

*Translate the article into Russian and answer the questions:*

## **BEHIND BIG BUSINESS**

### **Limited companies**

Most large firms are limited companies (or corporations in the USA). They are called “limited” because people can invest in the company without having unlimited responsibility for its debts. If the company goes bankrupt, they would only lose the money they invested in the company. Limited companies are managed by a board of directors, which is responsible for making major business decisions. The capital which is invested in the company is divided into shares of equal value. The value of the shares rises or fall depending on the success of the firm. The profits are distributed to the shareholders.

### **Private limited companies (ltd)**

These are owned by at least two shareholders, usually the people who set up the business, their business associates, and employees – shares are not advertised publicly for sale.

### **Public limited companies (plc)**

These have shares which can be bought and sold by the public through firms that deal with stock market. To become a plc a company must have a minimum of 50,000 invested in shares. However, most plc are worth much more than this. If the company is large enough it will be listed on the stock exchange. A private shareholder has very little influence, but most shares are owned by big investors such as banks who are involved in how the company is run. They decide who should be on the board, and if a company is doing badly they can force directors to resign. The two most important jobs are the chairperson, who represents the firm to the outside world, and the chief executive officer (CEO), who is responsible for running the company.

### **Multinationals**

Multinationals are massive groups of companies which operate in many countries. There are over 60,000 in the world and they are responsible for about one third of world production; their turnover can be larger than the income of small countries. They have global access to capital, and can avoid duties by choosing where to manufacture. The parent company keeps control over its global operations through its foreign subsidiaries (firms which produce or market its products). Multinationals are very powerful and can influence economic policies.

1. What does “limited” refer to in relation to companies?
2. Who manages a limited company?

3. What happens to shares when a company is doing well or badly?
4. What is a private limited company?
5. What should a company have to be at the top?
6. How can multinationals avoid duties?