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Fourth edition
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Dictionary of Accounting

Fourth edition

S.M.H. Collin

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Preface

This dictionary provides a basic vocabulary of terms used in accounting, from personal finance and investments to company accounts, balance sheets and stock valuations. It is ideal for students of accounting and for anyone who needs to check the meaning of an accountancy term, from people working in businesses who may not be professional accountants to translators or those for whom English is an additional language.

Each headword is explained in clear, straightforward English and examples are given to show how the word may be used in context. There are also quotations from newspapers and specialist magazines. Sample documents and financial statements are also provided.

Thanks are due to Hannah Gray and Sarah Williams for their invaluable help and advice during the production of this new edition.
**Pronunciation**

The following symbols have been used to show the pronunciation of the main words in the dictionary.

Stress has been indicated by a main stress mark (') and a secondary stress mark ('). Note that these are only guides, as the stress of the word changes according to its position in the sentence.

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AAA abbreviation American Accounting Association
AAPA abbreviation Association of Authorised Public Accountants
AARF abbreviation Australian Accounting Research Foundation
AAT abbreviation Association of Accounting Technicians
abacus /əˈbækəs/ noun a counting device consisting of parallel rods strung with beads, still widely used for business and accounting in China and Japan
abandonment /əˈbændənmənt/ noun an act of giving up voluntarily something that you own, such as an option or the right to a property: abandonment of a claim giving up a claim in a civil action
abatement /əˈbetmənt/ noun a reduction in the volume of process loss below that set by the normal loss allowance. Abnormal gains are generally costed as though they were completed products.
abnormal spoilage /əb,ˈnɔzm(ə)l ˈspoʊidʒ/ noun spoilage that contributes to an abnormal loss
above par /ə,baːv ˈpɑːr/ adjective referring to a share with a market price higher than its face value
above-the-line /ə,baːv ˈlaɪn/ adjective, adverb 1, used to describe entries in a company’s profit and loss accounts that appear above the line which separates entries showing the origin of the funds that have contributed to the profit or loss from those that relate to its distribution. Exceptional and extraordinary items appear above the line. ○ Exceptional items are noted above the line in company accounts; ○ below-the-line 2, relating to revenue items in a government budget
abridged accounts /ə,briːdʒd ˈkaʊnts/ plural noun an overhead attached to a product that includes both the direct costs of production and the indirect overhead costs as well 2, an accounting practice in which fixed and variable costs of production are absorbed by different cost centres. Providing all the products or services can be sold at

A
absorption rate

a price that covers the allocated costs, this means that the fixed and variable costs are recovered in full. "marginal costing"

absorption rate /ˈæbərˈzərpʃən, ˈɛrt/ noun a rate at which overhead costs are absorbed into each unit of production

abstract /ˈæbstrækt/ noun a short form of a report or document ☚ to make an abstract of the company accounts

abusive tax shelter /əˈbjuːsiv, ˈteks/ noun a tax shelter used illegally in order to avoid or reduce tax payments

Academy of Accounting Historians /əˌkædəmi əˈkɔntəntɪŋ ˈhaɪstəriənz/ noun a US organisation, founded in 1973, that promotes the study of the history of accounting

ACCA abbreviation Association of Chartered Accountants in the United States

accelerate /əˈkrɛlərɛt/ verb to reduce the amount of time before a maturity date

accelerated cost recovery system /əˌkrɛlərətɪd ˈkɔst rɪˈkərvi ˈsɪستəm/ noun a system used in the United States for calculating depreciation in a way that reduces tax liability

accelerated depreciation /əˌkrɛlərətɪd ˌdɪprɪˈʃən/ noun a system of depreciation which reduces the value of assets at a high rate in the early years to encourage companies, as a result of tax advantages, to invest in new equipment

acceleration /əˌkrɛləˈreɪʃən/ noun the speeding up of debt repayment

acceleration clause /əˌkrɛləˈreɪʃən kloʊs/ noun US a clause in a contract that provides for immediate payment of the total balance if there is a breach of contract

acceptance /əˈkɛmpθəns/ noun 1. the act of signing a bill of exchange to show that you agree to pay it ☚ to present a bill for acceptance to present a bill for payment by the person who has accepted it 2. a bill which has been accepted 3. the act of accepting an offer of new shares for which you have applied

acceptance credit /əˈkɛmpθəns ˈkredɪt/ noun an arrangement of credit from a bank, where the bank accepts bills of exchange drawn on the bank by the debtor: the bank then discounts the bills and is responsible for paying them when they mature. The debtor owes the bank for the bills but these are covered by letters of credit.
something, e.g. the accountability of directors to the shareholders.

**accountable** /əˈkaʊntəb(ə)l/ adjective referring to a person who has to explain what has taken place or who is responsible for something. (NOTE: You are accountable to someone for something.)

**account analysis** /ˌaʊkənt əˈnæləsis/ noun analysis of a company’s accounts with the aim of discerning how its activities affect its costs.

**accountancy** /əˈkaʊntənsi/ noun the work of an accountant. They are studying accountancy or They are accountancy students.

**accountancy bodies** /əˈkaʊntənsi,ˈbɒdɪz/ plural noun professional institutions and associations for accountants.

**accountancy profession** /əˈkaʊntənsi prəˈʃən/ noun the professional bodies that establish entry standards, organise professional examinations, and draw up ethical and technical guidelines for accountants.

**accountant** /əˈkaʊntənt/ noun 1. a person who keeps a company’s accounts or who is responsible for looking after particular clients and handling their business with the organisation.

**account form** /əˈkaʊnt fɔːm/ noun a balance sheet laid out in horizontal form. It is the opposite of ‘report’ or ‘vertical’ form.

**accounting** /əˈkaʊntɪŋ/ noun 1. the work of recording money paid, received, borrowed, or owed. 2. accounting methods, accounting procedures or an accounting machine. 2. accountancy, the work of an accountant as a course of study.

‘…applicants will be professionally qualified and have a degree in Commerce or Accounting’ [Australian Financial Review]

**Accounting and Finance Association of Australia and New Zealand** /əˈkaʊntɪŋ ən ˈfærmaʊənz,əˈkoʊnsəˌʃən/ noun an organisation for accounting and finance academics, researchers and professionals working in Australia and New Zealand. Abbreviation AFAANZ.

**accounting bases** /əˈkaʊntɪŋ ˈbeɪsɪz/ plural noun the possible ways in which accounting concepts may be applied to financial transactions, e.g. the methods used to depreciate assets, how intangible assets or work in progress are dealt with.

**accounting change** /əˈkaʊntɪŋ ˈʃeɪndʒ/ noun any of various changes that affect a set of accounts, e.g. a change in the method of calculating the depreciation of assets or a change in the size, structure or nature of the company.

