

# 2 Project finances

In this unit we practise:

- ▶ business vocabulary – financial terms
- ▶ business language – talking about the past
- ▶ cross-cultural focus – CVs and résumés
- ▶ business focus – getting information
- ▶ simulation – job interviews



## START UP



1

[http://jeisee.com/tten/text/download/sound/?id=113&filename=Track05\\_Unit2\\_page13\\_activity1.mp3](http://jeisee.com/tten/text/download/sound/?id=113&filename=Track05_Unit2_page13_activity1.mp3)  
Sean McCabe was the commercial project manager for the Kuching Metro project. Listen to the recording of sounds from his hotel room shortly before he died. In pairs, discuss the questions.

1 What did you hear?

3 What happened?

2 How many people were in the room?



2

[http://jeisee.com/tten/text/download/sound/?id=114&filename=Track06\\_Unit2\\_page13\\_activity2.mp3](http://jeisee.com/tten/text/download/sound/?id=114&filename=Track06_Unit2_page13_activity2.mp3)  
Selina Hargreaves is talking to her mother on the phone. Listen to her part of the conversation. Do you think she knows anything about Sean's death?



3

Here are some key words to do with project finances, with their definitions. Use the words to complete the email from Peter Esterhazy to Emily Lee.

**assets** property, machinery, etc that have value to the company

**credit** record in the accounts of a payment received

**debit** record in the accounts of a sum that has to be paid

**insolvent** not able to pay out any money

**inventory** list of materials used for production

**invoice** a bill; something that must be paid

**ledger** record of the financial transactions of a company

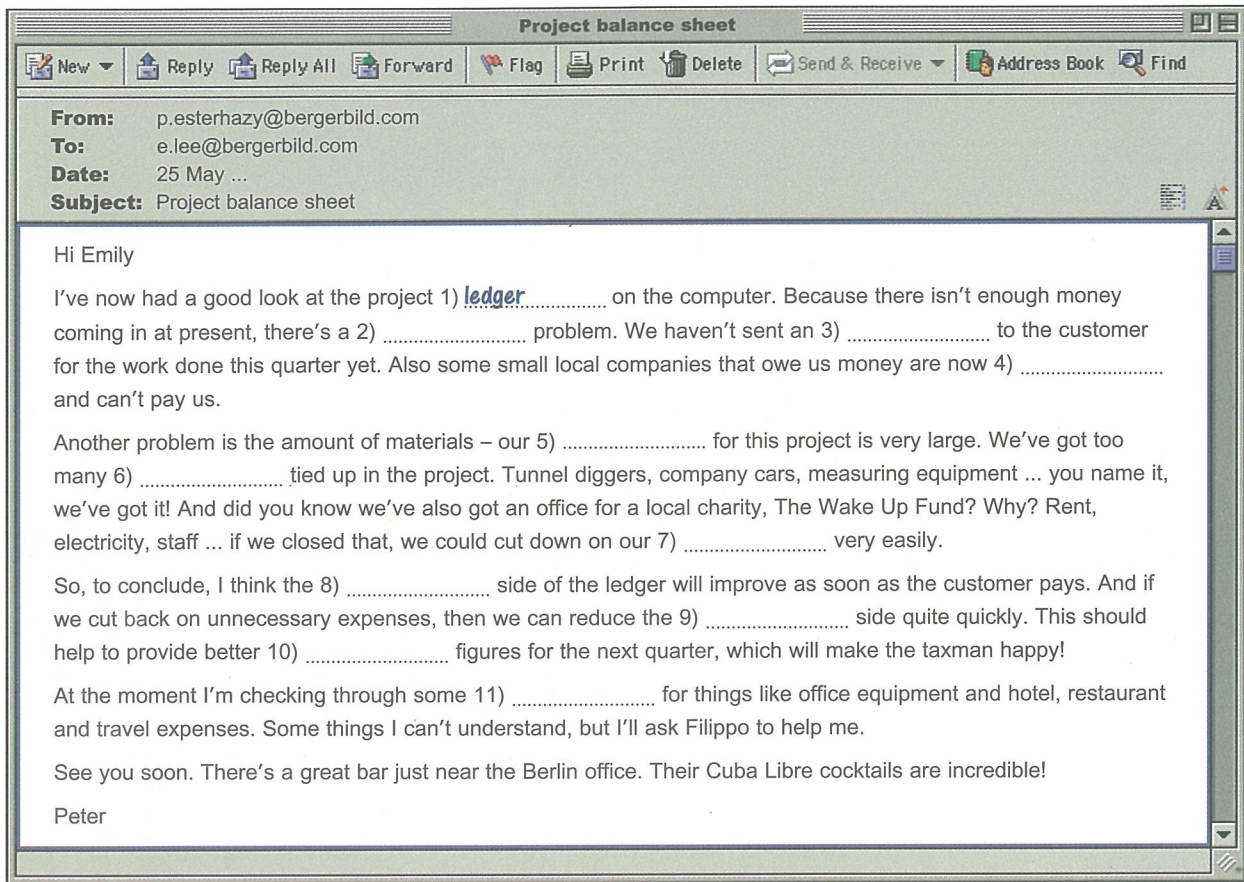
**liquidity** having money; cash or things that can easily be turned into cash, eg gold

