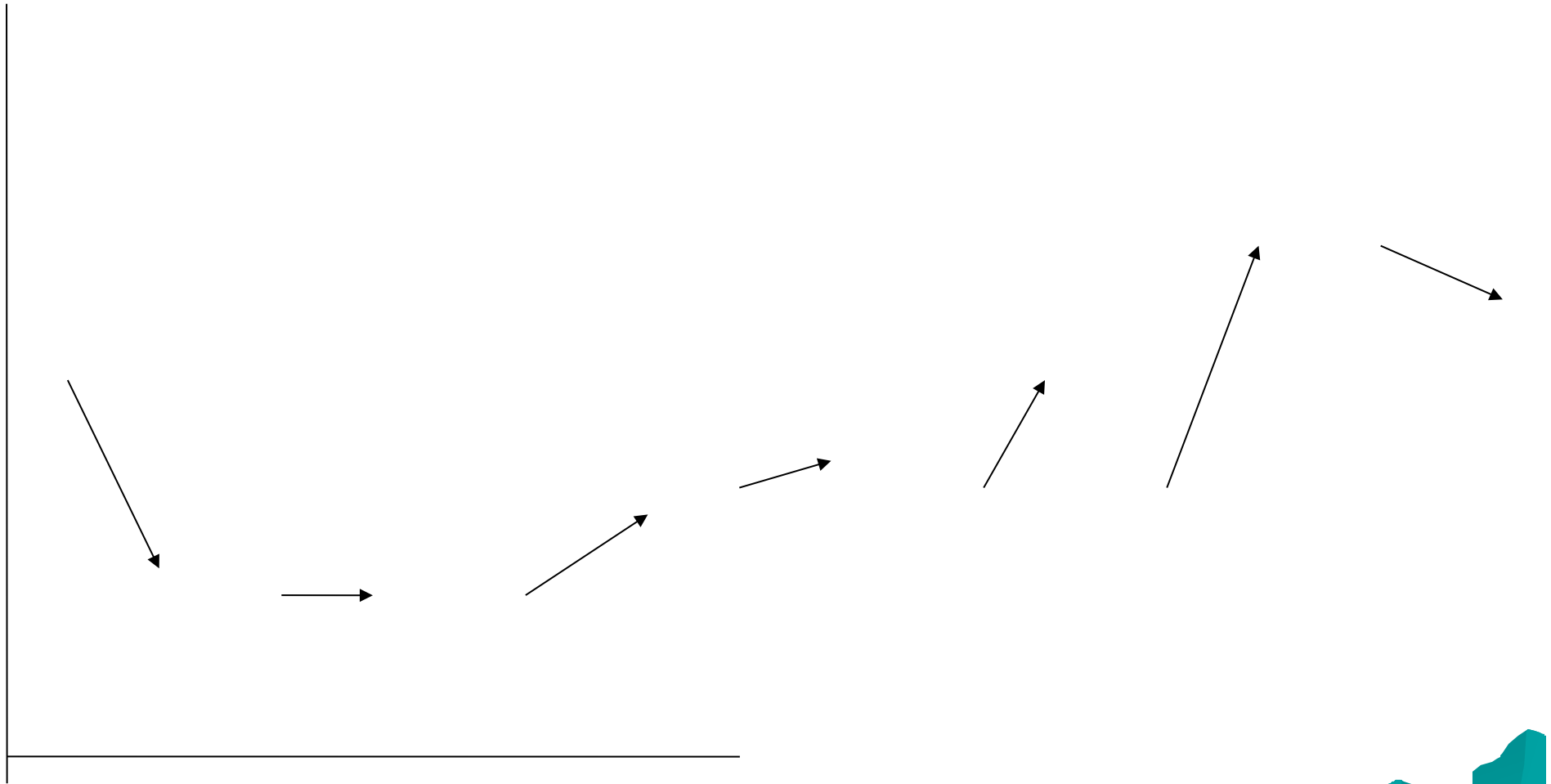
Wed

Thur

Fri

Sat

Sun

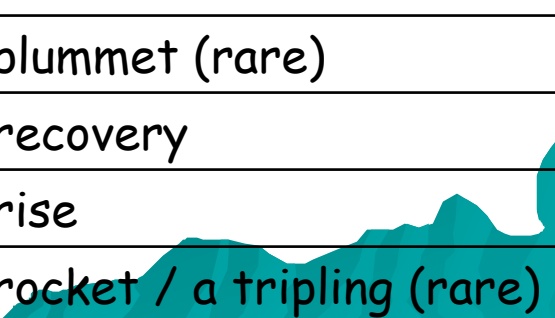


**Your week's emotional state**



# FINANCE

VERB	NOUN
decline	A decline
decrease	A decrease
double	A doubling (rare)
drop	A drop
fall	A fall
fluctuate	A fluctuation
gain	A gain
halve	A halving (rare)
improve	An improvement
increase	An increase
Level off	A levelling off
Peak	A peak
plummet	A plummet (rare)
recover	A recovery
rise	A rise
Rocket / triple	A rocket / a tripling (rare)