**accounting concept** /əˈkaʊntɪŋ ˈkɒnsept/ noun a general assumption on which accounts are prepared. The main concepts are: that the business is a going concern, that revenue and costs are noted when they are incurred and not when cash is received or paid, that the present accounts are drawn up following the same principles as the previous accounts, that the revenue or...
accounting control 4

costs are only recorded if it is certain that they will be incurred.

accounting control /ˈkaʊntɪŋ ˈkən-
ˌtrəʊl/ noun procedures designed to ensure that source data for accounts are accurate and proper, in order to prevent fraud.

accounting conventions /ˈkaʊntɪŋ kən-
ˌvenʃənz/ plural noun the fundamental assumptions that govern the practice of accounting, e.g., consistency and prudence.

conceptual framework

accounting cycle /ˈkaʊntɪŋ ˈsɜːk(ə)l/ noun the regular process of recording, analysing and reporting a company’s transactions for a given period.

accounting date /ˈkaʊntɪŋ ˈdeɪt/ noun the date on which an accounting period ends, usually 31st December for annual accounts but it can in fact be any date.

Accounting Directives /ˈkaʊntɪŋ dɪˈrektrɪz/ plural noun a set of EU directives issued with the aim of regulating accounting procedures in member states.

accounting entity /ˈkaʊntɪŋ ˈentəti/ noun the unit for which financial statements and accounting records are prepared, e.g., a limited company or a partnership.

reporting entity

accounting equation /ˈkaʊntɪŋ ɪˈkwɛr(ə)ʃən/ noun the basic formula that underpins double-entry bookkeeping. It can be expressed most simply as ‘assets + expenses = liabilities + capital + revenue’ where the debit amounts to the left of the equals sign must be equivalent to the credit amounts to the right. Also called balance sheet equation.

accounting error /ˈkaʊntɪŋ ɪˈrər/ noun any accounting inaccuracy or misrepresentation that is the result of error, not intentional fraud.

accounting event /ˈkaʊntɪŋ ɪˈvent/ noun a transaction recorded in a business’s books of account.

accounting fees /ˈkaʊntɪŋ ˈfɪzɪ/ plural noun fees paid to an accountant for preparing accounts, which are deductible against tax.

accounting information system /ˈkaʊntɪŋ ɪnˈfərəmʃən ˈsɪstəm/ noun a system, usually computer-based, that processes information on a company’s transactions for accounting purposes.

accounting manual /ˈkaʊntɪŋ ˈmænjuəl/ noun a handbook or set of instructions that set out all procedures and responsibilities of those engaged in an entity’s accounting systems.

accounting period /ˈkaʊntɪŋ ˈpərɪəd/ noun a period of time at the end of which the firm’s accounts are made up.

accounting policies /ˈkaʊntɪŋ ˈprəlɪsiz/ plural noun the accounting bases used by a company when preparing its financial statements.

accounting practice /ˈkaʊntɪŋ ˈprəktɪs/ noun the way in which accountants and auditors implement accounting policies.

accounting principles /ˈkaʊntɪŋ ˈprɪŋspəlz/ plural noun standards of accuracy and probity that apply to those carrying out accounting procedures.

Accounting Principles Board /ˈkaʊntɪŋ ˈprɪŋspəl ˈbɔrd/ noun the US body which issued Opinions that formed much of US Generally Accepted Accounting Principles up to 1973 when the Financial Accounting Standards Board (FASB) took over that role. Abbreviation APB.

accounting procedure /ˈkaʊntɪŋ pro-
ˌsɪdər/ noun an accounting method developed by an individual or organisation to deal with routine accounting tasks.

accounting profits /ˈkaʊntɪŋ ˈprɒfɪts/ plural noun the difference between revenue and the costs of production.

accounting rate of return /ˈkaʊntɪŋ ˈreɪt əv ˈrɪtəm ˈprərɪŋ/ a method of valuing shares in a company where the company’s estimated future profits are divided by the rate of return required by investors. Abbreviation ARR.

accounting records /ˈkaʊntɪŋ ˈrekərds/ plural noun all documents in which accounting information is recorded, used during the preparation of financial statements.

accounting reference date /ˈkaʊntɪŋ ˈrɛfərəns ˈdeɪt/ noun the last day of a company’s accounting reference period.

Abbreviation ARD.

accounting reference period /ˈkaʊntɪŋ ˈrɛfərəns ˈpərɪəd/ noun 1. the period for which a company makes up its accounts. In most, but not all, cases, the period is 12 months. 2. the period for which corporation tax is calculated.

accounting software /ˈkaʊntɪŋ ˈsɔftwɛə/ noun computer programs used to enter and process accounts information.

accounting standard /ˈkaʊntɪŋ ˈstændəd/ noun an authoritative statement of how particular types of transaction and other events should be reflected in financial statements. Compliance with accounting standards is mandatory under the accounting conventions that apply in most countries.
5 accumulated profit

accrual /'akrʊəl/ noun a gradual increase by addition
accruals /'akrʊəlz/ plural noun same as accrued liabilities
accruals basis /'akrʊəls 'beisɪs/, accrued concept /'akrʊz ,'kɒnsɛpt/ noun a method of preparing accounts in which revenues and costs are both reported during the period to which they refer and not during the period when payments are received or made
accrue /'akrʊ/ verb 1. to record a financial transaction in accounts when it takes place, and not when payment is made or received 2. to increase and be due for payment at a later date  

accumulated dividend /'ækəmjuˌlɛd/ noun a dividend earned since the last dividend was paid
accumulated expense /'ækəluːd ɪksˈpens/ noun an expense that has been incurred within a given accounting period but not yet paid
accumulated income /'ækəluːd ɪnkəm/ noun revenue entered in accounts, although payment has not yet been received
accumulated interest /'ækəluːd ɪn'tɜːst/ noun interest which has been earned by an interest-bearing investment  

accumulated liabilities /'ækəluːd ˈlaɪəbləz/ plural noun liabilities which are recorded in an accounting period, although payment has not yet been made. This refers to liabilities such as rent, electricity, etc. Also called accruals
accumulated revenue /'ækəluːd ˈrɛvənu/ noun the total amount by which an asset has been depreciated since it was purchased
accumulated tax /'ækəluːd ˈtæks/ noun US a tax on earnings above a specified limit which are unjustifiably retained in a business to avoid paying higher personal income tax
accumulated profit /'ækəluːd ˈprəʊfɪt/ noun a profit which is not paid as

accounting standards issuing body whose functions were taken over by the ASB in 1990. Abbreviation ASC

