

Unit 2

ACCOUNTING

Text 1. INTRODUCTION TO ACCOUNTING

When deciding on a future career a lot of people don't give accountancy a second thought. Most people don't realize how varied the world of accountancy is and in fact it is often seen as boring. The truth is that accounting is the backbone of any organization and offers a wide number of attractive careers within it.

Below you will hear about just some of the more common careers in the field of accountancy, there are of course many more, but we don't have time to talk about them all.

When we consider the accounts team within a company, we generally think about clerks, both sales ledger clerks and purchase ledger clerks recording the financial information from all transactions the company makes. Other roles include the payroll clerk responsible for processing staff salaries and the tax which occurs from them.

Higher up the hierarchy we have the management accountant who finalizes the accounts and prepares the annual financial statements. The people doing these jobs make sure that the directors or owners of the company always know its true financial position.

However, accounting is more than just reporting financial data. Good accounts team actually works to save the company money by minimizing the tax payable and delaying payments so companies can earn interest from their banks.

These job roles are not so clear in smaller accounting practices, where the accounting staff often need to perform various tasks from meeting clients to helping with loan applications. Often the majority of the work in these smaller practices is done by bookkeepers. Generally, the owner of the practice is the most senior accountant and is usually a chartered accountant, which means that their signature is accepted on the financial statements.

The job opportunities for accountants don't stop there: auditors are the police of the accounting world and when they are called into a company it is their job to ensure that the accounts were done in the correct way and that everything was accounted for.

The most feared of these auditors are the government auditors who are sent to companies suspected of somehow breaking the rules. Working as an auditor is very different from other accountancy work as there is no routine; you work in many locations and have contact with many people.

Although, you should be thick-skinned as often the accounting staff in companies do not like the idea of being audited.

Career progression within accountancy often results from a specialist knowledge in a particular area, tax advisors are able to help their clients lower their tax bill thanks to their in-depth knowledge of taxation law and specifically what a client can off-set against tax.

As you can see the world of accountancy offers various careers, but in all of these areas there are some qualities that a potential accountant should have. Firstly, as accounting is the process of collecting and classifying financial data all accountants need to be perfectionists unwilling to accept anything less than an exact result. Also, as accountants deal with large volumes of data, they need to have a good eye for detail and a real love of numbers.

A talented accountant will also be able to advise their clients on the best course of action to take so as to save money and at the same time stay within the local accounting standards.

Accountants have to follow very strict rules and codes of conduct in order to make sure that they do everything in a legal way. If an accountant breaks these rules they could face severe punishment, but some accountants practice creative accounting to get around rules without breaking them. Confidentiality is obligatory for all people working with accounts as the financial data could be very sensitive.

Whether working in the public or private sector, accountants can expect to earn very good salaries and also gain valuable knowledge on topics like income tax, value added tax (VAT) and pension schemes which can help them in their life outside of work. What's more, as accounting is such an important part of a company's success there will always be a demand for good accountants.

Read, translate the text and answer the questions.

1. Why do you think accounting is seen as boring?
2. Which of the jobs mentioned would be most interesting for you?
3. Why is it so important for accountants to be ethical?

2. Translate into Russian

sales ledger clerks, purchase ledger clerks, payroll clerk, management accountant, annual financial statements, bookkeeper, chartered accountant, auditor, tax advisor, local accounting standards, codes of conduct, creative accounting, confidentiality, income tax, value added tax(VAT).

3. Retell the text in 12-15 sentences.

Text 2. MAKING A CAREER IN ACCOUNTING

In these uncertain economic times, it can be hard to know which career path is right for you, everywhere you look you can see job cuts and unemployment but the accounting sector is still performing well.

A recent report on the starting salaries of 2012 university graduates stated that accounting graduates' salaries are still rising with an average salary of \$42,500. When you add that to the fact that in America accounting firms have almost recovered from the effects of the global crisis, you can see why accountancy is becoming an attractive prospect.

And that is not all, according to the Bureau of Labour Statistics the prediction is that in the next 8 years the number of accounting jobs will rise from 1.2 million to 1.4 million in the US.

With such positive reports a lot of young people are looking to become one of the next generation of accountants. A university education is the most common route into accounting, but it is not the only way, many firms offer apprenticeships where you learn while you work. This means starting at the bottom so for the first year you are more likely to be making the tea than preparing the balance sheet, or trial balance.