# Trends

## Exercise p. 72

- ◆ From 1991 to 1993 Enron share price **rose steadily**. Between 1993 and 1994 the price **dropped slightly**. In 1994 the price **fluctuated mildly** up to 1998 when it had **a sharp increase** and **reached a peak** in 2000. After 2000 the share price had **a dramatic and sudden fall**.



# TRENDS

## Prepositions

Profits rose 11% **to** \$2.7bn

Profits have gone up **from** 3m **to** 4m euros

Our business grew **by** 10% last year

There has been a decrease **of** 4m euros

Last year profits stood **at** 2.5m pounds

## Adjectives and adverbs

There was a **dramatic** fall; shares fell **dramatically**

The similarities between Enron and Ahold are **striking**.

Prices fluctuated **mildly**, dropped **slightly**, rose **steadily**. Prices reached a peak, stocks had a **dramatic** and **sudden** fall.

# Happy talk

American **consumer confidence** rebounded in September from August's sharp fall (the news was one element pushing the Dow Jones Industrial Average towards a new high). Cheaper petrol prices were said to be the main factor fuelling the optimism.

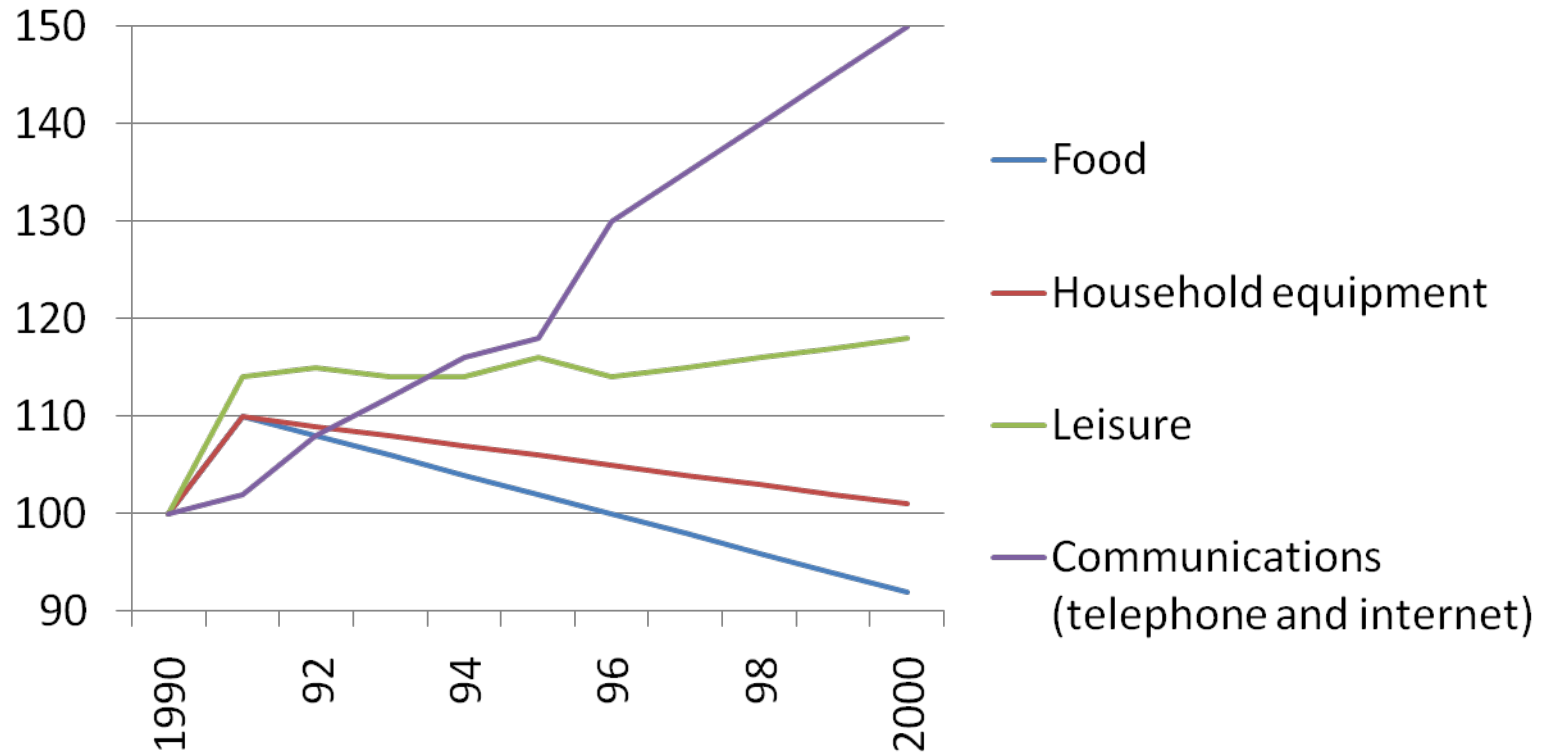


# Positive feelings

The European Commission's indicator of business and consumer economic sentiment in the euro area rose in October to its highest level in more than five-and-a-half years. Among the bigger countries in the currency block the uptick in optimism was particularly strong in Germany and France (where the unemployment rate is at a five-year low), but in Italy confidence fell.