Accounting Standards Committee /'əˈkɑntsˌstændəd kəˌmɛnt/ noun a committee set up by British accounting institutions to monitor methods used in accounting. Abbreviation ASC

accounting system /'əˈkɑntsˌsɪstəm/ noun the means used by an organisation to produce its accounting information

accounting technician /'əˌkɑntsˌtɛk əˈnɪnt/ noun a person who assists in the preparation of accounts but who is not a fully qualified accountant

accounting unit /'əˌkɑntsˌjʊnɪnt/ noun any unit which takes part in financial transactions which are recorded in a set of accounts. It can be a department, a sole trader, a Plc or some other unit.

account payee /'əˌkɑont ˈpeɪz/ noun the words printed on most UK cheques indicating that the cheque can only be paid into the account of the person or business to whom the cheque is written, or be cashed for a fee at an agency offering a cheque cashing service

accounts /'əˌkɑonts/ plural noun detailed records of a company’s financial affairs

accounts department /'əˌkɑonts 'deimənt/ noun a department in a company which deals with money paid, received, borrowed, or owed

accounts manager /'əˌkɑontsˌmeɪnədʒər/ noun the manager of an accounts department

accounts payable /'əˌkɑontsˌpeɪˈveɪəbl/ plural noun money owed by a company

accounts receivable /'əˌkɑonts ˌrɪˌsɪvəbəl/ plural noun money owed to a company. Abbreviation AR

accounts receivable turnover /'əˌkɑonts ˌrɪˌsɪvəbəlˈtɜrnəvə/ noun a statistic showing on average how long customers take to pay money they owe for goods or services received

accrue /ˈækru/ verb 1. (of a fund) to have interest added to it 2. (of assets) to grow as a result of mergers, expansion or the acquisition of other interests
accumulated reserves 6

activity-based budgeting /ak,tvrti
activity-based costing /ak,tvrti
activity-based management /ak,tvrti
active /’æk,tiv/ adjective involving many transactions or activities ○ an active demand for oil shares ○ an active day on the Stock Exchange ○ Computer shares are very active
active account /’æk,tiv ə’kau nt/ noun an account, such as a bank account or investment account, which is used to deposit and withdraw money frequently
active partner /’æk,tiv ˈpɑrtnər/ noun a partner who works in a company that is a partnership
active /’æk,tiv/ adjective something which is done, especially something which is involved in creating a product or a service ○ preliminary indications of the level of business investment and activity during the March quarter will provide a good picture of economic activity in the year [Australian Financial Review]

actual cost /’æk,tʃuəl ˈkɒst/ noun the total cost of producing or buying an item, which
may include, e.g., its price plus the cost of delivery or storage.

**actual price** /ˈækʃəl prɪs/ noun a price for a commodity which is for immediate delivery.

**actuals** /ˈækʃəlz/ plural noun real figures. These figures are the actuals for last year.

**actuarial** /ˈækʃuərɪəl/ adjective calculated by an actuary. The premiums are worked out according to actuarial calculations.

**actuarial tables** /ˈækʃuərɪəl ˈtelənz/ plural noun lists showing how long people are likely to live, used to calculate life assurance premiums and annuities.

**actuary** /ˈækʃʊəri/ noun a person employed by an insurance company or other organisation to calculate the risk involved in an insurance, and therefore the premiums payable by people taking out insurance.

**add** /æd/ verb to put figures together to make a total. If you add the interest to the capital you will get quite a large sum.

**add** /æd/ verb to put several figures together to make a total. He made a mistake in adding up the column of figures.

**add up** /æd ʌp/ phrasal verb to put several figures together to make a total. The total expenditure adds up to more than £1,000.

**additional** /əˈdɪʃənl/ adjective extra which is added to extra items in an existing insurance policy.

**additional personal allowance** /əˈdɪʃənl prəˈsənəl əˈlaʊns/ noun a tax allowance which can be claimed by a single person who has a child of school age or living with them, formerly called the 'single-parent allowance'.

**additional premium** /əˈdɪʃənl prɪˈmɪsm/ noun a payment made to cover extra items in an existing insurance policy.

**adjust** /əˈdʒʌst/ verb to change something to fit new conditions. Prices are adjusted for inflation.

'Saudi Arabia will no longer adjust its production to match short-term supply with demand' [Economist]

'on a seasonally-adjusted basis, output of trucks, electric power, steel and paper decreased' [Business Week]

**adjustable rate mortgage** /əˈdʒʌstəbl rɛt ˈmɔrtɪɡeɪʃən/ noun a mortgage where the interest rate changes according to the current market rates. Abbreviation ARM.
adjusted gross income

preference shares on which dividends are paid in line with the interest rate on Treasury bills. Abbreviation ARPS

adjusted gross income /ədˈdʒesɪstɪd ɡrəʊs/ ‘inkəm/ noun US a person’s total annual income less expenses, pension contributions, capital losses, etc., used as a basis to calculate federal income tax. Abbreviation AGI

adjuster /əˈdʒestər/ noun a person who calculates losses for an insurance company

adjusting entry /ədˈdʒestɪŋ ˈentri/ noun an entry in accounts which is made to correct a mistake in the accounts

adjustment /əˈdʒestmənt/ noun 1. an entry in accounts which does not represent a receipt or payment, but which is made to make the accounts correct 2. a change in the exchange rates, made to correct a balance of payment deficit

administer /ədˈmɪnɪstər/ verb to organise, manage or direct the whole of an organisation or part of one 1. She administers a large pension fund.

administered price /ədˈmɪnɪstəd prəs/ noun US a price fixed by a manufacturer which cannot be varied by a retailer (NOTE: The UK term is resale price maintenance.)

administration /ədˌmɪnɪstrəʃən/ noun 1. the action of organising, controlling or managing a company 2. an appointment by a court of a person to manage the affairs of a company

administration costs /ədˌmɪnɪstrəˈʃən ˈkɒsts/ plural noun the costs of management, not including production, marketing, or distribution costs

administrative expenses /ədˌmɪnɪstrətɪv ɪkˈspɛnzi/ plural noun same as administration costs

administrative receiver /ədˌmɪnɪstrətɪv riˈsɛvər/ noun a person appointed by a court to administer the affairs of a company

administrative receivership /ədˌmɪnɪstrəˈtɪv rɪˈsɛvrɪʃən/ noun the appointment of an administrative receiver by a deponent holder

administrator /ədˌmɪnɪstrəˈtɔr/ noun 1. a person who directs the work of other employees in a business 2. After several years as a college teacher, she hopes to become an administrator.