**overheads** general running costs of a business, eg rent, electricity

**receipts** records of money paid out for services

**turnover** amount of money a company makes in a fixed period of time





[http://jeisee.com/tten/text/download/sound/?id=115&filename=Track07\\_Unit2\\_page14\\_activities4a\\_and\\_4b.mp3](http://jeisee.com/tten/text/download/sound/?id=115&filename=Track07_Unit2_page14_activities4a_and_4b.mp3)

**4 a** Emily Lee is talking to Frank Churchill before she flies to Bergerbild's headquarters in Berlin. Listen to their conversation. In pairs, discuss the questions.

- 1 Is Frank worried about Bergerbild's finances?
- 2 What are the problems?
- 3 What does Frank want Emily to do?

**b** Listen again and complete the conversation.

- EMILY: ... so you're saying that if this project goes wrong, there's a real risk of the company 1) **going under** ..... ?
- FRANK: If we make a big loss, and the investors find out, our share price in Wall Street will be 2) .....
- EMILY: But why should we 3) ..... ? The project *is* going well, isn't it?
- FRANK: OK, maybe 4) ..... is a little strong, but I'm worried about the project 5) ..... . There's too much money going out and not enough coming in. Like just the day before he killed himself, Sean came to me and said that Filippo wanted us to just 6) ..... some debt from a local company. They borrowed some money from us to buy some equipment which we then said we didn't need, and Sean and Filippo claimed they couldn't pay us back. I mean ... big deal ... so what ... is that my problem? I just want you to have a good look at the books and make sure this project is completely 7) ..... so we have a nice clean 8) ..... without too many 9) ..... at the end of the year. And, maybe keep an eye on Filippo ...
- EMILY: What, him and Sean ... ? No! Do you think ... ?

1

Want to make a fortune on Wall Street? Then check your financial English and see if you can understand company reports and financial statements. Complete the sentences with the words in the box.

assets credit inventory liquidity overheads ~~turnover~~  
 cash flow balance sheet liabilities debit

- The total revenue in a fixed period of time is called 1) turnover.....
- The financial statement that shows how the company is doing at a particular time is called the 2) .....
- Sums of money that the company has to pay out (eg debt, taxes, salaries, etc) are called 3) .....
- If you have more money coming in than going out, then you have 4) .....
- Land, buildings, patents and people are all important company 5) .....
- In the project ledger, you put a payment to the company on the 6) ..... side and a payment from the company on the 7) ..... side.
- The money moving through the company is called the 8) .....
- Rent, electricity and insurance are all examples of the company's 9) .....
- In the company report, the list of materials that the products are made of is called the 10) .....

2

The words and phrases in the box can be grouped into different subject areas. Which ones would you use if you wanted to talk about these subjects?

go under go bust wipe out write off bankruptcy  
 invoice ledger ~~receipt~~ solvent insolvent well-off

Find words to do with ...

