

## ENGLSKI ZA RADOZNALE

Odlomci iz udžbenika engleskog jezika namenjenog poslovnim ljudima  
**THIS IS YOUR BUSINESS** Branke Gajović  
(Centar za učenje stranih jezika, Beograd, 1989)

**Napomena:** Odlomci obuhvataju neke od tema (*topics*) obrađenih u udžbeniku, uglavnom one u *pre-listening task* fazi (*DISCUSSION* – rasprava o onome o čemu je reč u datoj epizodi, koja uvodi jednu nastavnu celinu – *unit*), kao i neke od zanimljivih, svrsishodnih vežbi u odeljku pod naslovom *FOR FUN* na kraju svakog junita.

## DISCUSSION

### SITTING IN FOR AN INTERVIEW

#### Starting points

Have you ever been interviewed for a job?

How did you feel before, during and after the interview?

Were you nervous/embarrassed? Why?

#### Useful tips

Applicants should

- convince themselves that they deserve to get the job, and then convince the interviewer himself
- be aware of the lack of qualifications if any
- think of all advantages/disadvantages of the job
- be sure that they can take responsibility
- stress their skills which include organising, raising money, managing, etc.
- wear something that looks good and that is suitable for the job they are seeking

#### Do you agree?

### TALKING ABOUT ONE'S FIRST JOB

#### Leading questions

When did you get your first job?

How did you learn about the post?

Did you write a letter asking for further information?

Did you fill in an application form?

Did you go for an interview?

Did you receive written confirmation of the offer?  
How did you feel when you learnt that your application had been accepted?  
Why did you want that particular job?  
Can you remember your first day at work?  
How did you break the ice when entering the office?  
Who did you meet first?  
Did anyone show you round the company?  
What office work did you do?  
Who made it easier for you to cope with new colleagues?  
How did you feel after the day had finished?

### **TALKING ABOUT ONE'S COMPANY**

**Say what you know about the company you work for**

What kind of a company is it?  
– international trade organisation  
– domestic trade organisation  
– international and domestic trade organisation  
– manufacturing organisation  
– international and domestic trade and manufacturing organisation  
What does your company have a reputation for?  
Who are your company's competitors?  
What is the gross income of your company?  
Does your company participate in the international division of labour?

### **DESCRIBING AN EXECUTIVE**

Decide on the qualities necessary in a manager.

(a) In pairs or groups rank the qualities in order of importance  
(b) Choose the qualities which best describe your manager/you as a manager

- |                           |  |
|---------------------------|--|
| – talent for leadership   | – strict but not imposing              |
| – fit for organising      | – resolute                             |
| – full of initiative      | – hard-working                         |
| – sense of responsibility | – good telephone manner                |
| – available when needed   | – sense of humour                      |
| – punctual                | – communicative                        |
| – tactful                 | – knowledge of foreign languages       |
| – adaptable               | – attractive appearance and good voice |
| – efficient               | – presentable but not good-looking     |

- considerate
- patient but energetic
- persistent but not stubborn
- man of principle
- creative
- well-informed
- authority
- reliable
- fault-finder
- thrifty
- strong-minded
- well-connected

## **MARKET RESEARCH**

### **Useful tips**

Market research can show what potential customers there are for a product, what their purchasing power is, at what price they would buy the product if it were on sale, and what competition already exists in the market.

Market research does not guarantee that a product will be successful.

Market research is a part of the advertising function.

### **Leading questions**

Does your company undertake market research?

Does your company commission a market research specialist?

Why does your company carry out market research?

(a) To predict if a new product is likely to find a market and how it will sell.

(b) To determine whether an established product is likely to be in demand in a new market.

(c) To check why sales of a product have declined.

For what other purposes does your company carry out market research?

## Inform yourself

# **M A R K E T I N G**

## **BUSINESS ACTIVITIES**

### **MARKET RESEARCH**

### **PRODUCT PLANNING**

### **ADVERTISING AND SALES PROMOTION**

### **DISTRIBUTION**

### **SELLING GOODS**

#### **(1) Purposes of market research**

- obtaining accurate and specific information on an export market, its present size and its future potential before introducing a product
- determining the export potential of products or services and their suitability
- minimizing the risks involved

#### **(2) Factors influencing marketing organisation**

- geographical
- socio-economic
- individual

#### **(3) Statistical data to be compiled and evaluated in market research**

- geographical survey of the country: size, frontiers, climate conditions, soil, accessibility
- government, political parties, foreign alliances
- finance, resources, revenue and budget
- foreign indebtedness, chief creditor countries
- Balance of Trade, Balance of Payments
- national income, per capita or per family income
- means of communications: rail, road, air and waterways systems, airports, seaports and access to them
- channels of distribution
- governmental laws and regulations: product standard, labelling requirements, patents, registration requirements, tariffs, international taxation, import quotas, import licence, exchange control, antimonopoly legislation, pricing, etc.
- nature of demand: idiosyncratic or standardised, regular or erratic, steady or seasonal, predictable or unpredictable
- extent of the market: small or large, local or national, near or far, domestic or foreign
- basic characteristics of the product: type (raw materials, finished

products, capital goods, etc.), nature (variable or standardised, durable or perishable, fragile, compact or bulky), quality, functions, life cycle, repair need, adaptability to foreign requirements, packing (type, size of the packet and its ready recognition, instructions given for the use of its contents), skills required to use the product, cost required to use the product, price, etc.

- basic characteristics of foreign customers: number, age, sex, social class, race, religion, language, literacy, standard of living, general buying and consuming habits, present shopping habits, local taste, purchasing power, wages, disposable income, etc.
- competition: nationality, sales strategy, competitive weapons (aftersale services, credit terms, payment conditions, etc.), features of the rival products (name, quality and performance of the product, prices), reputation

#### **(4) Ways of market study**

- (a) Printed sources: general economic trends are traced through publications and reports on particular industries
- (b) Desk or Internal Research: information is collected by the Accounts or the Sales Department
- (c) Field Survey: based on prepared questionnaires and random sampling, telephone interviews, face-to-face interviews in the street or at home, postal questionnaires, promotions and parties on the organiser's premises

### **BUSINESS TRIPS**

#### **Leading questions**

Do you often go on business trips? Where?

How do you usually travel? Why?

Is there a Travel Department in your company?

Who makes travel arrangements for you?

Why is an itinerary important?

What countries have you visited on your business trips?

Do you speak English to your business partners? Why?