Those people who have graduated with a degree in accounting can expect to jump at the deep end and start dealing with the debits and credits that make up the foundation of accounting. Although further training will usually be given before you are expected to work on the more complex accounting issues such as deferral. Before applying for a job, you should consider the area that you would like to work in. Accounting is not limited to the private sector, with many accounting graduates being employed by governmental and non-profit organizations.

Public accounting is perhaps the most common choice because they employ the most CPAs. Public accounting also offers a wide variety of roles such as: corporate finance, due diligence, as well as the more traditional accounting and tax advice. Some public firms also specialize in a particular sector, such as entertainment or travel, so you can work in an area which interests you. The job of a public accountant is always changing as new laws are introduced, so you must always be learning new skills.

Public accounting may not be for everyone, and if you prefer the idea of working for the government, you would do well to apply to the Internal Revenue Service (IRS). Working for the national agency often involves analysing a company's financial statements and attempting to reconcile the tax which has been paid on the reported earnings. It is a job with a great deal of responsibility and would best suit someone with a strong knowledge of accounting and tax affairs. Other government organizations also make use of accounting staff so you could even end up working for the CIA, but of course you can't talk about it.

To do well in either of these areas you need to remember that whether you are dealing with a sole-trader, or a limited liability company (LLC), accounting is an exact science, and every record must be precise. And if you are one of the increasing number of accountants working for a multi-national corporation, you will need to be familiar with the often confusing rules on double taxation and be up to date on the exchange rate of the foreign currency you are working with. There are even more opportunities if you continue your accounting education and get a PhD in accounting. People, who do this often, end up lecturing at universities as well as running successful practices or being CFOs of major corporations.

So, remember the economy may be in bad shape, but a career in accountancy may just be the best way to survive the crisis if you can cope with some of the challenges facing the new generation of accountants.

These challenges include long hours. New graduates, especially, are often expected to work in excess of 50 hour working weeks with many failing to meet the heavy workload placed on them. Long hours are not the only challenge of a career in accounting though. Major accounting firms are constantly raising the employment requirements with Big4 firms often only hiring MBA

graduates.

Those who can meet the entry requirements and cope with the long hours are likely to find a rewarding career which will allow them to live in a comfortable style and enjoy the finer things in life.

Read, translate the text and answer the questions.

1. Should you need a university education to become an accountant?
2. Do companies expect too much from their employees?
3. What is your 'accounting' ambition

Translate into Russian

accountant, balance sheet, trial balance, debits and credits, deferral, CPA, due diligence, reconcile, sole-trader, LLC, record, in excess of, requirement, average salary, trial balance, non-profit organization, financial statement, foreign currency, to apply for a job, exchange rate, double taxation.

Retell the text in 12-15 sentences.

Text 3. BUSINESS LETTER

A business letter is a formal communication between people or companies, and it is written to conduct some sort of business. For example, you might write to inform readers of specific information, create proposals for clients, make an arrangement, request a price list, thank someone for a service or apply for a job. It differs from personal letters exchanged by friends in both its layout and content, make the action that you want the reader to take, clear and easy to understand.

The typical business letter usually consists of about six essential parts: the heading (and the date), the inside address, the salutation or greeting, the body of the letter, the complimentary close, and the signature. The heading of the letter contains the full address of the sender. Most companies have letterhead with this information already imprinted. The inside address coincides with the address that appears on the envelope and contains the name, title and address of person to whom you are writing. The salutation adds a personal touch to your letter and should be consistent with the whole tone. Include the addressee's name and courtesy title along with the greeting. The body of the letter is where you write the purpose of the letter. The complimentary close should be relevant to the tone of the letter and the salutation. And your signature should be handwritten legibly below the complimentary close.

Try to organize your letter logically, making smooth transitions between sentences and paragraphs. It should be clear and concise, with short sentences and simple words. Use personal pronouns and active voice. Avoid me, I, we, us in the beginning of the letter. Avoid also formal and stuffy expressions (like "thanking you in advance", "as per", —be advised, "in compliance with your request" or —enclosed herewith.

Write positively and with confidence. Try to put yourself in the reader's shoes and to anticipate the reader's reaction to your comments. Don't be manipulative. Threatening, cajoling, begging, flattering, and making extravagant promises are manipulative and are usually ineffective. In fact, they may alienate the reader.