- 1 individual records of payment receipt.....
- 2 companies or people with money .....
- 3 companies or people without money .....
- 4 complete financial records .....



**3** Here is a newspaper article about a company in financial trouble. The editor thinks it is much too long. Replace the parts that are underlined with the words in the box.

inventory cash flow liquidity invoices overheads  
liabilities asset balance sheet insolvent ~~wiped out~~

## DashDot.com bankruptcy?

Share prices for computer giant DashDot.com were 1) reduced to zero on Wall Street this morning after reports that the company had 2) not enough cash problems.

'If the company goes on like this, they will be 3) not able to pay out any money very soon,' said an industry expert. 'There seems to be a problem in DashDot.com with sending out 4) pieces of paper with the costs for a service to customers quickly enough. Because of this, the 5) money coming in and going through the company is all one way – out!'

Experts also believe that DashDot.com must reduce their 6) general business costs such as rent, electricity, telephones and so on. Some executives even have saunas and fitness centres in their offices apparently!

One 7) valuable piece of property or equipment that they will have to sell is the company jet, and they must also reduce the 8) materials that they have in their warehouses as quickly as possible. Shareholders must hope that there aren't too many 9) financial costs listed in the year-end 10) record of all business transactions.

- |                          |          |
|--------------------------|----------|
| 1 <u>wiped out</u> ..... | 6 .....  |
| 2 .....                  | 7 .....  |
| 3 .....                  | 8 .....  |
| 4 .....                  | 9 .....  |
| 5 .....                  | 10 ..... |



**4** Play the Definition Game!

In pairs or small groups, select four of the words/phrases from the unit so far. Write a definition for each of your chosen items (don't look back!) but don't include the word itself. Then swap papers with another pair/group and try and work out which words they have chosen to define.

It's a list of the things that you have in your warehouse.



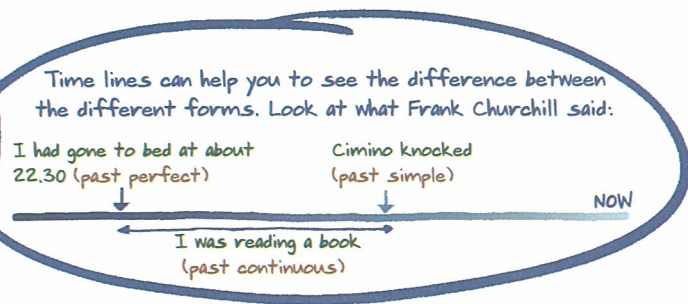
**1** Read the police report about Sean's death. Who found Sean and what did they do?

Incident no.: <b>1726-A class</b>	Date: <b>21 May ...</b>	<b>WITNESS REPORT</b>
Address: <b>Hotel Happy Garden, 46 Jalan Pantai, Kuching</b>		
<p>A serious incident took place yesterday evening between 21.00 and 23.00 in the Hotel Happy Garden. One of the guests, Sean McCabe, an Irish businessman involved with the Metro project, took an overdose of sleeping tablets in his room.</p> <p>Hotel staff were cleaning the rooms when they found McCabe on the floor. At that point (22.45) he was still breathing, but by the time the emergency doctor arrived (23.00) he had died. In his hand, the doctor found a suicide letter McCabe had written to his wife that evening. A close colleague of McCabe, Mr Filippo Cimino from the same company (Bergerbild AG), said: 'I heard a sudden shout from one of the cleaners on the floor above while I was watching the news on CNN. I went straight upstairs and saw Sean on the floor next to his bed. The staff told me that they had already called a doctor.'</p> <p>Another colleague in the hotel, Mr Frank Churchill, said: 'I had gone to bed at about 22.30 and was reading a book when Filippo Cimino knocked on the door at 23.15 and told me that Sean had overdosed on sleeping tablets and killed himself. I knew he was upset about his wife, but this was a complete surprise. We are all very distressed.'</p> <p>The autopsy found a mixture of whiskey and sleeping tablets in his blood. The handwriting on the letter is definitely McCabe's. We conclude therefore that</p>		

**2** These actions are all mentioned in the police report. In pairs, number the actions in the order in which they happened. Then discuss the reasons for your choices with the class.

