

	<b>Corvinus Language Examination Centre</b> <b>English for Economics</b> <b>Language competence test</b> <b>Advanced level (C1)</b>	<b>30:3=10p/____</b>
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**Write all your answers on the enclosed ANSWER SHEET.**

**The use of a dictionary is not allowed.**

**You have 30 minutes for this test.**

**I. Choose the best word to fill each gap in the sentences below.**

**(15x1) 15 p**

0	After I had worked very hard my ... was significantly increased by my boss.			
	A) profit	B) salary	C) interest	D) subsidy
1.	The Profit and Loss ... is an important document used in preparing financial statements.			
	A) Sheet	B) Account	C) Report	D) Position
2.	Counterfeiters ignore patents, which protect intellectual ...			
	A) belongings	B) property	C) copyright	D) possession
3.	Due to the floods there has been a ... of grain products on the market.			
	A) range	B) raise	C) short	D) scarcity
4.	Companies that sell worldwide have benefited from economies ...			
	A) of scale	B) on scale	C) on sale	D) of sale
5.	The Italian partner invited us for a ... meeting to discuss the timetable of the project.			
	A) start-off	B) kick-off	C) start-up	D) take-off
6.	Within revenue from alcoholic drinks, ... duty from spirits is gradually declining.			
	A) excise	B) direct	C) surcharge	D) VAT
7.	Celebrities often ... campaigns to raise public awareness.			
	A) endorse	B) participate	C) enter	D) advertise
8.	The ads will be placed on ... along the major highways leading into the city.			
	A) commercials	B) billboards	C) placements	D) exhibitions
9.	Most manufacturers in labour ... industries have moved their operations to China			
	A) demanding	B) requiring	C) expensive	D) intensive
10.	... accounting can be done if you want to hide the debts of a company.			
	A) lucrative	B) double	C) creative	D) transparent
11.	What can we do to improve ... in this department?			
	A) morale	B) mortality	C) moral	D) temperament
12.	Hungary would like to be a net ... of the EU budget, rather than a net contributor to it.			
	A) receiver	B) receptor	C) benefit	D) beneficiary
13.	Performance ... helps the management to reward the staff properly.			
	A) appraisal	B) control	C) setting	D) planning
14.	The ... costs of a new company are well beyond your financial possibilities.			
	A) start-up	B) upstart	C) installation	D) transaction
15.	I'm afraid it is impossible to introduce a new model now; the market is totally ...			
	A) penetrated	B) saturated	C) mature	D) captive

**II. Finish each sentence in such a way that it means exactly the same as 10x1) 10 p the sentence before it.**

0.	<i>It's been ages since we last had an order from CWP. We ...haven't had any orders from CWP for ages.</i>
1.	OTP will examine whether it's possible to buy out Romanian banks. OTP will examine the ...
2.	'You should take some time off work,' she advised. She suggested ...
3.	Shares entitle the shareholder to participate in the ownership of a company. As a shareholder you are ...
4.	Sorting out waste prepares material for recycling. If we ...
5.	They said we had not met the deadline. They accused ...
6.	If you want to join the eurozone, you should reduce your budget deficit substantially. Without ...
7.	Everybody thinks that the government demanded his resignation. The government ...
8.	Excessive consumption can have a bad effect on the economy. The economy can be ...
9.	Steady economic growth can be sustained in the region. Steady economic growth is ...
10	The director didn't like the idea that his employees would be given a bonus. The director objected ...

**III. Complete the sentences using an appropriate form of the word given. (5x1) 5p**

0.	<i>All ...managers... of the firm agreed that the campaign should start. (MANAGE)</i>
1.	All our ... expenses were paid for by the company. (ADD)
2.	I was astonished when I saw that I had \$200 in ... fees in one day. (OVERDRAW)
3.	If the company is ... sound, we might consider taking it over. (FINANCE)
4.	All the ...of the recent study supported the CEO's theory. (FIND)
5.	Most probably the CFO's ... will be his deputy, Mr. Cash. (SUCCEED)



AG3T

CORVINUS LANGUAGE EXAMINATION CENTRE  
ENGLISH FOR ECONOMICS  
LANGUAGE COMPETENCE TEST  
LEVEL C1

**ANSWER SHEET**

IDE RAGASSZA FEL A  
VONALKÓDOT!