Do you take any brochures on your country with you?

Why is it important to be well-informed about one's own country?

## **ENTERING A NEW MARKET**

### **Leading questions**

Is your company an export-oriented one?

What does your company export: goods or services?

Do your company's products have export potential?

Whose task is it to determine the export potential of your company's goods?

What risks are involved when entering a new market?

Do your company's customers always have enough purchasing power?

How does your company succeed in converting the customers' purchasing power into effective demand?

Do your company's products always fit the demand requirements of the market?

## **INVESTMENT POLICY**

### **Starting points**

Has your company finished every financial year since its foundation with a positive balance?

What does your company do with that part of its funds which is not immediately required for necessary payments? Does it

- often raise the salaries of its employees
- aim at the modernisation of the economy
- invest the money in the reconstruction and expansion of its existing capacity
- improve existing working conditions and facilities
- save the money in a bank waiting for a better opportunity to undertake new investments?

What is the investment policy of your company? Does your company

- obtain enough capital to increase profit by taking a loan from a bank
- cooperate with developing countries by establishing its own or joint companies
- enter joint ventures with foreign partners at all?

## **PLANNING AND MARKETING**

### **Leading questions**

How does your company reconcile its resources with its objectives and opportunities?

- How intensive is your company's planning?
- Does your company do formal planning?
- Does it prepare an annual marketing budget?
- Does it make the best use of its opportunities and resources?
- What steps does your company undertake in the planning process?
- Could you name the advantages/drawbacks of planning far in advance?
  
- Is there a Market Department in your company?
- How is the sales force of your company organised in your country and abroad?
- Does your company have a network of distributors and sales representatives in your country and abroad?
- How do they do the selling?
- Do they hold stocks of your products?
- How is the sales force divided?
- What is the number of salesmen?
- Who supervises the regions?
- How do the sales representatives dispatch sales literature (brochures, leaflets, catalogues, etc.) and samples of the company's products to potential customers?

### **Inform yourself**

The heart of the marketing task is selling. The basic objective of the marketing efforts is to bring the goods from the manufacturer to the ultimate consumer or industrial user at the time he wants, in the required quantities, and at fair prices. This objective can be accomplished only through well-conceived and properly executed selling policies.

The selling activities included in the selling function are:

- creating a demand
- finding a buyer
- negotiating the sale
- transferring title

These activities govern the method of selling.

## **CHANNELS OF DISTRIBUTION**

### **Leading questions**

What channels of distribution does your company use?

What do you think is the most suitable channel of distribution for your company's products? Why?

What are the factors which influence your company in its choice of the channel of distribution for its products?

Could you explain why selection of the channel of distribution is important to: (a) the manufacturer, (b) the customer?

Do you think that mass production entails mass distribution?

### **Inform yourself**

## **CHANNELS OF DISTRIBUTION**

### **DIRECT**

#### **Importing and Exporting**

It is carried out through an export/import department or a sector of a department in a manufacturing or trade organisation

To promote sales a manufacturer  
(a) has his own travelling salesmen  
(b) sets up branch offices abroad or subsidiary companies abroad

Disadvantage: heavy financial commitment is involved

Suitable: for large companies having a powerful sales force and exporting to large foreign markets

### **INDIRECT**

#### **Importing and Exporting**

It is carried out through pure intermediaries or commission intermediaries (domestic or foreign merchants; traders; import-export houses; wholesalers; distributors; dealers; buying or selling agents; del credere agents; brokers, etc.)

Advantage: No serious financial commitment is needed; no expertise in foreign trade is needed

Disadvantage: too risky for exporting companies which may lose their control over the channel and other marketing variables

Suitable: for small companies selling new products to existing markets or wanting to enter new markets

## **SALES PROMOTION**

Get into six groups and discuss the topic.

Starting points:

### **Group A**

We are bombarded with advertisements every day on TV, on the radio, in magazines, newspapers, in shops, on shopping bags, on buses, everywhere.

Where else are we bombarded with advertisements?

How much does your company spend on advertising?

What percentage is devoted to: newspapers and magazines, trade directories, sales literature, radio and TV, commercial films, international trade fairs and other advertising media?

### **Group B**

Advertisements must be designed not only to inform, educate and attract the customer's attention but also to appeal to his/her desire and persuade him/her to do or to obtain something which would be good for him/her.

Which promotional task do you give priority? Why?

### **Group C**

Most advertisements have a slogan that everybody can remember.

Sometimes when you see the beginning of the next advert you can also predict what the end is.

What slogan do you remember best? Why?

Do you buy new brands of products if you are attracted by an interesting slogan?

### **Group D**

Some advertisers try to concentrate on whether something is cheap, whether it is a new product, and so on. Many advertisers tend to stress price or that the product is better than other products, but they stress it in market terms because the product hasn't yet got a character.

Is the price of a product the most important factor for you when buying a particular product?

What variables influence your wish for a particular product?

### **Group E**

The advert that really works is the one that sticks in our mind afterwards.

Some adverts make us laugh. But the skill is to find something that makes us laugh or keeps an image in our mind and we remember the product because

most often we don't even remember the joke or the slogan. So it is almost subconscious. We can talk about an advert, we can even analyse it in rational terms, but the way it works is on a subconscious level quite often.

What do you remember adverts by?

### **Group F**

Most companies have a big launching party at an exhibition or trade fair.

They invite a number of journalists to the ceremony because they hope that the journalists will print photos and give their products a good write-up. The newspaper articles are part of a stunt. They raise interest in the product.

What are the best places for exhibiting your company's goods? Why?

Does your company participate in any trade fair? Which ones?

Do trade fairs help your company introduce a new product, observe competition, find distributors, explain to its potential customers the working utility of your company's products? What else?

## **UNDERTAKING AN ADVERTISING CAMPAIGN**

### **Leading questions**

What steps in an advertising campaign would you undertake if the following watches were in demand in your country: *LONGINES*, *Audemars Piguet* and *CERTINA – DS*?

How do you think you can compete a big number of competitors selling watches?

Top quality, a lower price than the competitors', prompt delivery, etc., are some of the advantages which you should stress when advertising the watches. What other advantages would you mention? Why?

Do you think that the watches are so familiar that it does not really matter to the purchaser which make he/she buys?

How can adverts turn people from one make to another?

## **HOLDING BUSINESS MEETINGS**

### **Leading questions**

Are business meetings frequently held in your company? Why?

When are they held: before, during or after working hours?