ADR abbreviation American Depositary Receipt

ad valorem /əd vəˈləʊrəm/ adjective used to describe a tax or commission, e.g., Value Added Tax, that is calculated on the value of the goods or services provided, rather than on their number or size 1. ad valorem duty 2. ad valorem tax

ad valorem duty /əd vəˈləʊrəm ˈdjuːtɪ/ noun the duty calculated on the sales value of the goods

ad valorem tax /əd vəˈləʊrəm tæks/ noun a tax calculated according to the value of the goods taxed

advance /ədˈvɑːns/ noun money paid as a loan or as a part of a payment to be made later 1. Can I have an advance of $100 against next month’s salary? 2. adjective early, or taking place before something else happens 3. advance payment 4. Advance holiday bookings are up on last year 5. You must give seven days’ advance notice of withdrawals from the account. 6. verb 1. to pay an amount of money to someone as a loan or as a part of a payment to be made later 2. The bank advanced him $100,000 against the security of his house. 3. to make something happen earlier 4. The date of the shipping has been advanced to May 10th.

advance payment guarantee /ədˈvɑːns ˈpɛrmənt ɡərən,tɪ/ noun a guarantee that enables a buyer to recover an advance payment made under a contract or order if the supplier fails to fulfill its contractual obligations

advance payment bond /ədˈvɑːns ˈpɛrmənt ˈbɔnd/ noun a bond which achieves the same result as a cash deposit.

adverse balance /ədˈvɜːrs ˈbeləns/ noun the deficit on an account, especially a nation’s balance of payments account

adverse opinion /ədˈvɜːrs ˈɔpənʃən/ noun US an auditor’s report that a company’s financial statement is not a fair representation of the company’s actual financial position

adverse variance /ədˈvɜːrs ˈvɛərəns/ noun variance which shows that the actual result is worse than expected. Also called unfavourable variance

advise /ədˈvaɪz/ verb a notification telling someone what has happened

adviser /ədˈvaɪzər, ədˈvaɪzə/ noun a person who suggests what should be done 1. He is consulting the company’s legal adviser.
advisory /'ædvərizəri/ adjective as an adviser. ○ She is acting in an advisory capacity.
advisory funds /'ædvərizəri 'fʌndz/ plural noun funds placed with a financial institution to invest on behalf of a client, the institution investing them at its own discretion
AFAANZ abbreviation Accounting and Finance Association of Australia and New Zealand
AFBD abbreviation Association of Futures Brokers and Dealers
affiliated /ˈɛffɪliɪtɪd/ adjective connected with or owned by another company. ○ Smiths Ltd is one of our affiliated companies.
affiliated enterprise /ˈɛffɪliɪtɪd 'ɛntəprɔriz/, affiliated company /ˈɛffɪliɪtɪd 'kʌmpəsəni/ noun company which is partly owned by another (though less than 50%), and where the share-owning company exerts some management control or has a close trading relationship with the associate. ○ one of our affiliated companies
aftermarket /'aɪftɪ,maːrkt/ noun a market in new shares, which starts immediately after trading in the shares begins
after tax /ˈaɪftɪr 'tæks/ adverb after tax has been paid
after-tax profit /ˈaɪftɪ 'prɒfɪt/ noun a profit after tax has been deducted
age analysis of debtors /'eɪdʒ əˈneɪləsɪz əv 'dɛtəz/ noun the amount owed by debtors, classified by age of debt
aged debtors analysis /'eɪdʒd əˈneɪləsɪz, ˈædʒɪŋ ˈskjuːdjuːl əˈeɪdʒɪŋ ˈskjuːdjuːl/ noun a list which analyses a company’s debtors, showing the number of days their payments are outstanding
agency /ˈeɪdʒənsi/ noun 1. an office or job of representing another company in an area ○ They signed an agency agreement or an agency contract. 2. an office or business which arranges things for other companies
agency bank /ˈeɪdʒənsi bæŋk/ noun a bank which does not accept deposits, but acts as an agent for another, usually foreign, bank
agency bill /ˈeɪdʒənsi bil/ noun a bill of exchange drawn on the local branch of a foreign bank
agency broker /ˈeɪdʒənsi ˈbreʊkə/ noun a dealer who acts as the agent for an investor, buying and selling for a commission
agency worker /ˈeɪdʒənsi, wɜːrkə/ noun a person who is employed by an agency to work for another company. He or she is taxed as an employee of the agency, not of the company where he or she actually works.
agenda /ˈædʒənda/ noun a list of things to be discussed at a meeting ○ The conference agenda or the agenda of ○ After two hours we were still discussing the first item on the agenda. ○ We usually put finance at the top of the agenda. ○ The chair wants two items removed from or taken off the agenda.
agent /ˈeɪdʒənt/ noun 1. a person who represents a company or another person in an area ○ to be the agent for BMW cars ○ to be the agent for IBM 2. a person in charge of an agency ○ The estate agent sent me a list of properties for sale.
agent bank /ˈeɪdʒənt bæŋk/ noun a bank which uses the credit card system set up by another bank
agent’s commission /ˈeɪdʒənts ˈkəmənʃən/ noun money, often a percentage of sales, paid to an agent
age-related /ˈeɪdʒ rɪˈleɪtɪd/ adjective connected with a person’s age
age-related allowance /ˈeɪdʒ rɪˈleɪtɪd əˈleɪns kə/ noun an extra tax allowance which a person over 65 may be entitled to
aggregate /ˈægrɪɡət/ adjective total, with everything added together ○ aggregate output
aggregate demand /ˈægrɪɡət dəmənd/ noun the total demand for goods and services from all sectors of the economy including individuals, companies and the government ○ Economists are studying the recent fall in aggregate demand. ○ As incomes have risen, so has aggregate demand.
aggregate risk /ˈægrɪɡət ˈrɪsk/ noun the risk which a bank runs in lending to a customer
aggregate supply /ˈægrɪɡət ˈsʌpli/ noun all goods and services on the market ○ Is aggregate supply meeting aggregate demand?
AGI abbreviation US adjusted gross income
agio /ˈeɪdʒəʊ/ noun 1. a charge made for changing money of one currency into another, or for changing banknotes into cash 2. the difference between two values, such as between the interest charged on loans made by a bank and the interest paid by the bank on deposits, or the difference between the values of two currencies
AGM abbreviation Annual General Meeting
agreed /əˈɡriːd/ adjective having been accepted by everyone ○ We pay an agreed
agreed price

amount each month. The agreed terms of employment are laid down in the contract.

agreed price noun a price which has been accepted by both the buyer and seller.