I. Choose the best word to fill each gap in the sentences below.

(15x1) 15 p

Place a  in the appropriate box. Never mark more than one box.

	A	B	C	D		A	B	C	D		A	B	C	D
1.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

II. Finish each sentence in such a way that it means exactly the same as the sentence before it.

(10x1) 10 p

- .....
- .....
- .....
- .....
- .....
- .....
- .....
- .....
- .....
- .....

DO NOT  
WRITE HERE

<input type="checkbox"/>	<input type="checkbox"/>	1.
<input type="checkbox"/>	<input type="checkbox"/>	2.
<input type="checkbox"/>	<input type="checkbox"/>	3.
<input type="checkbox"/>	<input type="checkbox"/>	4.
<input type="checkbox"/>	<input type="checkbox"/>	5.
<input type="checkbox"/>	<input type="checkbox"/>	6.
<input type="checkbox"/>	<input type="checkbox"/>	7.
<input type="checkbox"/>	<input type="checkbox"/>	8.
<input type="checkbox"/>	<input type="checkbox"/>	9.
<input type="checkbox"/>	<input type="checkbox"/>	10.

III. Complete the sentences using an appropriate form of the word given.

(5x1) 5 p

- .....
- .....
- .....
- .....
- .....

<input type="checkbox"/>	<input type="checkbox"/>	1.
<input type="checkbox"/>	<input type="checkbox"/>	2.
<input type="checkbox"/>	<input type="checkbox"/>	3.
<input type="checkbox"/>	<input type="checkbox"/>	4.
<input type="checkbox"/>	<input type="checkbox"/>	5.

1. értékelő

2. értékelő



**ANSWER KEY**

**I. Choose the best word to fill each gap in the sentences below and write in letter A / B / C or D. (15x1) 15 p**

1. B	2. B	3. D	4. A	5. B	6. A	7. A	8. B	9. D	10.C	11.A	12.D	13.A	14.A	15.B
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**II. Finish each sentence in such a way that it means exactly the same as the sentence before it. (10x1) 10 p**

1.	OTP will examine the <i>possibility of buying out Romanian banks.</i>
2.	She suggested <i>(that) I (should) take some time off work.</i>
3.	As a shareholder you are <i>entitled to participate in the ownership of a company</i>
4.	If we <i>sort out (our) waste, we prepare material for recycling.</i> ( <i>OR material is prepared for recycling.</i> )
5.	They accused <i>us of not meeting the deadline.</i>
6.	Without <i>reducing your budget deficit substantially, you cannot join the eurozone.</i>
7.	The government <i>is thought to have demanded his resignation.</i>
8.	The economy <i>can be badly affected by excessive consumption.</i>
9.	Steady economic growth is <i>sustainable in the region.</i>
10.	The director objected <i>to the idea that his employees would be given a bonus.</i>

**III. Complete the sentences using an appropriate form of the word given. (5x1) 5 p**

1.	additional
2.	overdraft
3.	financially
4.	findings
5.	successor



**You have 150 minutes for the two writing tasks AND the reading comprehension test.  
The use of a printed dictionary is allowed.**

**TASK 1.**

**Formulate your opinion on the following statement in 220-250 words. You may refer to the given text to support your arguments if you wish.**

In Hungary black work is an extremely widespread form of employment, especially in certain branches of industry such as construction, catering, agriculture and also as help in households. According to a study from the Finance Ministry, black work accounts for a stable 22 %. The ratio of men is much higher than that of women, and illegal employment is particularly characteristic of the age group between 25 and 39.

**‘The best way to deal with the black economy in Hungary is to reduce taxation.’**

**TASK 2.**

**Write an e-mail in 140-160 words  
Do NOT use your own name in your writing.**

Your name is Görgyi /György Nagy, the Managing Director of a company called *Milk-Exim*, exporting and importing dairy products, based in London. Since the Chief Financial Officer of your company is about to retire, you will now ask a headhunter firm in England to help you find the best successor. Write an e-mail to the headhunter firm in which you describe:

- the activities and market prospects of your company in the near future;
- the main responsibilities of the job offered as well as the benefits;
- what requirements the successful candidate should meet.