- |   |  |
|---|--|
| <p>a <input type="checkbox"/> hotel staff clean rooms</p> <p>b <input type="checkbox"/> staff find McCabe</p> <p>c <input type="checkbox"/> doctor arrives</p> <p>d <input type="checkbox"/> McCabe dies</p> <p>e <input checked="" type="checkbox"/> McCabe writes letter to his wife</p> <p>f <input type="checkbox"/> Cimino hears a shout</p> | <p>g <input type="checkbox"/> Cimino watches TV</p> <p>h <input type="checkbox"/> Cimino goes upstairs and sees McCabe</p> <p>i <input type="checkbox"/> staff call doctor</p> <p>j <input type="checkbox"/> Churchill goes to bed</p> <p>k <input type="checkbox"/> Cimino knocks at Churchill's door</p> <p>l <input type="checkbox"/> McCabe takes overdose</p> |
|---|--|

**Hot tip!**  
 In the report you can see three different types of past tense - the past simple, the past continuous and the past perfect. The type of tense we choose shows the order in which things happened.





**3** A policeman is questioning Filippo Cimino and Frank Churchill. Read the police report in activity 1 again and write the questions and answers. Then act out the conversations in pairs.

**Policeman to Filippo**

- 1 What / you do at 22.45?  
*What were you doing at 22.45?* .....
- 2 What / you do / when / hear / shout?  
.....
- 3 What / happen / Mr McCabe?  
.....

**Filippo's reply**

*I was watching TV.* .....

.....

.....

**Policeman to Frank**

- 4 What / you do / when / Mr Cimino / knock?  
.....
- 5 What / Mr McCabe / do?  
.....
- 6 Why / kill himself?  
.....

**Frank's reply**

.....

.....

.....

**4** Work in pairs, A and B. A looks at the box below and B looks at the box on page 121. A number of other people were in the hotel. Ask and answer questions to find out what they were doing at the time of Sean's death and what they did next. Complete the table.

A	What was/were ... doing?	What did ... do next?
Sook Chin – cleaner	<i>clean rooms</i>	<i>phone reception</i>
Tolly Keong – reception		
Stephen Pickle – guest	<i>have bath</i>	<i>get dressed</i>
Eloise and Max Tapir		

**5** You are one of the hotel employees or one of the guests. Write an email to a friend telling him or her what happened on the night of 20 May, what you were doing at the time and what you saw, heard and did next.



1

You have just seen a job advert and you like the idea of joining this company. When you send Bernard Davies your CV, what should you include? In pairs, discuss the list of possible items.

- copies of school and university certificates
- family details (eg married or not, number of children, names of parents, etc)
- your contact details
- medical certificate
- copies of references from school, previous employers, etc
- recent photograph
- details of hobbies and leisure activities (eg photo club, charity work)
- details of employment until now
- contact details of previous employers
- signature and date on the CV
- date of birth
- details of qualifications
- astrological star sign
- driving licence



2

Read the CV on the next page. How many things from the list in activity 1 does it include? How is it similar to or different from a typical CV from your country?

3

**a** Think of your dream job ... mmm ... sounds good! Now write a short profile of yourself and a list of your major achievements similar to the examples in the CV. Try and sell yourself!

**b** When you have finished, look at your colleagues' profiles and lists of achievements. What job would you give them?



*Hot tip!*  
A CV (résumé in American English) is like an advertisement for yourself. CVs sometimes contain exaggerations!



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Cindy Toynbee  
24 Katherine Drive  
Bristol BR45 9JP  
Tel: 0165 265 1124

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**Profile:** A Senior Quality Assurance Supervisor with a wide range of experience in the clothing industry. Able to work on own initiative and as part of a team. Proven leadership skills involving managing, developing and motivating teams to achieve their objectives. First-class analytical, design and problem-solving skills. Dedicated to maintaining high standards.