How long do they usually last?

Who is responsible for organising meetings in your company?

Does anybody send the notice of the meeting to every member who is entitled to attend it? Who?

Who makes up the agenda of a meeting to be held at your place of work?

Do all the members have to sign the attendance sheet as they arrive?

How does your department appoint the chairperson and the minuting secretary?

What point does your department start a meeting with?

Who gives decisions on incidental matters which may arise during a meeting?

Who ensures that the discussion keeps to the point of the business at hand?

Who closes or adjourns meetings?

What do you do when your sessions run beyond the allotted time?

Do you always come to some decision? Why?

Does anybody have to write an official report on a meeting in your department? Who?

Do you like attending meetings? Why?

Can you always keep a steady nerve at a meeting?

Are you always aware of the aims, objectives and the terms of reference of a meeting?

How do you interrupt a speaker (either a proposer or a seconder) when provoked by his/her discussion?

What way of voting do you prefer: by *show of hands* or a *secret ballot*?

Have you ever spoken English during a meeting? When? Why?

### Completing the table

Read the questions in the table below and tick the appropriate answers.  
Justify your answers.

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What are you expected to do when attending a meeting?

come to some decision	_____	vote	_____
make suggestions	_____	express views	_____
formulate proposals	_____	exchange opinions	_____
take the minutes	_____	anything else	_____

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What don't you like about meetings?

allotted time	_____	way of voting	_____
number of items	_____	being provoked	_____
number of the present	_____	anything else	_____

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What kind of a meeting do you like?

giving information	_____
fact-finding	_____
problem-solving	_____

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## **TAXATION**

### **Starting points**

Are your company's goods liable to duty?

Who clears your company's goods through the customs? How?

### **Inform yourself**

The state exerts its considerable influence on production. It covers its costs by taxation. It interferes with the international flow of goods and services by such taxation. A large proportion of the state's income from indirect taxation is yielded from its customs and excise duties. The imposition of the duties affects the pattern of domestic production and international trading. Customs duties are imposed on imported goods. Excise duties are levied on home produced goods.

Some customs duties are aimed at protecting key domestic industries by placing the foreign competitor in an unfavourable trading position. The foreign competitor has to incorporate an additional duty into his selling prices.

Some excise duties are imposed to protect the revenue from a customs duty on similar foreign goods, sales of which would be negligible if domestically produced goods didn't carry any duty.

Duties levied according to quality and weight are called *specific*.

Duties levied in proportion to value are called *ad valorem*.

## **PATENTING**

### **Leading questions**

Does your company sell or manufacture goods under foreign licence?

If yes, how long will your company have the right to use the foreign trademark?

If not, when did you register your trademark with the Foreign Patent Office?

Is your trademark similar to any trademark already registered or used in Serbia or abroad?

What can your company do to protect its trademark from being used or imitated by other companies?

## **Inform yourself**

A patent is a piece of writing from a government office called the Patent Office giving someone, either a firm or an individual, the right to make or sell a new invention for a certain number of years. A patent gives the patentee only the right to make, use or sell his invention during the time the patent remains in force. A patent remains in force as long as the annual fee is paid. It can be up to a certain number of years. After that anyone can use the idea. When the fees are not paid, then the patent is said to have lapsed through failure to continue payments.

Most companies employ a patent agent who is responsible for arranging patent protection. If any manufacturing licenses are negotiated, it is his job to prepare the necessary documents. A company has to put a provisional specification. If it didn't do that, a rival firm could pass off its products as being made by the company. Any company has also to decide on a trademark, i.e. a special mark that is placed on a particular brand of article to distinguish it from similar goods sold by other manufacturers.

## **TRANSPORTATION**

### **Leading questions**

What are the advantages/disadvantages of different types of transportation?

How important are transport facilities for a country?

What problems in transporting goods can any country face?

### **Inform yourself**

The world's economies have been revolutionised by transport developments.

The main results of these developments have been as follows:

- an enormous increase in the value of trade
- increased specialisation and independence of countries
- quick deliveries
- continuous supplies of seasonable goods
- safe deliveries of perishable goods
- marketing raw materials on a world-wide basis
- moving bulky goods long distances, etc.

Transport has stimulated commercial development. It has given us a much greater variety of goods. Improvements to transport have improved trade and living standards.

A seller must take some things into consideration when deciding on a means of transport:

- the nature of the goods
- the value of the goods
- the size of the goods
- the urgency with which the goods are required
- the distance to be covered
- the cost of the various types of transport
- the flexibility of the type of transport
- the cost of insuring the goods in transit
- the reputation of the carrier
- the wishes of the customer, etc.

## TRAFFIC

transfer of people \_\_\_\_\_ passengers  
transfer of goods \_\_\_\_\_ cargo, freight  
transfer of information \_\_\_\_\_ post, telegraph, telephone,  
telex, telefax, computer  
  
transfer of energy \_\_\_\_\_ water energy, gas

## TRANSPORT

by land \_\_\_\_\_ road; rail  
on water \_\_\_\_\_ sea; ocean; inland waterways  
in the air \_\_\_\_\_ passenger; freight; helicopter  
services

### ROAD TRANSPORT

- manufacturer's own fleet vehicle
- common carrier (a firm undertaking to carry goods for any person who chooses to employ it, in return for payment)
- haulier (a firm undertaking long distance transportation of heavy goods)
- international traffic across the border
- vehicles: van, pick-up, lorry or truck, articulated lorry or trailer, container lorry, cistern or tanker, fuel-carry vehicle, refrigerated lorry, juggernaut, etc.
- advantages:
  - . fast over short distances
  - . minimum of handling
  - . can go to areas inaccessible to other forms of transport
  - . circular routes are possible, return and empties are easily collected
  - . the seller who possesses his own vehicle can deliver his goods as soon as they are ready, can control the goods until delivered, is independent of public transport strikes, can advertise on the sides of his vehicles, etc.
- disadvantages:
  - . expensive to operate in large towns and congested areas
  - . subject to break-downs and hold-ups due to inclement weather
  - . loads are limited
  - . slow for long distance

- . there may be no return load
- . unsuitable for small consignments
- . the seller who possesses his own vehicle incurs initial capital costs of vehicles and garages, incurs expenses of depreciation, repairs, and servicing, etc.