**Please, do NOT use your own name!**





## SAMPLE SOLUTION

### Task 1

As the article mentions, the black or grey economy in Hungary represents a significant problem in terms of loss of earnings for the government and thus the running of the country. One way to tackle this is to reduce taxation so there is more motivation for people to pay taxes and contribute to the economy, but before this would work it is necessary to change people's attitude to the black economy.

Currently Hungarian taxes are some of the highest in the world. This means a very large part of one's salary disappears into state coffers and many people therefore fail to declare most of their earnings. Reducing this high level of taxation would possibly provide an incentive to people to declare more of their earnings but is not the only needed reform to change the current situation.

However, primarily the problem in Hungary is one of attitude. There is a general belief that the state should pay for almost everything, but there also exists the perception that not paying taxes is nothing to be ashamed of and many people spend a considerable amount of time finding and exploiting loopholes in the legal system to evade payment. Furthermore, there are a few examples of well-known people being caught by the tax authorities and then being punished.

The government needs to put in place a more equitable system of taxation but also better explain the need and moral necessity to pay taxes. If people were given explanation how their money benefits everyone by, for example paying for improved health care, then a gradual change in attitude towards contributing may take place.

### Task 2

Dear Madam / Sir,

As the Managing Director of *Milk-Exim*, I would like to commission ReCrewMental, your headhunter firm, to find the successor of our CFO, who is about to retire.

*Milk-Exim* is a dynamically growing British limited company concentrating on importing dairy products from French farmers. We target a health-conscious public with our mostly organic upscale products. We are also hoping to reach markets abroad with similar products from the UK.

The CFO would oversee all the financial operations of our company as well as provide analyses regarding past achievements and future prospects. He/she will have a team of about 18 people to oversee and will report directly to the CEO.

The job comes with a competitive salary and attractive perks.

The successful candidate will have a university degree in finance, accounting or a similar field. He/she will have outstanding analytical skills and strong work ethics. Professional experience in a similar position will be considered an advantage but is not a must.

Yours faithfully,  
Györgyi Kiss

	<b>Corvinus Language Examination Centre</b> <b>English for Economics</b> <b>Reading comprehension test</b> <b>Advanced level (C1)</b>	<b>20 p/_____</b>
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**Read the following text carefully and record your answers on the ANSWER SHEET.**

**The use of a printed dictionary is allowed.**

**You have 150 minutes for the reading comprehension test and the writing task.**

**TEXT 1.**

**Peer-to-peer lending**

SAVERS have never had a worse deal but for most borrowers, credit is scarce and costly. That seeming paradox attracts new businesses free of the bad balance sheets, high costs and dreadful reputations which burden most conventional banks.

Foremost among the newcomers are peer-to-peer (P2P) lending platforms, which match borrowers and lenders directly, usually via online auctions. The loans issued often comprise many tiny parts from different lenders. Some P2P platforms slice, dice and package the loans; others allow lenders to pick them. Either way, the result is a strikingly better deal for both sides. Zopa, a British P2P platform, offers 4.9% to lenders (most bank accounts pay nothing) and typically charges 5.6% on a personal loan (which is competitive with the rates most banks charge).

Peer-to-peer lending is growing fast in many countries. In Britain, loan volumes are doubling every six months. They have just passed the £1 billion mark (\$1.7 billion), though this is tiny against the country's £1.2 trillion in retail deposits.

Neil Bindoff of PwC, a professional-services firm, speaks of a “perfect storm” supporting P2P’s growth. Interest rates are close to zero, the public is fed up with banks, costs are low and e-commerce is becoming part of daily life. People use the internet for peer-to-peer telephony (Skype) and shopping (eBay), so why not loans?