AICPA abbreviation American Institute of Certified Public Accountants

Aim abbreviation Alternative Investment Market

air mail transfer noun US an act of sending money from one bank to another by airmail

alien corporation noun US a company which is incorporated in a foreign country

A list noun a list of members of a company at the time it is wound up who may be liable for the company’s unpaid debts

all-in price noun a price which covers all items in a purchase such as goods, delivery, tax or insurance

all-in rate noun a rate which covers all the costs connected with a purchase, such as delivery, tax and insurance, as well as the cost of the goods themselves.

allocated costs noun the process of providing sums of money for particular purposes, or a sum provided for a purpose.

allocation noun the process of allocating funds to a project.

allot noun verb to share out

allotment noun the process of sharing out something, especially money between various departments, projects or people.

allow verb to say that someone can do something.

allow for verb to give a discount for something, or to add an extra sum to cover something.

allowable adjective legally accepted. Opposite disallowable

allowable deductions noun deductions from income which are allowed by the Inland Revenue, and which reduce the tax payable.

allowable expenses noun business expenses which can be claimed against tax.

allowable losses noun business losses, e.g. on the sale of assets, which are allowed to be set off against gains.

allowance noun money which is given for a special reason.

alternative cost noun an insurance policy which covers risks of losses, e.g. on the sale of assets.

allowable deductions noun the process of allocating funds to a project.

allowance noun money which is given for a special reason.

alternative investment market noun part of someone’s income which is not taxed.

all-risks policy noun an insurance policy which covers all risks.

allowances against tax noun part of someone’s income which is not taxed.

all-risks policy noun an insurance policy which covers all risks.

allowable deductions noun the process of allocating funds to a project.

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allowance noun money which is given for a special reason.
ingly targeting the middle class. Abbreviation AMT

amalgamate /əˈmælɡəmeɪt/ verb to join together with another group ○ The amalgamated group includes six companies.

American Accounting Association /əˌmɛrɪkən ˈækaʊntɪŋ əˌsaʊsɪəri/ noun a US voluntary organisation for those with an interest in accounting research and best practice, which aims to promote excellence in the creation, dissemination and application of accounting knowledge and skills. Abbreviation AAA

American Depositary Receipt /ˌɛmərɪkən dɪˈprestəri ɹɪˌsɪkt/ noun a document issued by an American bank to US citizens, making them unregistered sharehold- ers of companies in foreign countries. The document allows them to receive dividends from their investments, and ADRs can themselves be bought or sold. Abbreviation ADR

American Institute of Certified Public Accountants /ˌɛmərɪkən ɪnstɪˈʃənt əˌsaʊtəntz/ noun the national association for certified public accountants in the United States. Abbreviation AICPA

amortisable /əˈmɔːtɪzaʊəb(ə)/ adjective being possible to amortise ○ The capital cost is amortisable over a period of ten years.

amortisation /əˈmɔːtɪzaɪʃ(ə)n/ noun an act of amortising ○ amortisation of a debt

amortisation period /əˈmɔːtɪzaɪʃ(ə)n pəˈriːd/ noun the length of a lease, used when depreciating the value of the asset leased

amortise /əˈmɔːtɪz/ verb 1. to repay a loan by regular payments, most of which pay off the interest on the loan at first, and then reduce the principal as the repayment period progresses ○ The capital cost is amortised over five years. 2. to depreciate or to write down the capital value of an asset over a period of time in a company’s accounts

amount paid up /ˈæmənt pəd ʌp/ noun an amount paid for a new issue of shares, either the total payment or the first installment, if the shares are offered with installment payments

amount realised /ˈæmənt ˈrɪəlɪzaɪd/ noun money received from the sale or exchange of property

AMT abbreviation alternative minimum tax

analyse /əˈnæləs/ verb to examine someone or something in detail ○ to analyse a statement of account ○ to analyse the market potential

analysis /əˈnæləsɪs/ noun a detailed examination and report ○ a job analysis ○ market analysis ○ Her job is to produce a regular sales analysis. (NOTE: The plural is analyses.)

analyst /əˈnælist/ noun a person who analyses ○ a market analyst ○ a systems analyst

analytical review /əˌnælɪtɪk(ə)rɪˈviːw/ noun an examination of accounts from different periods for the purpose of identifying ratios, trends and changes in balances

angel /ˈɛnɪdʒʊl/ noun an investor in a company in its early stages, often looking for returns over a longer period of time than a venture capitalist

annual /ˈænjuəl/ adjective for one year ○ an annual statement of income ○ They have six weeks’ annual leave. ○ The company has an annual growth of 5%. ○ We get an annual bonus.

‘…real wages have risen at an annual rate of only 1% in the last two years’ [Sunday Times]

‘…the remuneration package will include an attractive salary, profit sharing and a company car together with four weeks’ annual holiday’ [Times]

annual accounts /ˈænjuəl əˌkaʊnts/ plural noun the accounts prepared at the end of a financial year ○ The annual accounts have been sent to the shareholders.

annual depreciation /ˈænjuəl dɪˈprɪʃ(ə)n/ noun a reduction in the book value of an asset at a particular rate per year ○ straight line depreciation

annual depreciation provision /ˈænjuəl ˌdɪˌprɪʃ(ə)n prəˈvɪʒ(ə)n/ noun an assessment of the cost of an asset’s depreciation in a given accounting period

annual exemptions /ˈænjuəl ɪkˈzɛmptʃ(ə)n/ plural noun the amount of income which is exempt from tax. For example, the first £8,500 in capital gains in any one year is exempt from tax.

Annual General Meeting /ˌænjuəl ˈdʒɛnərəl ˈmiːtɪŋ/ noun an annual meeting of all shareholders of a company, when the company’s financial situation is presented by and discussed with the directors, when the accounts for the past year are approved and when dividends are declared and audited. Abbreviation AGM (NOTE: The US term is annual meeting or annual stockholders’ meeting.)
annual income /ˌɛnjuəl ˈɪnkəm/ noun money received during a calendar year.

annualised /ˌɛnjuələzəd/; annualized adjective shown on an annual basis

...he believes this may have caused the economy to grow at an annualized rate of almost 5 per cent in the final quarter of last year [Investors Chronicle]

annualised percentage rate /ˌɛnjuələzəd pəˈsentɪdʒ ˌretʃ/ noun a yearly percentage rate, calculated by multiplying the monthly rate by twelve. Abbreviation APR (Note: The annualised percentage rate is not as accurate as the Annual Percentage Rate (APR), which includes fees and other charges.)

annually /ˌɛnjuəli/ adverb each year ○ The figures are updated annually.

annual management charge /ˌɛnjuəl ˈmæŋdʒmənt ʃɔr/ noun a charge made by the financial institution which is managing an account

annual meeting /ˌɛnjuəl ˈmiːtɪŋ/ noun US same as Annual General Meeting

Annual Percentage Rate /ˌɛnjuəl pəˈsentɪdʒ ˌretʃ/ noun a rate of interest (such as on a hire-purchase agreement) shown on an annual compound basis, and including fees and charges. Abbreviation APR

annual report /ˌɛnjuəl rɪˈpɔːrt/ noun a report of a company’s financial situation at the end of a year, sent to all the shareholders

annual return /ˌɛnjuəl rɪˈtɜːrn/ noun an official report which a registered company has to make each year to the Registrar of Companies

annuitant /ˈɛnjuətənt/ noun a person who receives an annuity

annuity /ˈɛnjuətɪ/ noun money paid each year to a retired person, usually in return for a lump-sum payment. The value of the annuity depends on how long the person lives, as it usually cannot be passed on to another person. Annuities are fixed payments, and lose their value with inflation, whereas a pension can be index-linked. ○ to buy or to take out an annuity ○ She has a government annuity or an annuity from the government.