## **RAIL TRANSPORT**

- passenger trains
- freight trains
- special trains
- advantages:
  - . speedy, especially over long distances
  - . suitable for large consignments of bulky materials
  - . economical for large consignments sent long distance
  - . routes are direct and do not meander to the same extent as roads
  - . passenger trains are suitable for the carriage of small merchandise, perishables and urgently required goods
  - . return loads can be planned
  - . special trains may be arranged
  - . containerisation and train ferry services are possible, etc.
- disadvantages:
  - . capital and maintenance costs are high
  - . track and terminals are fixed (the loss of flexibility)
  - . deliveries by goods train have tended to be slow
  - . additional handling can cause damage
  - . expensive for short journeys and for small consignments
  - . not suitable for perishables and fragile goods
  - . set timetables can present delays and inconveniences, etc.

## SEA TRANSPORT

vessels: **coastal steamers** which carry a large volume of goods between a country's ports

**estuarial crafts**, ranging from small barges to large motor vessels, which convey goods in the coastal regions of large rivers

**tramps** which carry bulky merchandise, move anywhere at any time and their freight rates are highly competitive, which don't follow a fixed route and can be sent to any port in the world, which carry lowgrade goods

**liners** which sail on advertised regular routes at regular times between the world's great ports, carrying passengers, mixed general cargo and mail, which deal mainly in parcels or individual consignments which are charged according to fixed price schedules in terms of either weight or volume or value

**special vessels** built to convey one type of cargo or related range of cargoes (for example oil tankers)

## INLAND WATERWAYS

- rivers, lakes, canals
- cheap
- ideal for bulky commodities (e.g. coal, cement, timber, etc.)
- slow and therefore unsuitable for perishables
- fixed routes
- unsuitable for small consignments
- subject to closure or delay in extreme weather conditions

## AIR TRANSPORT

- expensive but speedy on international and intercontinental routes
- transportation costs include: freight, airport taxes, landing fees, handling and warehousing of goods at the airport site and specialised services operated by the airport
- ideal for goods of high value, small bulk and urgently required goods (e.g. drugs, medicines, watches, jewellery, small types of machinery and equipment, mail, etc.)
- high capital and running costs
- limitation of bulk
- interference of adverse weather

## Completing the table

1. Decide on the most convenient method of sending a consignment consisting of:
  - (a) ten crates of perishable goods
  - (b) two drums of dangerous goods (e.g. chemicals)
  - (c) five cases of machinery
2. Put the names of the goods in the appropriate boxes given in the table below. Justify your choice.

MEANS OF TRANSPORT	GOODS
ship	
train	
lorry	
plane	
combined	

3. Then answer the following questions:
  - (a) Is packing a problem that your company faces very often?
  - (b) Does your packing material ensure complete protection of the contents?
  - (c) To what extent does your company's packaging protect the company's goods, facilitate transport and promote sales?
  - (d) Who packs and who delivers your company's goods if the company doesn't handle it itself?

### Considering the list

Here is a list of forwarding agents' services. Tell us which of the services your company has used.

- attending to the shipping of the goods to and from foreign countries
- collecting and packing goods
- handling conventional cargoes and containers
- assisting weighing, quality control, sampling procedure
- attending to issuing of special certificates (veterinarian, phytopathological, certificate of conformity, etc.)
- choosing the carrier
- chartering vessels
- advising clients on the best means of transport

- lodging goods in a warehouse
- supplying information on transport facilities and freight rates
- advising clients on their quotation to customers
- handling insurance of goods during transport and storage
- collecting payments
- preparing and checking shipping documents: consignment notes, packing lists, export/import licence, export invoice, export/import declarations, certificate of origin, copy of letter of credit, etc.
- notifying their dispatch to the forwarding agent in the importing country

## **DEALING WITH TRANSPORT DOCUMENTS**

### **Useful tips**

When goods are sent by any means of transport a receipt is needed to prove that the company has taken the goods. A consignment note is the document meaning both a ticket and a receipt.

There are different consignment notes:

- (a) road waybills – consignment notes giving details of goods sent by road
- (b) rail waybills – consignment notes giving details of goods sent by rail
- (c) air waybills – consignment notes giving details of goods sent by plane
- (d) bills of lading – consignment notes giving details of goods sent by ship
- (e) combined transport documents – documents giving details of goods sent by more than one means of transport

### **Leading questions**

Who makes transport arrangements in your company?

What transport documents does your company use? Why?

## **INSURANCE**

### **Starting points**

Why do businessmen insure their goods against certain risks?

Does your company handle insurance itself? If not, who is responsible for it?

What kind of insurance do you have in your company?

Why do companies very often take out an all-risk policy?

Why does an insurance company first see what damage has been done before an insurance claim is met?

Why is it a good idea to take out a life insurance/life assurance policy?

What kind of insurance do you think is not necessary? Why?

How do you react when a clerk from an insurance company in town knocks on your door?

## **Inform yourself**

Risks mean uncertainty and they arise in all business transactions. Businessmen take their risks and most try to protect themselves from the consequences of those risks, and reduce them to some extent. They have found a means of protection. It is insurance.

The purpose of insurance is to provide a sum of money in compensation for any loss that has been suffered as a result of running a risk.

Insurance is based on the theory of the probability of loss. The number of losses incurred over the past years helps the insurer to predict the future number of losses and then to calculate the risk for the insured.

Insurance helps businessmen pass their risks on to others. They do that by the pooling or spreading of risk.

The insured cannot make a profit if the event insured against actually occurs. Specialists (called actuaries in life assurance and undertakers in other branches) assess, and forecast the approximate rate of loss in a particular year and then calculate the premiums to be paid. The premium depends on the extent of the possible loss and the level of risk.

The numerous types of insurance can broadly be classified into four main branches: Marine Insurance, Fire Insurance, Life Assurance, Accident Insurance.

## **Tick and talk**

Here is a list of different kinds of insurance. Tick the one you know of. Then try to tell us (as much as possible) about it.

INSURANCE AGAINST ALL RISKS  
GOODS IN TRANSIT COVER  
THIRD-PARTY INSURANCE  
PERSONAL ACCIDENT INSURANCE  
PROPERTY ACCIDENT INSURANCE  
LIABILITY INSURANCE

EMPLOYER'S LIABILITY INSURANCE  
HEALTH AND SAFETY WORK ACCIDENT  
FIDELITY GUARANTEE  
CONSEQUENTIAL LOSS INSURANCE  
LOSS OF PROFITS INSURANCE  
TRAVEL INSURANCE

## **MONEY MATTERS**

### **Starting points**

Businessmen do not believe in principles, they only believe in interest

Their pursuit of profits is not sound

We are slaves to our ambition of being wealthy

Wealth is a great goal in many people's opinion

The world's financial troubles and their remedies

Unemployment causes poverty

Work without pay is not popular

The best ways of imposing an increase in prices

A rise in wages inflates prices

How do you fight inflation?