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**Major Achievements:**

- Saved present company €75,000 a year by implementing a new quality-assurance system
- Increased the quality level of finished goods from 96% to 99%
- Rewrote company quality-procedures manual

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**Career History:**

1997 –	Pollyanna Clothing Ltd
Since 2000	Senior Quality Assurance Supervisor

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*Responsibilities and achievements:*

- Managed all quality assurance in the Bristol factory and reported directly to the Factory Manager
  - Managed a team of 6 people – assigning them tasks, and motivating them to meet deadlines
  - Demonstrated the quality-assurance procedures to customers on factory visits
- 

**Qualifications:** BSc (Hons) 2.2 in Textile Design and Manufacture – University of East England  
3 A-levels: French, German and English

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**Personal Details:**

Date of birth:	19.10.1975
Driving licence:	full, clean

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**Interests:** fashion, theatre, salsa, voluntary work for Save the Children Fund

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**Reference**  
can be obtained from: Ms Judy Shapiro  
Human Resources Manager  
Pollyanna Clothing Ltd  
Bristol Industrial Estate  
Bristol BR46 7LV



[http://jeisee.com/tten/text/download/sound/?id=116&filename=Track08\\_Unit2\\_page21\\_activities1a\\_and\\_1b.mp3](http://jeisee.com/tten/text/download/sound/?id=116&filename=Track08_Unit2_page21_activities1a_and_1b.mp3)

1 a Emily is talking to Filippo. Listen to their conversation. Which two techniques from the four in the Hot tip box does she use to encourage him to keep talking?

**Hot tip!**

One of the most important business skills is the ability to get information. The normal technique is to use question words such as 'why?' and 'what?'. But that's not the only way.

Checking questions

B: Your name's Anton, isn't it?

Empathising - using particular expressions to show interest in what your partner is saying

B: Really?

Echoing - repeating key words from your partner's previous sentence

A: I'm allergic to lobster.

B: Allergic?

Paraphrasing - repeating what your partner has just said in your own words

A: This report you've written is complete rubbish!

B: So what you're saying is that you aren't quite happy with what I've written?



Maitre Anton took it very personally if someone didn't like his Lobster Bisque

b Listen again and write down the key words/expressions that Emily uses.

His wife?

2 Filippo carries on talking to Emily. Complete the conversation with suitable words/expressions that Emily might use. Then listen and check your answers.

FILIPPO: ... then I spent the whole of the next day with the customer.

EMILY: 1) The customer .....

FILIPPO: Yes. He asked as many questions as the police.

EMILY: 2) .....

FILIPPO: That's right. But at first we seemed to talk for ages about nothing special. He wanted to know about my background and what I thought of the country. Then, after lunch together, he started asking if there were any problems on site, and what Sean was doing so often in South East Asia. Finally, after about eight hours, he asked if I thought that Sean was involved in anything illegal ...

EMILY: 3) .....

FILIPPO: That's what I thought. I've noticed that in comparison with the US, people in South East Asia take a long time to get to the point, but they always get there in the end ...

EMILY: 4) .....

FILIPPO: Well, they seem to want to get to know you first before talking about important things. But you know, I think that's a good thing. I like doing business here.

EMILY: 5) ..... . Because we need to do a lot more business in South East Asia!



- 1** Work in small groups, A and B. Group A: you are being interviewed for a job. Group B: you are the interviewers. Work through the stages.

We are a leader in the food industry with new technologies and services provided by subsidiaries located throughout the world. We serve our markets by offering the best solutions to our clients and supporting their development needs. As part of our expansion programme, we need to appoint new staff at all levels throughout our organisation



**TERRIFIC**  
Foods  
PLC

Look at this advert I saw in the paper! It could be the right job for you. Why don't you go for an interview? Terrific Foods are always on the lookout for good people like you!

### Stage 1 (Group A)

(Group B turn to page 121)

You want a job at Terrific Foods plc. Think about the kind of job you could have in a company operating around the world (be creative!). Prepare for possible questions in your interview by writing notes about the points below – but be ready for anything!

