

Revision5- Match the explanations to the words below and provide the translation of the term

1. **PROPERTY RIGHTS**- define the theoretical and legal ownership of resources and how they can be used.
2. **SENIOR MANAGEMENT**- the highest level of managers in an organization, immediately below the board of directors.
3. **SHARE OPTION** - a benefit in the form of an option given by a company to an employee to buy a share in the company at a discount or at a stated fixed price.
4. **MARKET EQUILIBRIUM**- occurs at the price-quantity combination where the quantities demanded and supplied are equal.
5. **Gross Domestic Product(GDP)** is the total market value of goods and services produced within a country during some period, usually one year.
6. **ACCOUNTANT**- a person whose job is to inspect or keep accounts.
7. **REDUNDANT**- no longer in employment because there is no more work available.
8. **AUDITOR**- a person who carries out an audit.
9. **ACCOUNTANCY** - the theory and practice of keeping and inspecting accounts.
10. **FRONT-LINE MANAGEMENT** - the first or second level managers (line managers, office managers, supervisors) directly responsible for production of goods and services, and supervision of clerical staff and shop floor employees.
11. **ACCOUNT**- a detailed record of all the money that a person receives and spends.
12. **COMPENSATION**- something, typically money, awarded to someone in recognition of loss, suffering, or injury.
13. **SEVERANCE**- money paid by an employer to an employee whose job the employer has had to bring to an end.
14. **AUDIT**- the inspection of an organization's annual accounts.
15. **ACCOUNTING**- the system that measure business activities, processes that information into reports and communicates these findings to decision makers.
16. **Gross National Product(GNP)** - is the value of all output produced by resources owned by the citizens of a country.
17. **HOLDING COMPANY**- a company created to buy and own the shares of other companies, which it then controls.
18. **SURPLUS**- is the excess of the quantity supplied over quantity demanded when the price is above equilibrium.
19. **PERQUISITE(PERK)**- a benefit which one enjoys or is entitled to on account of one's job or position.
20. **MIDDLE MANAGEMENT**- intermediate management of a hierarchical organization that is subordinate to the executive management and responsible for at least two lower levels of junior staff.

Complete the text

The Concept Of Business

Business is a word which is **commonly** used in many languages. Traditionally, business simply meant exchange or trade for things people wanted or needed. **Nowadays**, the concept and activities of business have increased. One definition of business is production, distribution, and sale of goods or services for **profit**.

First, **production** is the creation of services or processing of materials into products. Example is the conversion of iron ore into metal car parts. Next, these products need to be moved from the plant to the **marketplace**. This is known as **distribution**. A car might be moved from a plant in Germany to a car **dealership** in Poland. Third is the **sale** of goods and services. Sale is the exchange of a product or **service** for money. A car is sold to someone in **exchange** for money. Goods are products that people **either** need or want.

Business, then, is a combination of all these activities: production, distribution, and sale. However, there is another important factor- creation of profit or economic **surplus**. A major **goal** in the functioning of any business company is making profit. Profit is the money which remains after all the **expenses** are paid. Creating an economic surplus or profit is, therefore, a primary goal of business activity.

* **Dealership** - an establishment authorized to buy and sell specific goods, especially motor vehicles.