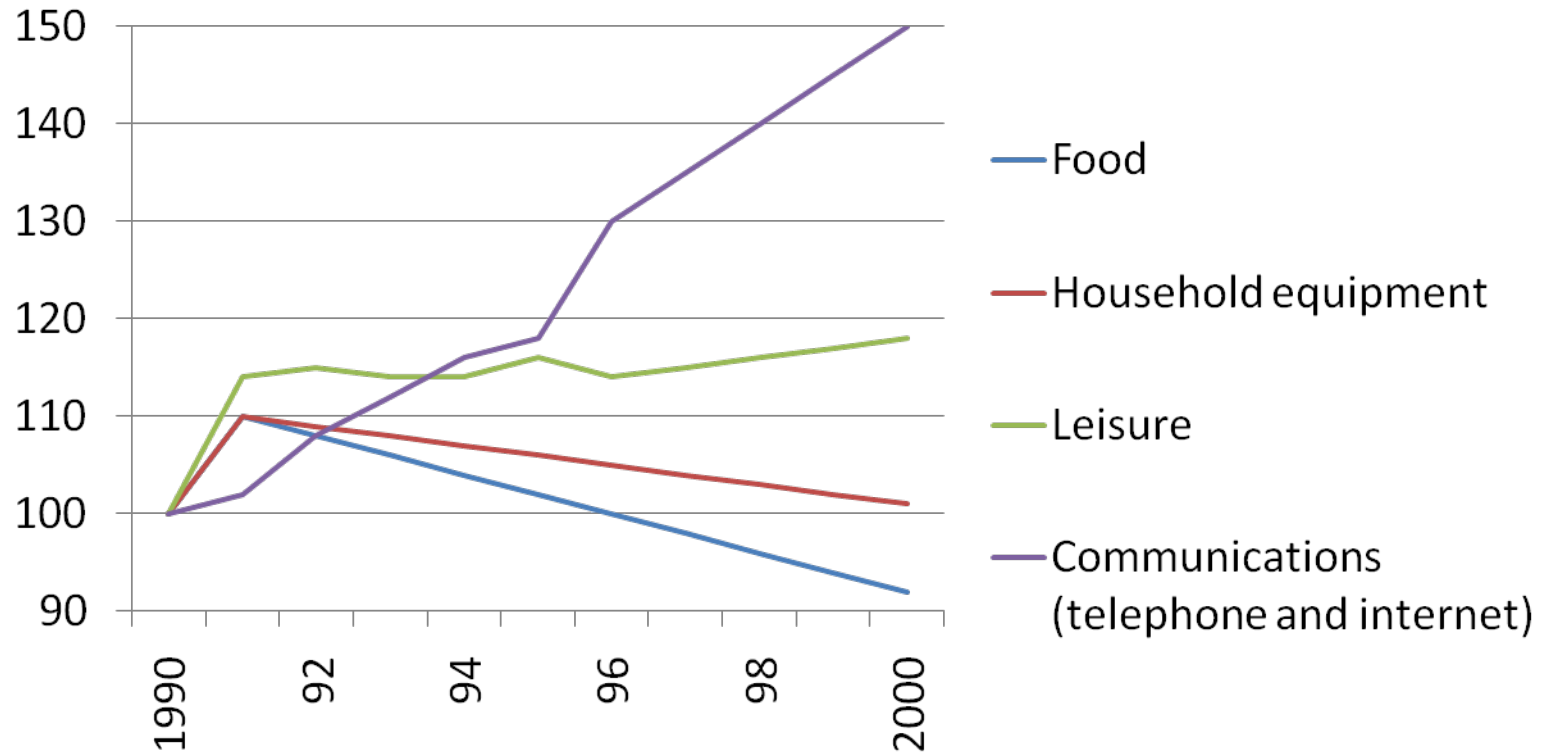


# Spending trends 1990-2000



- Spending on \_\_\_\_\_ increased up to 1991 and then fell sharply.
- Spending on \_\_\_\_\_ increased the most.
- Spending on \_\_\_\_\_ rose by nearly 20 per cent.
- Spending on \_\_\_\_\_ decreased slightly after 1991.

# Spending trends 1990-2000



- Spending on **FOOD** increased up to 1991 and then fell sharply.
- Spending on **COMMUNICATIONS** increased the most.
- Spending on **LEISURE** rose by nearly 20 per cent.
- Spending on **HOUSEHOLD EQUIPMENT** decreased slightly after 1991.

# Corporate governance (Reading Comprehension)

Europe's Enron (p. 70)

## PARA I:

-What is a "food retailer"? The word "giant" means ...

## PARA II:

-A synonym for "wrong-doing" is ....

## PARA III:

-"resignation" means .... while a "chief executive" is

....



# Corporate governance (Reading Comprehension)

## Europe's Enron (p. 70)

### PARA IV

-What is a possible synonym for "**firm**"; and a possible one for "**dull**"?

### PARA V

-"**overstatement**" means ... . "**to supply**"? What is a "**subsidiary**"? What is the opposite of "**failure**"?

### PARA VI

- What is the opposite of: "**to buy in bulk**"; "**admired**"? "**rebates**" is synonym of ....? What is the meaning of "**booked**"?



# FINANCE

Some English words or expressions .....

**BUDGET; DEFICIT; FORECAST; BANKRUPTCY;  
DIVIDEND; SHARES; REVENUES; EARNINGS**

