**UNIT 6. Risk management and insolvency**

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| Risk |  |
| Risk vs hazard | Risk is “the possibility that something bad or unpleasant (such as injury or a loss) will happen. ”A hazard is “a potential source of harm or danger” where danger is “something that may cause injury or harm.  Hazard insurance protects a property owner against damage caused by fires; lightning; hail-, wind-, snow-, or rainstorms; or other natural events.  Ryzyko vs zagrożenie |
| Client’s assurance  Assure sb about sth | When you assure sb about sth/that, you promise to/ that …, you commit yourself to do sth |
| Ergonomic  Ergonomically designed  Ergonomy of design |  |
| Take a unit apart | Disassemble it, take off each and every piece of a complete unit  Antonym: assemble sth – put together to make a working unit |
| Reassemble  Assembly plant  An assembly = meeting e.g. of shareholders |  |
| Low-cost airline | Budget airline |
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| Waive your right to enjoy a certain privilege | Relinquish that right |
| Extend, renew a contract automatically |  |
| When a price is automatically adjusted | It is changed automatically |
| Prices increase in line with inflation | They increase in keeping with inflation |
| The Office of national Statistics | UK equivalent of GUS |
| Works council  Works council agreement  Compare.  A trade union (UK), labor union (US) | A works council offers representation to the workers of company. It is a group of employees elected or chosen to represent all the employees in a company in meetings with their employers  Polish ???  Rada pracownicza |
| A residential home for the elderly | An old people’s home |
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| Liquidate a company  Liquidation go into liquidation be liquidated | Wind up a company (wind, wound, wound)  Winding-up  Dissolution of the company |
| Bail out | Greece was bailed out by its creditors following the crisis of 2008  Bail out - rescue financially, offer a rescue package |
| Go under | Go down  Collapse  Go bankrupt |
| Write off bad debt | Remove it from the books  Polish??? |
| Profitability  Solvency  Insolvency  Solvent  Insolvent  Liquidity  Liquid  Illiquid  Lack liquidity |  |
| obsolescence  obsolescent  built-in obsolescence |  |
| Premises  Sb is (not) on the premises | Premises are building/s where a business or trade is carried out |
| Leasehold agreement | Leasehold means that you just have a lease (a contract by which property is conveyed to a person for a specified period, usually for rent) from the freeholder (sometimes called the landlord) to use the home for a number of years. The leases are usually long term – often 90 years or 120 years and as high as 999 years – but can be short, such as 40 years. |
| Lease agreement | Polish???  Umowa najmu |
| Consumer Price Index, CPI | Wskaźnik cen towarów i usług konsumpcyjnych |
| Deductions  withholdings | Sums of money deducted/subtracted from pay, e.g. tax, social insurance/security  Polish??? |
| Gross pay, amount  Net pay | Gross means without deductions; total, as the amount of sales, salary, profit, etc., before taking deductions for expenses, taxes, or the like (opposed to net), e.g. gross earnings; gross sales |
| Hold an option to rent extra surface | An option is a right but not an obligation to buy/sell/rent sth e.g. extra space |
| Statutory requirement/amount/obligation vs voluntary one | Statutory means relating to rules or laws which have been formally written down.  Polish??? |
| Food processing plant = food processor  Timber processing plant = wood processor | Wood processing is an engineering discipline comprising the production of forest products, such as pulp and paper, construction materials, and tall oil. Paper engineering is a subfield of wood processing  Polish???  Zakład przemysłu drzewnego |
| Value a company/business  Company valuation  Company valuer | Business valuation is the process of determining the economic value of a business or company. |
| Price adjustment clause | A price adjustment clause is often used in transactions if property is transferred between non-arm's length taxpayers and the intention of the parties is for the transaction to occur at fair market value. |
| At arm’s length | If two parties deal, contract, work at arm’s length, they do so at market prices, without any preferential treatment or terms.  Polish??? |
| Allocate a sum to capital reserves | Assign a sum to reserves so as to increase the reserves, e.g. to cover a potential risk |