- the kind of job you want
- what makes you good for this position
- what work experience you have so far
- what makes Terrific Foods plc interesting
- what your future plans are
- how much money you expect to earn at Terrific Foods

### Stage 2 (Group A)

(Group B turn to page 122)

Go to an interview with Terrific Foods plc. While your colleagues are being interviewed, listen carefully to the kinds of questions the interviewers ask.

### Stage 3 (Group A)

(Group B turn to page 122)

Write a short letter to Terrific Foods, telling them if you want to accept their job offer or not.

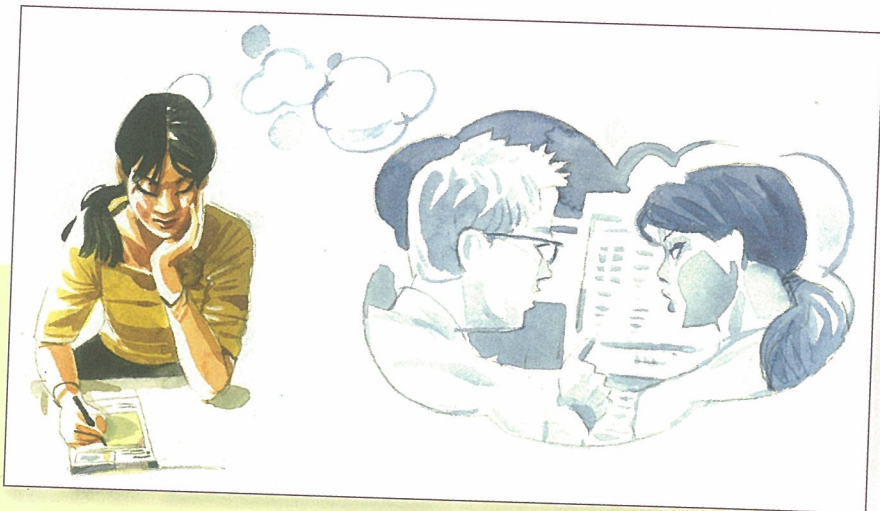


**TERRIFIC**  
Foods



## EMILY'S DIARY

- 1** The words in bold are in the wrong place in Emily's diary. Write them in the correct order.



Friday 28 May

Arrived in Berlin on Wednesday. Fab city! Went to a really great bar near the office with Peter and his flatmate Detlef last night. Peter has looked at the project 1) **well off** on the computer quite carefully. Seems to be OK, though one or two slightly unusual 2) **liquidity** are included, like office rent, staff and electricity for this charity The Wake Up Fund. If you took those out and the customer paid his 3) **inventory** more quickly, the project 4) **wiped out** would be much better.

The overall 5) **overheads** is something that Frank is very worried about. He even seemed to think that the whole company's share price would be 6) **cash flow** if the market knew the real position of Bergerbild in South East Asia. I find that difficult to believe. Compared with a lot of companies at the moment, Bergerbild is very 7) **ledger** - at least the 8) **invoices** in the last annual report was really good.

I have a strong feeling that Frank and Filippo don't like each other. Frank hinted that he thought Filippo was doing something with Sean, and Filippo has very little good to say about Frank. Interesting!

Peter thought maybe there were too many unnecessary items like cars and computers, so tomorrow I want to check on the computer the list of equipment on site against a standard 9) **balance sheet** from another project. We shall see!

Must go to bed - I'm exhausted.

- |                       |         |         |
|-----------------------|---------|---------|
| 1 <b>ledger</b> ..... | 4 ..... | 7 ..... |
| 2 .....               | 5 ..... | 8 ..... |
| 3 .....               | 6 ..... | 9 ..... |



**1** Complete the data bank with language that is useful for you. The language in columns 1 and 5 should come from the unit.

1 Key word(s)	2 Model sentence	3 Similar (S) or opposite (O)	4 Translation
<i>invoice</i>	<i>We must pay the subcontractors' invoices.</i>	<i>bill (S)</i>	

5 Useful phrases or idioms	6 Translation
<i>I've had a good look at ...</i>	

7 When can I use the language or ideas from this unit?