Inflation causes a decline in living standards

Can you make both ends meet?

What ways of saving money are there?

### **Inform yourself**

All the many forms of exchange can be reduced to the two main forms of money: legal tender and non-legal tender.

The money issued and authorised by a state, and, therefore, accepted by creditors without dispute, is called legal tender money. Metal coins and a vast quantity of paper money are called legal tender of currency. A nation's currency is its legal tender.

Non-legal tender forms of money are cheques, credit cards, bank giro credits, standing orders, bills of exchange, promissory notes, direct debiting, etc., and all other ways of transferring money without using actual coins and notes.

Currency includes anything that is generally accepted as a means of payment or settling debits.

### **Drawing up columns**

1. draw up two columns labelled A and B.
2. Study the list of operations given below and put each operation into the appropriate column. Banking services should be put into the column A, and all other operations into the column B.

#### List of operations

paying bills	cashing cheques	depositing money
safeguarding money	issuing cheques	paying out money
drawing out money	writing out cheques	opening accounts
making payments	safeguarding valuables	withdrawing cash
lending money	making money	transferring money
putting in money	borrowing money	granting loans
issuing money	settling accounts	debiting accounts

### **Inform yourself**

## **BANKING SERVICES**

### **MAKING PAYMENTS**

### **BORROWING AND LENDING MONEY**

(loans; overdrafts)

### **SAFEGUARDING MONEY AND VALUABLES**

(safe-custody; strong-rooms)

### **OTHER SERVICES AND FACILITIES**

(cash dispenser, executorship and trustee services, insurance service, investment, night safe, etc.)

### **MAKING PAYMENTS**

#### **Leading questions**

What methods of payment in foreign trade do you know of?

Which of them do you think is the safest? Why?

What methods of payment does your company use?

## Inform yourself

### MAKING PAYMENTS

#### **CLEAN PAYMENTS**

(non-documentary)

- the delivery of documents of title to goods is not tied to payment

#### **DOCUMENTARY PAYMENTS**

- the documents of title to goods are handed over to the buyer when the invoice is paid or the bill of exchange accepted

### **The Main Methods of Non-Documentary payments**

**1. Payment in advance** – used in case of the buyer's urgent need, where the buyer is unknown to the seller, in single isolated transactions

**(a) Banker's Transfer**

- it is a direct transfer from a buyer's to a seller's bank
- the transaction is carried out at current rates of exchange
- the transaction is subject to any currency control regulations of the countries concerned
- it can be speeded up by telexed instructions

**(b) Banker's Draft (Bank Draft)**

- it is a bill of exchange drawn by a bank on itself and signed by one of its responsible officials
- it is payable on demand
- a debtor buys a bank draft in order to pay a foreign creditor who will not accept a personal cheque
- the drawer of the draft tells the bank to pay a stated sum to a named person abroad
- the bank debits the sum to the drawer's account and makes payments through its branch, correspondent or agent in the payee's country
- it can be speeded up by telexed instructions

**(c) Payment on Invoice**

- it is used for a single sale, i.e. when the seller does not open an account in his ledgers in the buyer's name
- an invoice is a separate document sent by the seller to the buyer for each sale giving details of the goods sold; it is sent by post, or through an agent or through a bank
- payment is demanded either before delivery or on delivery of the goods

#### (d) **Cheque**

- it is an arrangement between a bank and a customer under which the customer may pay in or draw out money on some terms
- it is a written order from a bank account holder to his bank, where he has money deposited, to pay out a sum of money mentioned on the cheque from his account on demand to a person or company named on the cheque, or to the order, or to a bearer
- a person or company obtains the right to use cheques when he opens a current account with his banker
- cheques are made out to pay bills, to withdraw cash, or to have money transferred from one account to another

#### (e) **Clean Bill of Exchange = Sight Bill**

- it is used when the bill is payable on presentation
- a bill of exchange (B/E) is a written, unconditional order from a creditor to his debtor to pay on demand or at some future date a stated sum of money to the person named in the bill, or to his order
- the person who draws the bill is the drawer; the debtor upon whom the bill is drawn is the drawee; the person to whom money is to be paid is the payee; the date on which payment is to be made is called the date of maturity
- in principle, a bill of exchange is similar to a cheque; the drawer of a cheque is the debtor who orders his banker to pay the creditor a sum of money, the drawer of a B/E is the creditor who orders the debtor to pay the money; then a cheque is always payable on demand and always drawn on a bank; a B/E, however, can be drawn on demand or at some future date
- a B/E may be payable on presentation in which case it is termed a *sight bill (sight draft)* when it is presented to the debtor, or it may be payable after a certain number of days, for example, 10 days (10 d/s), 30 days (30 d/s), 60 days (60 d/s), or 90 days (90 d/s) or even at a later date after sight in which case it is termed a *usance bill (term draft, time draft)*

#### **2. Open Account Terms**

- open account terms are the terms granted by the seller to a buyer of unquestioned standing or to the regular buyer in whom the seller has a complete confidence
- this method is used when goods are sold on consignment and where there are no currency restrictions
- although the services of a bank are involved in the final settlement the

- bank does not assume any credit risk in case of a shipment on open account
- the payment is made by monthly or quarterly statements