| Compulsory liquidation vs voluntary liquidation | Compulsory liquidation also referred to as "winding up" is a procedure whereby the assets of an indebted company are realised and distributed to the company's creditors to satisfy their claims. Such liquidation leads to the dissolution of the company i.e. the company is dissolved. |
| Service your debt | Pay one’s debts on time and regularly.  Polish??? |
| File for administration/an administrative order | File means to apply for, to ask or demand. An administrative order is an order by a court appointing an administrator to manage a company that is in financial difficulty, in an attempt to ensure the survival of the company or achieve the best realization of its assets |
| To petition the court for winding-up  A petition | When a company is wound up (wind, wound, wound) it is liquidated, and a petition is a written application.  Here, the phrase means to apply in writing with a request that the court liquidates a company because of its apparent insolvency. |
| Liquidator | A court-appointed official who oversees the liquidation of a bankrupt, i.e. realizes the assets of the company to satisfy creditors/creditors’ claims. |
| Default on payment of a debt  To default on loan repayment | Default is the failure to pay interest or principal on a loan or security when due. Default occurs when a debtor is unable to meet the legal obligation of debt repayment.  Verb - fail to pay on time, |
| Secured creditor  Unsecured creditor  Preferential creditor | A secured creditor is one whose receivables are protected =secured by some assets such as money or tangible assets. Such a creditor can count on the receivables to be paid in full or at least partly and is therefore in a better position than an unsecured creditor whose claims will be satisfied only if the bankruptcy estate is sufficient.  Preferential creditors will enjoy priority in satisfaction of their claims, i.e. will be paid off before those who rank lower. Thus the State Treasury will always be paid before e.g. a supplier, or subcontractor, workers before lenders etc. The order of satisfaction of claims is codified. |
| Offload goods, items (for a certain price) | If a shop offloads goods, it gets rid of them, sells them off, usually at a much lower price.  Polish???  Pozbyć się zbędnego, nie w pełni wartościowego towaru. |
| Sell goods at a knock-down price | Sell them at a very, very low price |
| Take a hit | If a company, product, shares etc. take a hit, they suffer financially  Polish???  oberwać |
| Debt restructuring  Debt restructuring plan | a method used by companies with outstanding debt obligations to change the terms of the debt agreements, such as the time for repayment, or a cancellation of a portion of the debts etc. Also known as a work-out.  Note~~: restructurisation~~ |
| Voluntary redundancy | A scheme where some company employees decide to leave their company which is in need of restructuring in return for benefits package, e.g. a severance package etc.  Polish???  Dobrowolne odejścia pracowników |
| The business will be intact | It will remain complete and in its original state. It will not be damaged.  Polish???  Nietkniety, nienaruszony |
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| Contracts can represent/imply risk for the parties |  |
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| Intangible assets types:  Trade marks  Patents  Brand names |  |
| Passing off | he illegal act of selling a product that is similar to one that another company has legally protected by a trademark.  Polish ??? |
| Warranty vs guarantee  Warranty period |  |
| Defective goods |  |
| A company’s pension scheme/plan  Pension fund |  |
| Machines and equipment wear out  Wear and tear |  |
| Depreciation vs amortisation  Most common types of depreciation:  1. straight-line depreciation  2. accelerated depreciation |  |
| Capital investment |  |
| Comply with rules and regulations  Compliance |  |
| Corporate code  Code of conduct  Code of ethics  Code of (good) practice |  |
| Supermarket discounter | e.g. Lidl. Biedronka in Poland |
| Publcity  Bad publicity  Damaging publicity |  |
| A higher instance court may overrule the verdict/sentence of a lower-instance court | To overrule is to repeal a verdict or change it |
| Health and safety  Health and safety regulations | Polish???  BHP |
| Job security vs on-the job safety |  |
| Double glazing  Double glazed windows  Glazer | Glazing refers to the glass panes in windows. Double-glazed windows have two window panes, now typically sealed into a double pane panel. Glass panes are fitted into windows by glazers. |