annuity certain /ˈɛnjuətɪ ˈsɛntən/ noun an annuity that provides payments for a specific number of years, regardless of life or death of the annuitant

annuity contract /ˈɛnjuətɪ kəntrəkt/ noun a contract under which a person is paid a fixed sum regularly for life

antedate /ˈɛntədɪt/ verb to put an earlier date on a document ○ The invoice was antedated to January 1st.

anti-dumping duty /ˌɛnti ˈdʌmpɪŋ ˈdʒʌstɪ/ noun same as countervailing duty

anti-inflationary /ˌɛnti ɪnˈflɪʃənəri/ adjective restricting or trying to restrict inflation ○ anti-inflationary measures

anti-trust /ˌɛnti ˈtrʌst/ adjective attacking monopolies and encouraging competition ○ anti-trust measures

anti-trust laws /ˌɛnti ˈtrʌst ˈloʊz/; anti-trust legislation /ˌɛnti ˈtrʌst lɛdʒəˈteɪʃən/ plural noun laws in the United States which prevent the formation of monopolies

APB abbreviation 1. Accounting Principles Board 2. Auditing Practices Board

Appeals Commissioner noun a person appointed officially to supervise the collection of taxes, including income tax, capital gains tax and corporation tax, but not VAT

application /əˈplɪkeɪʃən/ noun 1. the act of asking for something, usually in writing, or a document in which someone asks for something, e.g. a job ○ shares payable on application ○ She sent off six applications for job or six job applications. 2. effort or diligence ○ She has shown great application in her work on the project.

application of funds /əˈplɪkeɪʃən əv fʌndz/ noun details of the way in which funds have been spent during an accounting period

apportion /ˈɔpərʃən/ verb to share out something, e.g. costs, funds or blame ○ Costs are apportioned according to projected revenue.

apportionment /ˈɔpərʃənmənt/ noun the sharing out of costs

appraisal /ˈɑprizl/ noun a calculation of the value of someone or something

appraise /ˈɑprijz/ verb to assess or to calculate the value of something or someone

appreciate /əˈprɛʃiət/ verb (of currency, shares, etc.) to increase in value

appreciation /əˈprɛʃiəʃən/ noun 1. an increase in value. Also called capital appreciation. 2. the act of valuing something highly ○ She was given a pay rise in appreciation of her excellent work.

appropriate verb /əˈprəʊprɪt/ to put a sum of money aside for a special purpose ○ to appropriate a sum of money for a capital project

appropriation /ˌɑprəˈpɾɪʃən/ noun the act of putting money aside for a special purpose ○ appropriation of funds to the reserve
13 articles of incorporation

appropriation account /əˌprəʊpəˈreɪʃən/ noun the part of a profit and loss account which shows how the profit has been dealt with, e.g., how much has been given to the shareholders as dividends and how much is being put into the reserves

approval /əˈpruːv/ noun the act of saying or thinking that something is good ○ to submit a budget for approval

approve /əˈpruːv/ verb 1. ○ to approve of something to think something is good ○ The chairman approves of the new company letter heading. ○ The sales staff do not approve of interference from the accounts division. 2. ○ to agree to something officially ○ to approve the terms of a contract ○ The proposal was approved by the board.

approved accounts /əˈpruːvd əˈkɔʊntz/ plural noun accounts that have been formally accepted by a company’s board of directors

approved scheme /əˈpruːvd ˈskiːm/ noun a pension scheme or share purchase scheme which has been approved by the Inland Revenue

approved securities /əˈpruːvd əˈprɔurətɪz/ plural noun state bonds which can be held by banks to form part of their reserves (NOTE: The list of these bonds is the “approved list.”)

approximate /əˈprɒksɪmət/ adjective not exact, but almost correct ○ The sales division has made an approximate forecast of expenditure.

approximately /əˈprɒksɪmətli/ adverb not quite exactly, but close to the figure shown ○ Expenditure on marketing is approximately 10% down on the previous quarter.

approximation /əˌprɒksɪˈmeɪʃən/ noun a rough calculation ○ Each department has been asked to provide an approximation of expenditure for next year. ○ The final figure is only an approximation.

APR abbreviation annualised percentage rate

APRA abbreviation Australian Prudential Regulation Authority

arbitrage /ˈarbitrɑːʒ/ noun the business of making a profit from the difference in value of various assets, e.g., by selling foreign currencies or commodities on one market and buying on another at almost the same time to profit from different exchange rates, or by buying currencies forward and selling them forward at a later date, to benefit from a difference in prices

arbitrage syndicate /ˈarbitrɑːʒ ˈsɪndɪkət/ noun a group of people who together raise the capital to invest in arbitrage deals

arbitration /ˈarbitreɪʃən/ noun the settling of a dispute by an outside party agreed on by both sides ○ to take a dispute to arbitration ○ to go to arbitration ○ arbitration in an industrial dispute ○ The two sides decided to submit the dispute to arbitration or to refer the question to arbitration.

arbitrator /ˈarbitreɪtər/ noun a person not concerned with a dispute who is chosen by both sides to try to settle it ○ an industrial arbitrator ○ They refused to accept or they rejected the arbitrator’s ruling.

ARD abbreviation accounting reference date

area manager /ˈeəriə ˈmeɪnədʒər/ noun a manager who is responsible for a company’s work in a specific part of the country

arithmetic mean /əˈrɪθmətɪk ˈmiːn/ noun a simple average calculated by dividing the sum of two or more items by the number of items

ARM abbreviation adjustable rate mortgage

around /əˈraʊnd/ preposition 1. approximately ○ The office costs around £2,000 a year to heat. ○ Her salary is around $85,000. 2. with a premium or discount

ARPS abbreviation adjustable rate preferred stock

ARR abbreviation accounting rate of return

arrangement fee /ərˈrɛnjmənt ˈfiː/ noun a charge made by a bank to a client for arranging credit facilities

arrears /əˈrɛərz/ plural noun money which is owed, but which has not been paid at the right time ○ a salary with arrears effective from January 1st ○ We are pressing the company to pay arrears of interest. ○ You must not allow the mortgage payments to fall into arrears.

article /ˈɑːtɪkl/ noun a section of a legal agreement such as a contract or treaty ○ See article 8 of the contract.