Don't ever forget to proof-read your letter. Check the spelling, particularly the name of the person and company. When you send a business letter you create an image of you and your company in the reader's mind. When a reader scans a document, he subconsciously builds a picture of the writer. The writer can project the image of a conscientious, energetic professional, or the image of a bored bureaucrat marking time with an antiquated company.

Keep the letter to one page. Business people are busy and do not appreciate unnecessarily long letters. Most business letters are less than one A4 page long. If you need a second page for your letter, you should think about whether you could say using less words.

An important factor in the readability of a letter is the chosen font. The generally accepted font is Times New Roman, size 12, although other fonts such as Arial may be used. When choosing a font, always consider your audience. If you are writing to a conservative company, you may want to use Times New Roman.

In most cases, the business letter will be the first impression that you make on someone. The way you write a letter and the etiquette you employ may have a significant impact on your success or failure in business. The best writers strive to write in a style that is so clear that their message cannot be misunderstood. Clarity should be the primary goal of your business writing style.

True or false?

1. Business letter doesn't differ from personal letter.
2. Business letter should be written with short sentences and simple words.
3. You don't have to put yourself in the reader's shoes.

4. When you send a business letter you create an image only of your company.
5. A business letter should be the longer the better.

Find equivalents in Russian for:

- formal communication
- readability
- manipulative- font
- alienate
- conservative company
- proof-read
- primary goal
- bored bureaucrat

3. Read the example of a business letter. Try to write your own one.

Mr Nikolay Roshin
ABC-company
Office 2002, Entrance 1B
Tverskaya Street
Moscow
RUSSIA
20 June 2010
Dear Mr Roshin,

I'm writing to you in regard of your enquiry. Please find enclosed our information pack which contains our brochures and general details on our schools and summer centres.

In England we have two schools, Brighton and Bath, both beautiful locations which I am sure you and your students will like. Our schools are located in attractive premises in convenient, central positions. Brighton is a clean and safe town with a beautiful bay and countryside nearby. Bath is one of the most famous historic cities in England, famous for its Georgian architecture and Roman Baths.

Accommodation is provided in host families chosen for the ability to provide comfortable homes, a friendly welcome and a suitable environment, in which students can practice English and enjoy their stay. We have full-time Activities Organisers responsible for sports, cultural activities and weekly excursions.

Please complete and return the enclosed registration form in order to receive more brochures and other promotional materials.

I look forward to hearing from you and later hope to welcome your students to our schools and summer centres.

Yours sincerely,
Thomas Green
Managing Director

Summarize the text in 12-15 sentences.

GRAMMAR

Past Simple and Past Continuous

Время **Past Simple** используется для обозначения действия, которое произошло в определенное время в прошлом и время совершения которого уже истекло. Для уточнения момента совершения действия в прошлом при использовании времени Past Simple обычно используются такие слова, как: five days ago, last year, yesterday, in 1980 и т.п.

Образование **Past Simple**

Утвердительные предложения:

I played We played.
You played You played.
He / she / it played They played.

Вопросительные предложения:

Did I play? Did we play?
Did you play? Did you play?
Did he / she / it play? Did they play?

Отрицательные предложения:

I did not play We did not play.
You did not play You did not play.
He / she / it did not play They did not play.

Для того чтобы употребить английский глагол в **Past Simple**, нужно использовать его «вторую форму». Для большинства глаголов она образуется прибавлением окончания -ed: examine – examined, enjoy – enjoyed, close – closed.

Однако есть также достаточно большая группа неправильных английских глаголов, которые образуют форму прошедшего времени не по общим правилам, для них форму прошедшего времени нужно просто запомнить.

We saw your dog two blocks from here.

Мы видели вашу собаку в двух кварталах отсюда.

Время **Past Continuous** указывает на процесс, длившийся в определенный момент или период в прошлом. В отличие от времени Past Simple, этот момент в прошлом должен быть назван прямо (например, yesterday at 5 o'clock, when you called, when rain started) или быть очевидным из контекста.

When you called, I was taking a shower.

Когда ты позвонил, я принимал душ.

Charlie and I were already driving home when the engine suddenly stopped.

Мы с Чарли уже ехали домой, как вдруг заглох мотор.

Образование **Past Continuous**

Утвердительные предложения:

I was playing We were playing.
You were playing You were playing.
He / she / it was playing They were playing.

Вопросительные предложения:

Was I playing? Were we playing?
Were you playing? Were you playing?
Was he / she / it playing? Were they playing?