## **The Main Methods of Documentary Payments**

### **1. Documentary Collections** (where documentary bills of exchange are used)

- documentary bills are bills of exchange accompanied by shipping documents
- the exporter arranges with a shipping company or with a forwarding agent, for the goods to be carried to a port that has been agreed upon with the customer
- as soon as the goods have been loaded on the ship, the exporter receives a bill of lading (B/L), in exchange for the goods, from the shipping company; the B/L is signed by the officer of the ship and it forms a receipt for the goods; then the exporter draws a B/E or draft upon the importer ordering payment to be made to his order, or to his bank
- the exporter attaches the bill to the shipping documents consisting of the invoice for the goods, and the insurance policy; all other documents such as the Consular Invoice, the Inspection Analysis Certificate, the Weight Certificate, the Certificate of Origin, and the like may also be attached if necessary, depending on the terms of sale, the type of goods, the place of destination, etc.
- the exporter hands all the required documents to his bank for collection; he entrusts the documents to the bank, and the bank sends them to its corresponding bank in the country of the importer to be handed over to the customer
- the importer can get the shipping documents either after he has paid a sight draft (= DOCUMENTS AGAINST PAYMENT D/P) or after he has accepted a term draft (= DOCUMENTS AGAINST ACCEPTANCE D/A)
- when the procedure is D/P, the exporter or his agent sends the shipping documents to a bank at the port where the goods are to be unloaded with an order to hand the documents to the importer or his agent only when the bill of exchange is paid; the importer pays the money which his bank sends to the exporter's bank; when the ship arrives at its destination, the importer gives the captain of the ship the B/L and then receives the goods
- when the procedure is D/A, the importer does not pay his bank the money for the goods; instead he promises to pay money at a later date by writing the word *accepted* on the B/E and signing it; then the

importer's bank forwards the accepted bill of exchange to the exporter who now has proof that his goods will be paid in future; when the ship arrives at its destination, the importer gives the captain of the ship the B/L and he receives the goods; the B/E (draft) is retained by the importer's bank until it matures for payment; the importer then pays the money for the goods to his bank, which transfers it to the exporter's bank; if the exporter wants to secure his money earlier he can ask the bank to discount his draft; he exchanges the accepted B/E for the money

## **2. Documentary Credits**

- a letter of credit (L/C) is a credit instrument used in export trade when the exporter may not feel sure that on arrival his goods will be taken
- it gives protection to both the exporter and the importer; the exporter knows that he will either receive payment or have his draft accepted by a bank as soon as he executes the order according to the terms agreed between him and the importer; the importer, on the other hand, knows that his instructions will be carried out by the correspondent bank and that the exporter will be informed that the money is available to him and that he can obtain the counter value at his bank
- it is not a complicated business to open a L/C; the exporter asks the importer to provide him with a L/C; after concluding negotiations with the exporter relating to the price, the date of shipment and all other terms, the importer makes an application to his bank in order to obtain a L/C; he goes to his bank and instructs the bank to open a L/C for the amount of the purchase in favour of the exporter; he asks his bank to issue a L/C to its correspondent in the country of export requesting the correspondent either to pay the exporter the amount of his invoice, or to accept the exporter's draft; provided the client's credit standing is satisfactory, the bank will issue the credit on the strength of the application form duly filled in and signed by the importer; the credit issuing bank gives the importer a letter addressed to the exporter, authorising the exporter to draw a draft; the letter states the period within which the draft must be drawn and the documents which must accompany it; the bank can send the letter of confirmation to the beneficiary informing him that a credit has been opened in his favour, that a certain sum is at his disposal with his bank
- the foreign bank (confirming bank) communicating the details of the credit to the beneficiary may guarantee payment and at the same time assume the risk in which case the L/C is said to be confirmed
- on the other hand, the foreign bank (notifying bank) may only advise the beneficiary that a credit has been opened in his favour with another

- bank, in which case the L/C is said to be advised
- there is also a Documentary L/C when the money is payable only on presentation of some documents relating to the shipment of the goods; the documents may be handed over against payment or acceptance; any kind of documentary credit established through the exporter's bank, however, does not offer equal security to obtain the counter values for his goods; for this reason the exporter's bank must at the same time act as the negotiating and confirming bank; the exporter may be sure of his money if he draws a bill against an irrevocable L/C during its validity; the validity of the L/C is the period (usually no longer than six months) of time during which the instructions to pay remain in force and after which it is said to have expired; an irrevocable L/C means that its terms cannot be altered or annulled; a revocable L/C, on the other hand, can be revoked at any time by the importer or the issuing bank
  - sometimes a L/C is transferable when the amount stipulated can be transferred to someone else; if the amount is divided so as to make more than transfer, the L/C is said to be *transferable* and *divisible*

# FOR FUN

## Sorting out dialogues

Sort out the two dialogues.

- (a) Haven't I seen you somewhere before?
- (b) No, I've been away on holiday.
- (c) Well, you know what they say – it's a small world.
- (d) Belgrade. I've got a friend there.
- (e) Oh, yes. You're right. What a coincidence to meet you in Belgrade.
- (f) That's O.K. See you then.
- (g) Shall we say about eight?
- (h) Yes, it is.
- (i) But your face is so familiar. Wait a minute... Now I remember... We were on the same flight to Paris last week.
- (j) How nice to see you again. Where have you been? Paris?
- (k) I don't think so.
- (l) Fine. Well... er... how about coming out for a drink with me tonight?
- (m) That's a good idea. Thank you.
- (n) Where did you go?

(Key: I j, b, n, d, l, m, g, f; II a, k, i, e, c, h)

## Anagrams

Unscramble the following anagrams:

caltippan nycopam emelepoy fereere navaccy

(Key: applicant, company, employee, referee, vacancy)

### Scrambled sentences

Rearrange the words below in order to form correct sentences.

By unscrambling the sentences you will form a story.

1. Zambia in goods their for John company Anderson can is work convinced up that a his big demand.
2. Zambia new market He a wants to to go open to up.
3. Simon market a into Bell difficulties is about worried some connected breaking with.
4. company must market The out a carry survey.
5. products exists their They that market potential sure for must a make.
6. products They their must buy make to sure the that have prospective sufficient buyers power purchasing.
7. restrictions of be trade some must They aware.
8. competitors must likely their They know.
9. old markets for ever on their John that Anderson they thinks live cannot.
10. John's to Simon of Bell going Zambia approves.

- (Key:** 1. John Anderson is convinced that his company can work up a big demand for their goods in Zambia.  
2. He wants to go to Zambia to open up a new market.  
3. Simon Bell is worried about some difficulties connected with breaking into a market.  
4. The company must carry out a market survey.  
5. They must make sure that a potential market for their products exists.  
6. They must make sure that the prospective buyers have sufficient purchasing power to buy their products.  
7. They must be aware of some trade restrictions.  
8. They must know their likely competitors.  
9. John Anderson thinks that they cannot live on their old markets for ever.  
10. Simon Bell approves of John's going to Zambia.)

### Finding the message

Many people use Morse Code all over the world to send messages by lamp or radio.

Use the code to work out what the following message says.