1. Condition of person or organization unable to pay one's debts
2. Financial plan; prepare a financial plan
3. Lack, shortage
4. Issue or share of stock
5. Money businesses receive from selling goods and services
6. A description of what is likely to happen in the future
7. That part of the earnings of a corporation that is distributed to its shareholders; usually paid quarterly
8. Wages, profit

# FINANCE

Some English words or expressions .....

BUDGET (2); DEFICIT (3); FORECAST (6);  
BANKRUPTCY (1); DIVIDEND (7); SHARES (4);  
REVENUES (8); EARNINGS (5);

1. Condition of person or organization unable to pay one's debts
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# Word building

Noun	Person	Verb
_____	_____	produce
shop/shopping	_____	_____
distribution	_____	_____
_____	_____	consume
retail	_____	_____
_____	writer	_____

Suffixes: -ion, -er, -ation, -or, -ing



# Word building

<b>Noun</b>	<b>Person</b>	<b>Verb</b>
PRODUCTION	PRODUCER	produce
shop/shopping	RETAILER	RETAIL/SALE
distribution	DISTRIBUTOR	DISTRIBUTE
CONSUMPTION	CONSUMER	consume
retail	RETAILER	RETAIL
WRITING	writer	WRITE

Suffixes: -ion, -er, -ation, -or, -ing



# Phonetics - price

[praɪs] [fɔːl]

[tʃiːp] [tʃaːdʒ]

[ʃap/ʃɒp]

[,ˈekəˈnɑmɪkl/-nɒm-]

[ɪnˈkriːs]

[ˈprɑfɪt /ˈprɒ-]

[fɪˈnæns / ˈfaɪnæns]

[,ɪnɪkˈspensɪv]

[ləʊ] [haɪ]

[ˈpeɪmənt]

[ˈmɑrkɪt /ˈmɑːkɪt]

[weɪdʒ]

[ˈmɑrdʒɪn /ˈmɑːdʒɪn]



## Vocabulary – price

Choose the correct verb from a, b or c.