But there is a big worry: that an ill-run platform might collapse, taking investors’ money with it. At a conference organised by the P2P Finance Association, a trade body, this week, executives were worried about the risks of a “Bitcoin-style bust” that could rattle confidence in the nascent industry. New rules are likely to insist that P2P businesses ringfence unlent funds gathered from savers and arrange for third parties to manage outstanding loans if they cease trading.

Other big questions abound. One is insurance. Funds placed with P2P lenders are not covered by the state-backed guarantees that protect retail deposits in banks. Some platforms offer something of a substitute. Zopa and most other British companies have started “provision funds”, which aim (but do not promise) to make good on loans that sour.

The boom in cross-border P2P raises tricky legal questions. The European Commission has yet to get to grips with the industry. National rules often determine how credit is issued and debts are collected. But they offer little help when the money comes from hundreds of lenders in dozens of countries.

P2P is not complicated: success largely depends on marketing zeal, the quality of the algorithms used to screen borrowers and ease of use. P2P may attract big outsiders, such as banks, or internet companies which already have lots of data about their customers and are good at connecting them.



**WRITE YOUR ANSWERS ON THE ANSWER SHEET.**

**TEXT 1.**

<b>I.</b>	<b>On the basis of the text are the following statements true (T) or false (F)? There is an example (0) for you.</b>	<b>(5x1) 5 p</b>
0.	<i>Those who had large reserves could not put their money to good use.</i>	<i>T</i>
1.	P2P lenders are free from the taint of wrongdoing.	
2.	P2P loans are mediated by traditional banks.	
3.	Lenders might as well sink a lot of money in vain.	
4.	Complete insurance is offered on funds at ZOPA.	
5.	The credit rating of borrowers is not so essential in the specific case of P2P lending.	

<b>II.</b>	<b>Finish the sentences briefly (1-10 words) on the basis of the text. Full sentences are <u>not</u> required. There is an example (0) for you.</b>	<b>(5x1) 5 p</b>
0.	<i>Obtaining credit is ... difficult and expensive.</i>	
1.	P2P loans consist ...	
2.	The margin for ZOPA is ...	
3.	The reasons why P2P lending platforms have cornered the market are... (Write three.)	
4.	In case of bankruptcy, the precautionary measure is ...	
5.	The EC is facing the challenge of ...	

## **TEXT 2.**

### **Business leaders attack UK ‘Google tax’**

Under draft legislation a new “diverted profits tax”, unofficially dubbed the ‘Google tax’, is designed to sidestep Britain’s treaty obligations by introducing a charge that would fall outside the corporate tax system.

It will be levied at a rate of 25 per cent on foreign companies that use “contrived arrangements” to avoid having a taxable presence in the UK and route profits to a tax haven. The charge, aimed at raising £1.4bn over the next five years, would be calculated by disallowing upfront a portion of the payments, typically royalties, made to the haven.

Chris Morgan, head of tax policy at KPMG, professional services group, said he expected the measure to be successful in changing behaviour, even though the new tax was “very vulnerable” to challenge under EU laws that guarantee freedom of movement. However companies were unlikely to risk damaging their reputations by mounting a lengthy legal challenge, he said.

The move was criticised by advisers and businesses for its aggression, complexity and subjectivity. John Cridland, director-general of the CBI, said the international tax rules urgently needed updating but he criticised the government for bypassing the international overhaul of tax rules by the Paris-based OECD. “The legislation will be complex to apply, and if other countries follow suit businesses will have a patchwork of unco-ordinated unilateral rules to navigate, which risks undermining the whole OECD approach.”

Multinationals will be required to notify Revenue & Customs if they think they are liable to the tax. They will be issued by R&C with a notice, which they would be expected to pay “without delay”, after an initial review period.

The Treasury has cited the “double Irish” as an example of the arrangements it is targeting. Put simply, the double Irish strategy got its name by allowing corporations with operations in Ireland to make royalty payments for intellectual property to a separate Irish-registered subsidiary. That subsidiary, which is incorporated in Ireland, is typically physically located in a country like Bermuda, which has no corporate income tax. The result ends up being a 0% tax on revenue derived from intellectual property for Irish-registered, but not necessarily Irish-located, firms. The structure is commonly used by US technology companies to drive down their foreign tax rates, although the US will tax the profits when they are ultimately repatriated. Many internet companies also pay little tax in Britain because they put their main profit-generating activities in lower tax countries such as Ireland and ascribe little value to their UK sales and marketing operations.

