Listening Task 1: Listen and choose the best answer A, B, C or D to each of the following questions.

1. Why is understanding business finance essential for company owners?

A) It helps them make effective financial decisions and manage risks.

B) It guarantees that the business will never experience financial loss.

C) It eliminates the need for external funding sources.

D) It allows businesses to avoid paying taxes.

2. What is the key difference between debt financing and equity financing?

A) Debt financing requires selling company shares, while equity financing involves taking loans.
B) Debt financing involves borrowing money with repayment, while equity financing sells ownership shares.

C) Debt financing is risk-free, while equity financing carries financial risk.

D) Debt financing is only available to large businesses, while equity financing is for small businesses

3. How does financial knowledge help businesses plan for the future?

A) It allows companies to accurately predict economic changes.

B) It enables business owners to make smart resource allocation decisions.

C) It ensures a company will never experience cash shortages.

D) It eliminates the need for financial reports.

4. Which of the following is NOT a method of financing a business?

A) Bank loans

B) Selling shares

C) Personal savings

D) Avoiding expenses

5. How can financial management help businesses handle risks?

A) By allowing business owners to completely avoid financial challenges.

B) By helping businesses make informed decisions to minimize financial losses.

C) By ensuring businesses never need external funding.

D) By increasing the company's profits instantly.

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Listening Task 2: Listen and complete the conversation with ONE missing word/ number in each gap.

Business finance: a comprehensive beginners' guide

Business finance may seem like a daunting and complicated topic, but learning the basics is essential for any business owner, big or small. This guide will provide an introduction to business finance and explain why it's important for business owners to understand the concepts behind it. Business finance is the process of raising money to fund a company's operations and growth. This can be done through (1) ……, (2)……, or other means. Debt financing is when a company takes out loans from (3) ……, such as banks or other financial institutions. The borrowed funds must be repaid with interest. Equity financing is when a company raises money by selling shares of (4) …… in the company. This can be done through private investors or public offerings on stock (5) …… Other means of financing include (6) …… capital, grants, and personal savings. Understanding finance in business is important because it allows business owners to make informed decisions about how to use and grow their company's resources. It also helps them manage risk and make financial projections for the future.

Finance is incredibly important for businesses because it provides the funds necessary to operate and grow. Without (7) …… financing, a business would be unable to pay its employees, purchase (8)……, or invest in new products or markets. Finance is also important for businesses because it helps them manage risks. By understanding financial concepts and tools, business owners can make informed decisions about how to protect their company from financial risks, such as (9)…… on loans or running out of cash. Finally, finance is important for businesses because it helps them make financial projections for the future. By understanding financial concepts and tools, business owners can make educated decisions about where to (10) …… their company's resources in order to achieve its financial goals and thrive.

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