- 1 It is difficult for companies to \_\_\_\_\_ the price of a product and know what to charge.  
a) cost   b) set   c) get
- 2 A lower price may increase sales but it also \_\_\_\_\_ the profit margin  
a) increases   b) sets   c) reduces
- 3 Many companies are \_\_\_\_\_ costs to keep prices down.  
a) cutting   b) setting   c) increasing
- 4 All customers want to \_\_\_\_\_ good value for money.  
a) get   b) cost   c) sell
- 5 Customers are also prepared to \_\_\_\_\_ more time looking for a good price.  
a) make   b) spend   c) have



## Vocabulary – price

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- 4 All customers want to \_\_\_\_\_ good value for money.  
a) get   b) cost   c) sell
- 5 Customers are also prepared to \_\_\_\_\_ more time looking for a good price.  
a) make   b) spend   c) have



6 In recent months, sales \_\_\_\_\_ between 35 and 40.

a) fluctuated    b) rose    c) raised

7 Large supermarkets can afford to \_\_\_\_\_ in bulk, which also reduces the price.

a) sell    b) save    c) buy

8 Producing bigger portions doesn't \_\_\_\_\_ up the price.

a) pull    b) pick    c) push

9 To \_\_\_\_\_ the demands of supermarkets, food producers have reduced the size of their workforces.

a) set    b) meet    c) reach

10 Prices \_\_\_\_\_ a peak last night and then fell.

a) reached    b) increased    c) put up



6 In recent months, sales \_\_\_\_\_ between 35 and 40.

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## PUT THESE TREND WORDS IN THE CORRECT CATEGORY.

remain steady / lower / rise / level / rocket / push down

11 increase: \_\_\_\_\_

12 decrease: \_\_\_\_\_

13 no change: \_\_\_\_\_

11 rise, rocket / 12 lower, push down / 13 remain steady,  
level



# Language

**1 Complete the trend words in these newspaper headlines. There is one space per letter.**

1 SHARE PRICES P \_ \_ \_ \_ \_ IN MARKET CRASH

2 ECONOMIC GROWTH CONTINUES TO S \_ \_ \_ \_  
DOWNWARDS.

3 OPEC PREDICTS F \_ \_ \_ IN SUPPLIES.

4 EMPLOYMENT D \_ \_ \_ \_ TO TEN YEAR LOW

5 CONSUMER SPENDING S \_ \_ \_ \_ WITH SUPERMARKETS  
REPORTING RECORD SALES

6 A J \_ \_ \_ IN INFLATION WORRIES ANALYSTS

7 SIX MONTH D \_ \_ NO CAUSE FOR CONCERN SAYS CEO.

8 LANSDOWN SHARE PRICE P \_ \_ \_ \_ AT TWO HUNDRED  
AND ENDS THE DAY AT ONE EIGHTY.

# Language

**1 Complete the trend words in these newspaper headlines. There is one space per letter.**

- 1 SHARE PRICES **plummet** IN MARKET CRASH
- 2 ECONOMIC GROWTH CONTINUES TO **slide** DOWNWARDS.
- 3 OPEC PREDICTS **fall** IN SUPPLIES.
- 4 EMPLOYMENT **drops** TO TEN YEAR LOW
- 5 CONSUMER SPENDING **soars** WITH SUPERMARKETS REPORTING RECORD SALES
- 6 A **jump** IN INFLATION WORRIES ANALYSTS
- 7 SIX MONTH **dip** NO CAUSE FOR CONCERN SAYS CEO.
- 8 LANSDOWN SHARE PRICE **peaks** AT TWO HUNDRED AND ENDS THE DAY AT ONE EIGHTY.

## 2 Read part of a presentation. Write the words in brackets as an adjective or adverb.

This pie chart shows the differences between the three sectors are  
(9) \_\_\_\_\_ (strike). Our Europe markets fell (10) \_\_\_\_\_ (dramatic) compared with last year. Though this market is still (11) \_\_\_\_\_ (clear) much bigger for us than Latin America and North America, the fall has remained (12) \_\_\_\_\_ (steady) now for the last three years. This next graph shows you that Latin American markets fluctuated (13) \_\_\_\_\_ (slight) but the general trend is (14) \_\_\_\_\_ (slow) upwards. North America on the other hand, after suffering some (15) \_\_\_\_\_ (poor) months, came back (16) \_\_\_\_\_ (strong) in the second half of the year.

This pie chart shows the differences between the three sectors are (9) **striking** (strike). Our Europe markets fell (10) **dramatically** (dramatic) compared with last year. Though this market is still (11) **clearly** (clear) much bigger for us than Latin America and North America, the fall has remained (12) **steady** (steady) now for the last three years. This next graph shows you that Latin American markets fluctuated (13) **slightly** (slight) but the general trend is (14) **slowly** (slow) upwards. North America on the other hand, after suffering some (15) **poor** (poor) months, came back (16) **strongly** (strong) in the second half of the year.