articles of association /ˈɑːtɪklz ɔv əˌtɪklz/ noun a document which lays down the rules for a company regarding such matters as the issue of shares, the conduct of meetings and the appointment of directors ○ This procedure is not allowed under the articles of association of the company. (NOTE: The US term is bylaws)

articles of incorporation /ˈɑːtɪklz ɔv əˌtɪklz ɔv ɪnˌkərpəˈreɪʃən/ plural noun US same
articles of partnership /ər'tikəliz/ plural noun same as partnership agreement

ASB abbreviation Accounting Standards Board

ASC abbreviation Accounting Standards Committee

A shares /ætʃ/ plural noun ordinary shares with limited voting rights or no voting rights at all

asked price /ɑːskt præs/ noun a price at which a commodity or stock is offered for sale by a seller, also called ‘offer price’ in the UK

asking price /ɑːskin _ præs/ noun a price which the seller is hoping will be paid for the item being sold ○ the asking price is $24,000

as per /'æz 'pər/ preposition assess /ə'ses/ verb to calculate the value of something or someone ○ to assess damages at £1,000 ○ to assess a property for the purposes of insurance

assessed value /ə'sesd vəlju/ noun a value that is the result of calculation by someone such as an auditor or investment advisor

assessment /ə'sesmənt/ noun a calculation of value ○ a property assessment ○ a tax assessment

asset /'æsət/ noun 1. something which belongs to a company or person, and which has a value ○ He has an excess of assets over liabilities. ○ Her assets are only $640 as against liabilities of $24,000. 2. valuation of a company on an assets basis calculating the value of a company on the basis of the value of its assets (as opposed to a valuation on an earnings or dividend yield basis)

asset-backed securities /'æsət baekt səkjərtizι/ plural noun bonds secured against specific assets

asset backing /'æsət 'bækŋ/ noun a support for a share price provided by the value of the company’s assets

asset-rich company /'æsət rɪtʃ 'kærpiŋ/ noun company with valuable tangible assets, such as property, which provide firm backing for its shares

assets /'æsəts/ plural noun all items of property that contribute to the value of an organisation, including tangible items such as cash, stock and real estate, as well as intangible items such as goodwill

asset stripper /'æsət 'striːpər/ noun a person who buys a company to sell its assets

asset stripping /'æsət 'striːpɪŋ/ noun the practice of buying a company at a lower price than its asset value, and then selling its assets

asset turnover /'æsət 'tuːrnəvər/ noun a measure of a company’s efficiency that is the ratio of sales revenue to total assets

asset turnover ratio /'æsət 'tuːrnəvər 'rəʊtəri/ noun the number of times assets are turned over by sales during the year, calculated as turnover divided by total assets less current liabilities

asset value /'æsət vaːlju/ noun the value of a company calculated by adding together all its assets

assign /'əsənʃ/ verb 1. to give something to someone by means of an official legal transfer ○ to assign a right to someone ○ to assign shares to someone 2. to give someone a job of work to do and make him or her responsible for doing it ○ She was assigned the task of checking the sales figures.

assignation /'əsən'geɪʃn/ noun a legal transfer ○ the assignation of shares to someone ○ the assignation of a patent

assignee /'əsən'zi/ noun a person who receives something which has been assigned to him or her

assignment /'əsən'mənt/ noun the legal transfer of a property or right ○ the assignment of a patent or of a copyright ○ to sign a deed of assignment

assignor /'əsən'zuər/ noun a person who assigns something to someone

associate /'əsəsəsɪət/ noun 1. a person or company linked to another in a takeover bid 2. a title given to a junior member of a professional organisation. Senior members are usually called ‘fellows’.

associate company /'əsəsəsɪət kærpiŋ/ noun a company which is partly owned by another company

associated company /'əsəsəsɪətɪd kærpiŋ/ noun a company which is partly owned by another company (though less than 50%), which exerts some management control over it or has a close trading relationship with it ○ Smith Ltd and its associated company, Jones Brothers

associate director /'əsəsəsɪət dəriˈtektər/ noun a director who attends board meetings, but has not been elected by the shareholders

Association of Accounting Technicians /ə'səsəsɪətɪd ə'tekniʃən/ noun an organisation which...
represents accounting technicians and grants membership to people who have passed its examinations. Abbreviation AAT

Association of Authorised Public Accountants /'ə,ɔːstərətæd ə,ˌkɒntənts/ noun an organisation which represents accountants who have been authorised by the government to work as auditors. It is a subsidiary of the Association of Chartered Certified Accountants. Abbreviation AAPA

Association of Chartered Accountants in the United States /'ə,ɔːstərətæd ə,ˌkɒntənts m ɪ di ˈjuːtɪ; ˈfjuːstɪd əˌkɒntənts/ noun an organisation representing Chartered Accountants from Australia, Canada, England and Wales, Ireland, New Zealand, Scotland and South Africa who are based in the United States. Abbreviation ACAUS

Association of Chartered Certified Accountants /'ə,ɔːstərətæd əˌʃɜːrəns/ noun an organisation whose members are certified accountants. Abbreviation ACCA

Association of Corporate Treasurers /'ə,ˌkjʊərərəns/ noun a self-regulating organisation whose members are corporate treasurers and accountants. Abbreviation AFBD

assumable mortgage /'ə,sjuːməbl/ noun US a mortgage which can be passed to another person

assurance /'ə,ʃʊrəns/ noun a type of insurance which pays compensation for an event that is certain to happen at some time, especially for the death of the insured person. Also called life assurance, life insurance

insure /'ɪn sər/ verb to insure someone, or someone's life, so that the insurance company will pay compensation when that person dies. He has paid the premiums to have his wife's life assured. (Note: Assure, assurer and assurance are used in Britain for insurance policies relating to something which will certainly happen (such as death);

for other types of policy (i.e. those against something which may or may not happen, such as an accident) use the terms insure, insurer and insurance. In the US insure, insurer and insurance are used for both.)

attorney /'ə,tʃərəni/ noun an attorney or a company which insures

AST abbreviation Automated Screen Trading

at call /'æt ˈkeɪl/ adverb immediately available

ATM abbreviation automated teller machine

'Swiss banks are issuing new cards which will allow cash withdrawals from ATMs in Belgium, Denmark, Spain, France, the Netherlands, Portugal and Germany' [Banking Technology]