Отрицательные предложения:

I was not playing We were not playing.
You were not playing You were not playing.
He / she / it was not playing They were not playing.

The **Past Continuous Tense** может выражать следующие действия:

Действие, которое происходило в определенный момент в прошлом. Так как этот момент все-таки выражен длительным временем, то можно указать и период.

From six to seven I was cooking dinner.

Одно и то же действие можно выразить как через **Past Continuous**, так и через **Past Simple**. Это зависит от того, хотите ли вы подчеркнуть длительность действия или нет. Обычно, когда существует такой выбор, выбор длительного времени акцентирует больше внимания на совершаемом действии.

Что делал вчера вечером? - I played cards (больше, как факт) или I was playing cards (заострение внимания).

Действие, на фоне которого произошло другое действие, которое обязательно должно быть выражено Past Simple. Past Simple обычно вставляется в предложение при помощи союзов when и and.

He was walking home (фонное действие) when somebody called his name. She was reading a book and suddenly came across an interesting phrase.

Действия, занимающего некоторый период времени в прошлом.

He told me that he was working at his diploma.

Для выражения двух параллельных действий, происходящих в определенный момент в прошлом. Ни одно из параллельных действий предложения не является фоновым для остальных.

The boy was reading, and the girl was playing the piano.

Past Simple Past Continuous

законченное действие в прошлом (т. е. совершившийся в прошлом факт):

John did his homework yesterday.

Вчера Джон сделал свою домашнюю работу. длительное действие в прошлом, начавшееся до определенного момента в прошлом и продолжавшееся в тот момент:

John was doing his homework when his mother came home.

Джон делал свою домашнюю работу, когда его мама пришла домой.

события в прошлом, наступавшие друг за другом:

John got up early, washed, and did his morning exercises.

Джон встал рано, умылся и сделал зарядку. условия, на фоне которых совершается действие:

When I got up yesterday, it was raining, and the wind was blowing.

Когда я вчера встал, шел дождь и дул ветер.

Grammar exercises

1. Write verbs in correct forms:

I (to play) computer games yesterday.

I (to play) computer games at five o'clock yesterday.

He (to play) computer games from two till three yesterday.

We (to play) computer games the whole evening yesterday.

What Nick (to do) when you came to his place?

What you (to do) when I rang you up?

I (not to sleep) at nine o'clock yesterday.

What he (to do) yesterday? - He (to read) a book.

What he (to do) the whole evening yesterday? --He (to read) a book.

She (to sleep) when you came home?

My brother (not to play) tennis yesterday. He (to play) tennis the day before yesterday.

My sister (not to play) the pi-ano at four o'clock yesterday. She (to play) the piano the whole evening.

When I came into the kitchen, mother (to cook).

She (to cook) the whole day yesterday.

We (to wash) the floor in our flat yesterday.

We (to wash) the floor in our flat from three till four yesterday.

You (to do) your homework yesterday?

You (to do) your homework from eight till ten yesterday?

Why she (to sleep) at seven o'clock yesterday?

He (to sit) at the table the whole evening yesterday.

2. Use the verbs in appropriate forms:

When I (to come) home, my little sister (to sleep).

When Nick (to come) home, his brother (to play) with his toys.

When mother (to come) home, I (to do) my homework.

When father (to come) home, Pete (to sleep).

When mother (to come) home, the children (to play) on the carpet.

When I (to get) up, my mother and father (to drink) tea.

When I (to come) to my friend's place, he (to watch) TV.

When I (to see) my friends, they (to play) football.

When I (to open) the door, the cat (to sit) on the table.

When Kate (to open) the door, the children (to dance) round the fir-tree.

They (to drink) tea when I (to come) home.

He (to walk) along the river when a boat (to pass).

The old man (to think) about his plan when he (to fall) asleep.

We (to listen) to an interesting lec-ture yesterday.

When I (to enter) the classroom, the teacher (to write) words on the blackboard and the pupils (to copy) them into their exercise-books.

They (to get) ready to go out when it (to begin) raining.

Yesterday at one o'clock I (to have) lunch at the canteen.

When he (to come) in, I (to do) my exercises.

What you (to do) at eight o'clock yesterday?

At this time yesterday I (to go) home.

3. Write an essay (e.g., news report, an article) using the past simple and the past continuous forms (15-20 sentences).