**3 Terms in 17-24 refer to money in or money out on a Profit and Loss statement. Match the terms to the two categories and write their number below.**

◆ MONEY IN: \_\_\_\_\_

◆ MONEY OUT: \_\_\_\_\_

- 17 Sales revenue
- 18 Overheads
- 19 Interest receivable
- 20 Interest payable
- 21 Turnover
- 22 Gains on fixed assets
- 23 Salaries
- 24 Dividend

**3 Terms in 17-24 refer to money in or money out on a Profit and Loss statement. Match the terms to the two categories and write their number below.**

- ◆ **MONEY IN: 17, / 19, / 21, / 22**
- ◆ **MONEY OUT: 18, / 20, / 23, / 24**

- 17 Sales revenue
- 18 Overheads
- 19 Interest receivable
- 20 Interest payable
- 21 Turnover
- 22 Gains on fixed assets
- 23 Salaries
- 24 Dividend

# Useful phrases

## 4 Re-order these words to make phrases for referring to visuals in a presentation.

25 you from this graph as can see...

---

26 on it's this obvious slide...

---

27 this here to the see figures led you.

---

28 notice table from you'll this ...

---

29 shows what chart clearly this I mean

---

30 a this flow look at take chart.

---



25 As you can see from this graph...

26 It's obvious on this slide.../ On this slide it's obvious...

27 This led to the figures you see here.

28 You'll notice from this table...

29 This chart clearly shows what I mean.

30 Take a look at this flow chart.



# Glossary

## Unit 8 Finance

**balance sheet** *n* [C] a statement showing the wealth of a business or organisation at a particular date. The balance sheet has two parts showing assets and liabilities: Buildings and machinery are assets that should be listed on the balance sheet. **bilancio patrimoniale** **Synonyms** statement of financial position *n* [C] *AmE* **stato patrimoniale**

**bankrupt** *adj* unable to pay your debts: The company is almost bankrupt and will need to secure a loan to survive. **fallito** – bankrupt *v*, *n* [C] **portare al fallimento** – bankruptcy *n* [U] **bancarotta** **Synonyms** insolvent *adj* *AmE* **insolvente**

**bottom line** *n* [C] the last line on a financial document which shows the final result (total profit once all costs have been deducted): Falling sales are going to have a negative impact on the bottom line. **risultato netto**

**expense 1** *n* [C] **spese** money spent: We have significantly reduced our expenses over the last five years. – expenditure *n* [C] **uscite** **Synonyms** spending *n* [U] **2** *n* [C] **spesa** money spent by an employee that can be claimed back: I put the restaurant bill on expenses. **Collocations** expense account, expenses claim form, claim expenses

**financial statement** *n* [C] a document showing the state of the finances of an organisation or business: Financial statements must be completed by the end of August. **conto finanziario**

**forecast** *n* [C] an estimate of a future situation: According to forecasts, prices will rise more slowly next year. **previsione** – forecast *v* [T] **prevedere** **Synonyms** projection *n* [C] **proiezione**

**income statement** *n* [C] *AmE* **conto economico** a financial statement showing revenue, expenditure and profit from operations during a given period: Enron's income statement did not accurately reflect its losses. **Synonyms** profit and loss account *n* [C] *BrE* **conto profitti e perdite** statement of earnings *n* [C] *AmE* **conto economico**

**mismanagement** *n* [U] poor quality management: Lack of cashflow is often due to mismanagement. **cattiva gestione** – mismanage *v* [T] **gestire male**

**profit and loss account** *n* [C] *BrE* a financial statement showing revenue, expenditure and profit from operations during a given period: Ahold's profit and loss account did not show all its losses. **conto profitti e perdite** **Synonyms** income statement *n* [C] *AmE* **conto economico** statement of earnings *n* [C] *AmE* **conto economico**

**regulator** *n* [C] a government agency responsible for overseeing a profession or an activity: Stock market regulators are in charge of protecting investors. **ente regolatore** – regulation *n* [C] **regolamentazione** **Synonyms** controller *n* [C] **ente controllore**

**Securities Exchange Commission** *abbreviation* SEC *n* the US agency responsible for stock market regulation: The SEC is currently investigating ten cases of fraud. **Securities Exchange Commission** (**commissione di vigilanza sulla borsa**) *abbr.* SEC