.-- / . / ..- / .-. / --. / . / -. / - / -.. / -.- / -. / . / . / -.. /  
.--- / .-. / --- / -.. / ..- / -.- / - / -. / ..- / -- / -... / . / .-. /  
... / -. / . / ... / .. / -.- / - / .-- / --- /

A	.-	E	.	I	..	M	--	Q	----	U	..-	Y	-.--
B	---	F	...-	J	.-	N	-.	R	..	V	...-	Z	----..
C	-.-	G	--.	K	-.-	O	---	S	...	W	.-		
D	-..	H	....	L	.-.	P	...-	T	-	X	-.-		

(Key: We urgently need product number 162)

### Word puzzle

Can you find seven words that are associated with the word **non-alignment**?  
Read the letters from left to right, from right to left, cross and down.

i n d e n t r a n c e  
n n e e s o e g a t q  
d b e d e a v g a e u  
e e d e v d i r y e a  
p e a c e r s e a r l  
e r a r n e i s e t i  
n z s o e p o s o s t  
d r a f t p n i w p y  
e t e r n i x o n o d  
n e o n o l y n k r e  
c o e x i s t e n c e  
e c o n o m i c d o r  
n d r e s s e r o i e  
t n e m p o l e v e d  
r a d i o n i s e l i  
e l i m i t a t i o n

(Key: independence, aggression, equality, peace, coexistence, force, development)

### Guessing game

1. Get into pairs.
2. Write a list of seven sentences which relate to a particular job.

- e.g.
1. He doesn't wear a uniform.
  2. He has a talent for leadership.
  3. He speaks two foreign languages.
  4. He is in charge of an office.
  5. He meets a lot of people.
  6. He travels a lot.
  7. He is fit for organising.

(**Key:** He is an office manager.)

3. Read out your list to your partner who is supposed to write down his/her guess about what job has been described.
4. Justify your answers.

### Word searching

Choose the correct or most suitable word from those printed in italics in order to complete the following statements:

1. The export house does not *make/create/manufacture* goods itself but buys them for export outright from a manufacturer and sells them abroad on its own account.
2. The firm is able to provide a package *arrangement/deal/agreement* between sellers and buyers.
3. One of the firm's services is arranging for switch trading where there is a *defect/shortage/insufficiency* of foreign exchange.

(**Key:** manufacture; arrangement; shortage)

### **Finding the message**

Here is the text which an advertising manager sent abroad. While typing two of the letters on the keyboard didn't work.

Read the text and try to find out what the message says.

The important thing for a business person who is trying to sell a product abroad is to make sure that the product he is trying to advertise, or the way that he advertises his product, relates to the culture of the country he is advertising in. Each country has a different cultural identity. From culture to culture people make different associations. Maybe that's why foreigners don't see their countries' adverts as being so good because they don't relate to the culture.

(**Key:** The important thing for a business person who is trying to sell a product abroad is to make sure that the product he is trying to advertise, or the way that he advertises his product, relates to the culture of the country he is advertising in. Each country has a different cultural identity. From culture to culture people make different associations. Maybe that's why foreigners don't see their countries' adverts as being so good because they don't relate to the culture.)

### **Word hunting**

How many words can you create from the following words?

advertisement campaign competition exhibition promotion

e.g. advertisement

ant	date	rate	tin	save	man	need
art	drive	rent	tree	see	meet	name
aid	deer	rise	time	street	meat	nine etc.

## Matching activity

Find the endings to each of the beginnings.

1. Making a financial evaluation...
  2. Product evaluation...
  3. Recovering the original cost of developing and launching a product...
  4. A patent...
  5. Registering the new idea with the Patent Office...
  6. Specification...
- 
- (a) ... means giving someone the right to make or sell a new invention for a certain number of years.
  - (b) ... means details of and instructions for the design and materials of the product which is to be made.
  - (c) ... is important for a company which wants to be justified in spending money on further development of a new product.
  - (d) ... is an attempt to decide whether a product is likely to be profitable for a company or not.
  - (e) ... is very important when launching a new product.
  - (f) ... means reaching the break-even point.

**(Key:** 1c, 2d, 3f, 4a, 5e, 6b)

### Selecting the words

Select the words or phrases that are nearest in meaning to the underlined words in the following sentences:

1. You have to evaluate the product to see whether it is going to sell or not.

(a) estimate (b) appraise (c) judge

2. Even when you have patented a product, overseas competitors can undermine your market.

(a) opponents (b) rivals (c) candidates

3. Companies should ensure that their trademarks are not similar to any trademarks already registered in their country and abroad.

(a) officially recorded (b) legally certified (c) enlisted

**(Key:** 1a, 2b, 3a)

## **Puzzling out**

Copy the following text and punctuate it, adding capital letters where necessary. Remember the rule for commas, full stops, apostrophes, etc.

### computer

the invention of the computer has been one of the greatest advances in modern technology the computer is the most efficient servant man has ever had it can do extremely complicated work in all branches of learning that is why it is put to varied uses solving the most complex mathematical problems putting millions of unrelated facts in order providing information on anything people know and the like are some of the facilities the computer can offer today the computer works at high speeds and accurately saves research workers years of hard work however it cannot rule the world by making decisions of its own it needs detailed instructions from people in order to be able to operate any computer consists of hardware i e a mass of equipment and circuitry neatly contained in one or more metal boxes with a keyboard similar to a typewriter keyboard attached to it and a cathode ray tube looking like a television screen and the software i e the instructions which must be fed into the computer before anyone can use it accordingly there are manufacturers of hardware who can feed in the relevant programs when they install the equipment and software manufacturers specialising in programming only

**(Key:** The invention of the computer has been one of the greatest advances in modern technology. The computer is the most efficient servant man has ever had. It can do extremely complicated work in all branches of learning. That is why it is put to varied uses. Solving the most complex mathematical problems, putting millions of unrelated facts in order, providing information on anything people know, and the like are some of the facilities the computer can offer. Today the computer works at high speeds and accurately saves research workers years of hard work. However, it cannot rule the world by making decisions of its own. It needs detailed instructions from people in order to be able to operate. Any computer consists of hardware, i.e. a mass of equipment and circuitry neatly contained in one or more metal boxes with a keyboard similar to a typewriter keyboard attached to it and a cathode ray tube looking like a television screen, and the software, i.e. the instructions which must be fed into the computer before anyone can use it. Accordingly, there are manufacturers of hardware who can feed in the relevant programs when they install the equipment, and software manufacturers specialising in programming only. )

### Filling in the gaps

Put each of the following abbreviations in its correct place in the passage below.