Australia has signalled it may follow the UK in implementing a “diverted profits” levy on multinationals.

**TEXT 2.**

<b>I.</b>	<b>Answer the questions briefly (1- 10 words.) on the basis of the text. Full sentences are <u>not</u> required. There is an example (0) for you.</b>	<b>(10x1) 10 p</b>
0.	<i>What is the nickname of the diverted profits tax? ‘Google tax’</i>	
1.	Which companies are liable to pay the diverted profits tax?	
2.	Why might the EU challenge the new law?	
3.	Will companies go to court? Why / why not?	
4.	What did advisers and businesses object to in the new law?	
5-6.	What might happen to the tax overhaul initiated by the OECD? ..... Why might it happen?	
7.	In case of the Google tax, what obligation does the tax authority have?	
8.	To whom is the royalty paid in the “double Irish” construction?	
9.	What happens to the profit if it’s transferred to the US?	
10.	Where do many internet companies ACTUALLY pursue their activity?	



AG3R

CORVINUS LANGUAGE EXAMINATION CENTRE  
ENGLISH FOR ECONOMICS  
READING COMPREHENSION TEST  
LEVEL C1

IDE RAGASSZA FEL A  
VONALKÓDOT!

ANSWER SHEET

TEXT 1

T F

I. On the basis of the text are the following statements true (T) or false(F)? Place a  in the appropriate box. Never mark more than one box.

- 1.  T  F
- 2.  T  F
- 3.  T  F
- 4.  T  F
- 5.  T  F

(5x1) 5 p

II. Finish the sentences briefly on the basis of the text. Full sentences are not required.

(5x1) 5 p

DO NOT  
WRITE HERE

- 1. ....
- 2. ....
- 3. ....
- 4. ....
- 5. ....

- 1.
- 2.
- 3.
- 4.
- 5.

TEXT 2

Answer the questions briefly on the basis of the text. Full sentences are not required.

(10x1) 10 p

- 1. ....
- 2. ....
- 3. ....
- 4. ....
- 5. ....
- 6. ....
- 7. ....
- 8. ....
- 9. ....
- 10. ....

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.



**ANSWER KEY**

**TEXT 1.**

**I. On the basis of the text are the following statements true (T) or false (F)? Circle the correct answer. (5x1) 5 p**

1.	<b>T</b>	F
2.	T	<b>F</b>
3.	<b>T</b>	F
4.	T	<b>F</b>
5.	T	<b>F</b>

<b>II.</b>	<b>Finish the sentences briefly (1-10 words) on the basis of the text. Full sentences are <u>not</u> required.</b>	<b>(5x1) 5 p</b>
1.	of several different pieces / parts	
2.	0.7%	
3.	People are <b>fed up with banks</b> / it's <b>cheaper</b> / people like <b>e-commerce</b>	
4.	to ringfence / separate unlent funds / to have provision funds	
5.	regulating this new market / service / legalizing this activity	

**TEXT 2.**

<b>I.</b>	<b>On the basis of the text answer the questions briefly (1-10 words). Full sentences are <u>not</u> required.</b>	<b>(10x1) 10 p</b>
1.	multinational / foreign companies that cheat taxes / avoid having a taxable presence in the UK / companies that route profits to a tax haven	
2.	because it thinks it's <b>against</b> / <b>not in line with freedom of movement</b>	
3.	probably <b>not, because they don't want to risk their reputation.</b> / <b>don't want a lengthy legal challenge</b>	
4.	that it's aggressive, complex and subjective	
5.	it might fail / it could be by-passed	
6.	countries and businesses will have <b>very different</b> / <b>uncoordinated and unilateral taxation rules</b>	
7.	<b>it must issue a notice to companies</b> (that are liable to the tax)	
8.	to a separate Irish-registered subsidiary / to a subsidiary which is physically located in Bermuda.	
9.	it's taxed	
10.	in the UK	