

Lesson 5 Accountancy



Finance departments are important to every company, regardless of size. Within every finance department, there is at least one accountant. This lesson will cover the most important aspects of an accountant's job. Listen to the words and phrases together with their Polish translations. Then listen to the text and answer the questions below.

accountant – księgowy

to enter the profession – wejść do zawodu

to gain experience – zdobyć doświadczenie

fully qualified – w pełni wykwalifikowany

incomes – przychody

expenditure – wydatki

salary – pensja

to record – zapisywać, notować

double-entry bookkeeping – księga przychodów i rozchodów

key duty – kluczowe zadanie

ledger – rejestr

indicator – wskaźnik

shareholder – udziałowiec

significance – znaczenie

assets – zasoby

to perceive – spostrzec

intrinsic – nieodłączny

financial value – wartość finansowa

turnover – obrót

to keep track of – pilnować

income tax – podatek dochodowy

penalty – kara

manifold – wieloraki

Glossary

Match the words with their definitions:

1. qualification

2. to keep track of

3. to date back

4. survey

5. debt

a) to monitor

b) a broad treatment of a subject; poll

c) to originate or be initiated

d) money owed to a bank or other financial entity

e) a quality or skill that fits a person (as for an office)



Listen to this description of an accountant's job and responsibilities, and the accountant's placement within a company. Listen carefully, then answer the questions below:

Accountant's responsibilities

Every company has a finance department. In larger businesses, such departments have many staff, each dealing with different aspects of the company's finances. In smaller businesses, the finance 'department' often only consists of one person – the accountant, who deals with everything.

To become a successful accountant you need a mixture of qualifications and experience. Whatever level you enter the profession at, whether it is at 16 or 21 after university, you will need to gain experience and study for several years at the very least, in order to become fully qualified.



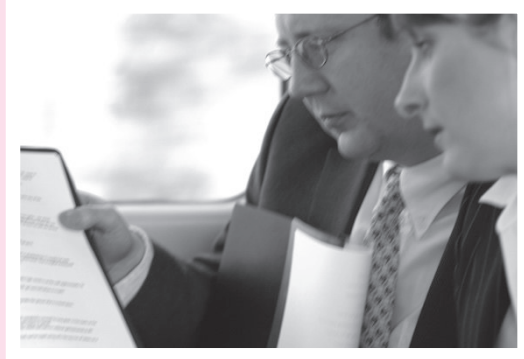
On a very simple level, accountants are needed to manage finances. They keep track of incomes and expenditures. This includes everything from the sale of products to payment of salaries, and from

the purchasing of new equipment, to the processing of business expenses. Accountants record each transaction via a system of accountancy called double-entry bookkeeping, which dates back to Italy in the Middle Ages and has changed very little since.

As well as maintaining the all-important ledger, another key duty for an accountant is knowing the financial situation of a company at any given time. This is not as simple as it may seem at first, as a survey of financial performance can draw upon many indicators. Often, people such as small shareholders, might look no further than sales. However, to a CEO or financial analyst, they tend to be of limited significance. The value of a company's assets tends to be more important. This is easy to perceive when we consider that everything

a business owns – whether it is buildings, staff, or a brand – has an intrinsic, financial value of its own. Any measure of a company's health should also include turnover, the value of its equity, and the scale of its debt. An accountant's job requires a deep knowledge of all of the above, along with the ability to communicate that knowledge to those who need it.

Some would say the most important aspect of the job is tax. The accountant is not only there to keep track of what's going out and coming in. He must be fully aware of all of the tax rules that apply to a company – including



income tax on salaries, corporation tax – the tax companies pay on their profits – and VAT. The penalties for interpreting the system inappropriately can be very high these days. In contrast, however, the benefits of a good accountant interpreting the system and all of its rules appropriately are manifold.

Exercise 1



16 After listening to the text, answer the following questions:

- What do you need to do in order to become a successful accountant?
- What do accountants do?
- What is an accountant's key duty?
- What else does the accountant have to know about the business?
- Why is tax important to accountants?