**c. &f. c.&i. c.i.f. ex-factory f.a.d. f.a.s. f.o.b. f.o.r. f.o.t.  
franco domicile**

INCOTERMS (**international commercial terms**) are definitions made up according to the International Chamber of Commerce and show exactly what each export clause implies.

1. When the clause is \_\_\_\_\_, the seller's price includes all charges and risks up to the point where the seller delivers the goods to the railway at a named place.

2. When the clause is \_\_\_\_\_, the seller's price includes all charges and risks up to the point where the goods are placed alongside the ship ready to be taken on board.

3. When the clause is \_\_\_\_\_, the seller's price includes all charges and risks up to the point of delivery to the docks at the port where the goods are to be loaded on the ship.

4. When the clause is \_\_\_\_\_, the seller's price includes packing and freight up to the named destination but not insurance.

5. When the clause is \_\_\_\_\_, the seller's price includes all charges and risks up to the named destination and insurance.

6. When the clause is \_\_\_\_\_, the seller's price includes all charges to ship and insurance but not freight.

7. When the clause is \_\_\_\_\_, the seller's price includes only the cost of goods and the packing, not any transport.

8. When the clause is \_\_\_\_\_, the seller's price includes all charges and risks up to the point where the seller delivers the goods on board the ship named by the buyer at the named port of shipment.

9. When the clause is \_\_\_\_\_, the seller's price includes delivery to a lorry terminal.

10. When the clause is \_\_\_\_\_, goods are delivered free of expense to the consignee's address.

(**Key: 1. f.o.r.** = free on rail; **2. f.a.s.** = free alongside (ship); **3. f.a.d.** = free at docks;

**4. c.&f.** = cost and freight; **5. c.i.f.** = cost, insurance & freight);

**6. c.&i.** = cost and insurance; **7. ex-factory**; **8. f.o.b.** = free on board;

**9. f.o.t.** = free on truck; **10. franco domicile**)

### Word puzzle

How many words can you find in this word puzzle? Read the letters clockwise and anticlockwise.

A F F I C O N S I G N V E S  
R S  
T E  
E L  
E L  
L E  
F R  
E R  
L E  
C I H E V A N E D A O L I N

(**Key:** consign, sign, sell, seller, vehicle, fleet, traffic, icon; art, elf, line, liner, etc.)

## Matching activity

Find the endings to each of the beginnings.

1. Suppose one of your delivery vehicles catches fire and the load is destroyed...
2. THIRD-PARTY INSURANCE is essential by law...
3. If you have an accident and you damage somebody's car or you injure a person...
4. LIABILITY INSURANCE provides protection to a member of the public...
5. EMPLOYER'S LIABILITY INSURANCE...
6. FIDELITY GUARANTEE...

A ... to provide indemnity to a third person.

B ... you have to be insured against that so that the person can get compensation.

C ... you claim for the value of the goods under your GOODS IN TRANSIT COVER.

D ... protects employees from any loss of money as a result of dishonest staff.

E ... in case of his/her accidental death or bodily injury, or damage to his/her property whilst on premises, or through the negligence of one of the employees.

F ... gives employees cover for accidents sustained by them in the course of their employment.

**(Key: 1C; 2A; 3B; 4E; 5F; 6D)**

## Filling in the gaps

Supply the missing words

covers/damage/mandatory/insurance/insured/insurer/obtain/  
permanently/recommended

Insurance for driver, vehicle and passengers

(a) Compulsory insurance in case of legal responsibility

This type of \_\_\_\_\_ is called \_\_\_\_\_ as each owner of a vehicle must \_\_\_\_\_ it by law.

The insurance company grants payments for \_\_\_\_\_ occurring in traffic accident and caused by \_\_\_\_\_ vehicles: victims, damaged or destroyed third-party vehicles or belongings.

(b) KASKO insurance

It \_\_\_\_\_ the insurance of vehicles, its additional equipment, parts and belongings. KASKO could either be *full* or *partial (franchise)*.

This type of insurance is not mandatory but is \_\_\_\_\_, especially when large or total damage or stealing are concerned.

(c) Insurance of a driver and a companion-traveller against the consequences of an accident

In case of an accident the \_\_\_\_\_ agrees to pay a previously agreed sum for all persons killed or persons \_\_\_\_\_ disabled.

This type of insurance is not mandatory.

(Key: (a) insurance; mandatory; obtain; damage; insured

(b) covers; recommended

(c) insurer; permanently)

### Filling in the gaps

Fill in the gaps with the proper terms from the lists below.

**A** amount/balance/cheque/current account/  
draw out/make out/put it in/salary

I keep a \_\_\_\_\_ in a commercial bank. My employer pays my monthly \_\_\_\_\_ directly into my current account. Sometimes when I get some extra money, I \_\_\_\_\_ the bank too. It is much more convenient for me to pay my bills by \_\_\_\_\_ rather than in cash. That is why I don't \_\_\_\_\_ large amounts of ready money from the bank unless I need it badly. However, there is a problem connected with my current account. Since I am a big spender I \_\_\_\_\_ cheques easily without thinking of the possible consequences. I often have too a small \_\_\_\_\_ as I don't pay attention to my withdrawals. Quite often the \_\_\_\_\_ remaining in my account is too low.

**B** debit balance/debt/in need of/interest/money/overdraft/  
overdraw/paid/records/stamped/statement/write out

The other day the bank sent me a \_\_\_\_\_ showing a record of my deposits and withdrawals from the bank. I was rather worried about the amounts of \_\_\_\_\_ I had removed from the account. There were many cheques \_\_\_\_\_ in the statement indicating that payment had been made. There wasn't a lot of money left in my account and I was desperately \_\_\_\_\_. Besides, I was sure that there were a couple of cheques that had been written but had not yet been \_\_\_\_\_ by the bank. I took a pencil and tried to make my \_\_\_\_\_ agree with the statement. Having an \_\_\_\_\_ was the only way out of my bad financial situation. I decided to \_\_\_\_\_ a cheque for more money than the balance in the account. By withdrawing out more than the amount remaining in account I ran into \_\_\_\_\_ with the bank. The bank allowed me to \_\_\_\_\_. The balance of my account then became a \_\_\_\_\_ showing that I was a debtor to my bank for the amount I had overdrawn. I had to pay \_\_\_\_\_ on the amount outstanding.

(**Key: A:** current account; salary; put it in; cheque; draw out; make out; balance; amount

**B:** statement; money; stamped; in need of; paid; records; overdraft; write out; debt; overdraw; debit balance; interest)