'...the major supermarket operator is planning a new type of bank that would earn 90% of its revenue from fees on automated teller machine transactions. With the bank setting up ATMs at 7,000 group outlets nationwide, it would have a branch network at least 20 times larger than any of the major banks' [Nikkei Weekly]

at par /'ə,pt/ phrase equal to the face value

at sight /'ə, sɛt/ adverb immediately, when it is presented ○ a bill of exchange payable at sight

attachment /'ə,tʃɛktʃənt/ noun the act of holding a debtor's property to prevent it being sold until debts are paid

attachment of earnings /'ə,tʃɛktʃənt ər ˈənərɪŋz/ noun a judgment that gives a process in which a court uses its legal authority to obtain directly from a person's salary money that the person owes to the court

attachment of earnings order /'ə,tʃɛktʃənt ər ˈənərɪŋz ər ˈɔrdr/ noun a court order to make an employer pay part of an employee's salary to the court to pay off debts

attachment order /'ə,tʃɛktʃənt ər ˈɔrdr/ noun an order from a court to hold a debtor's property to prevent it being sold until debts are paid

attest /'ætɪst/ noun a formal statement, e.g. a statement by an auditor that a company's financial position is correctly stated in the company's accounts

attributable profit /'ə,tɪˈbrɪtəbl ˈprɒft/ noun a profit which can be shown to come from a particular area of the company's operations

auction /ˈækʃən/ noun 1. a method of selling goods where people who want to buy compete with each other by saying how
much they will offer for something, and the item is sold to the person who makes the highest offer. The furniture will be sold in the auction rooms next week. They announced a sale by auction of the fire-damaged stock. The equipment was sold by auction at the auction. To put an item up for auction is to offer an item for sale at an auction. 2. A method of selling government stock, where all stock on issue will be sold, and the highest price offered will be accepted, as opposed to tendering. To sell something at an auction is to sell it to the highest bidder at the sale. 3. verb To carry out a stock control, in front of witnesses, so as to establish the exact quantities and value of stock. Audit, noun, the examination of the books and accounts of a company approved by a team of auditors. Also called audit, noun US, the work of an auditor for auditing a company’s accounts. Also called audit, noun a report of the audit of a company’s books, stating that in their opinion the accounts give a true and fair view of the company’s financial position. Also called audit, noun a report from the auditors of a company’s accounts, stating that in their opinion the accounts are not a true reflection of the company’s financial position. Also called audit, noun a report written by a company’s auditors after they have examined the accounts of the company. Also called audit, noun the regulating of auditors by government departments. (NOTE: The UK term is accountancy, noun, the authority that monitors finances, on which company executives cannot sit. The US term is General Accounting Office.)

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that has regulated auditing and assurance matters in Australia since 2004.

**Australian Prudential Regulation Authority** /ˌɒstrəˈpruːdənʃəl pru,ˈdɛnʃəl/, regjjuˈleɪʃən əˈθɔːrəti/ noun a federal government body responsible for ensuring that financial institutions are able to meet their commitments. Abbreviation APRA

**AUT** abbreviation authorised unit trust

**authorise** /ˌɔːθəraɪz/ verb 1. to give permission for something to be done ○ to authorise payment of £10,000 to give someone the authority to do something ○ to authorise someone to act on the company’s behalf

**authorised capital** /ˌɔːθəraɪzd keipəˈtætʃəl/ noun the amount of capital which a company is allowed to have, as stated in the memorandum of association (NOTE: The US equivalent is **authorized stock**)

**authorised share capital** /ˌɔːθəraɪzd keipəˈtætʃəl/ noun the amount of capital that a company is authorised to issue in the form of shares

**authorised unit trust** /ˌɔːθəraɪzd juːˈnut trəst/ noun the official name for a unit trust which has to be managed according to EU directives. Abbreviation **AUT**

**Automated Clearing House** /ˌɔːtəˈmeɪtɪd klearɪŋ həʊʊs/ noun US an organisation set up by the federal authorities to settle transactions carried out by computer, such as automatic mortgage payments and trade payments between businesses. Abbreviation **ACH**

**Automated Screen Trading** /ˌɔːtəˈmeɪtɪd skrɪn ˈtɛrdɪŋ/ noun a system where securities are bought, sold and matched automatically by computer. Abbreviation **AST**

**automated ticker machine** /ˌɔːtəˈmeɪtɪd ˈtɛkər maʃɪn/ noun US same as **cash dispenser**

**availability** /əˈverəlɪti/ noun the fact of being easy to obtain

AVCs abbreviation additional voluntary contributions

**average** /ˈɛvərɪdʒ/ noun 1. a number calculated by adding several figures together and dividing by the number of figures added ○ the average for the last three months or the last three months’ average ○ sales average or average of sales 2. the sharing of the cost of damage or loss of a ship between the insurers and the owners ○ adjective equal to the average of a set of figures ○ the average increase in salaries ○ The average cost per unit is too high. ○ The average sales per representative are rising. ○ verb to work out an average figure for something

‘...a share with an average rating might yield 5 per cent and have a PER of about 10' [**Investors Chronicle**]

‘...the average price per kilogram for this season to the end of April has been 300 cents' [**Australian Financial Review**]

**average cost of capital** /ˈɛvərɪdʒ kɔst əˈθɔːrəti/ noun an average figure for the cost of borrowing or the capital raised by selling shares

**average due date** /ˈɛvərɪdʒ ˈduː ˈdeɪt/ noun the average date when several different payments fall due

**average income per capita** /ˈɛvərɪdʒ ɪnmən pə ˈkeipətə/ noun same as **per capita income**

**avoidance** /əˈvɔːrdʒəns/ noun the act of trying not to do something or not to pay something ○ tax avoidance

**award** /əˈwɔːrd/ noun something given by a court, tribunal or other official body, especially when settling a dispute or claim ○ an award by an industrial tribunal ○ The arbitrator’s award was set aside on appeal. ○ The latest pay award has been announced.
BAA abbreviated British Accounting Association
baby bonds /ˈbeɪbi bɔndz/ plural noun US bonds in small denominations which the small investor can afford to buy
back /bæk/ adjective referring to the past ♦ a back payment ♦ verb to help someone, especially financially ♦ The bank is backing us to the tune of $10,000 ♦ She is looking for someone to back her project.
‘...the businesses we back range from start-up ventures to established companies in need of further capital for expansion’ [Times]
back out /bækˈaʊt/ phrasal verb to stop being part of a deal or an agreement ♦ The bank backed out of the contract. ♦ We had to cancel the project when our German partners backed out.
backdate /bækˈdeɪt/ verb to put an earlier date on a document such as a cheque or an invoice ♦ Backdate your invoice to April 1st.
back duty /bæk ˈdjuːtɪ/ noun a duty or tax which is due but has not yet been paid
back-end loaded /bæk ˈend ˈləʊdɪd/ adjective referring to an insurance or investment scheme where commission is charged when the investor withdraws his or her money from the scheme. Compare front-end loaded
backer /ˈbækər/ noun a person or company that backs someone ♦ One of the company’s backers has withdrawn.
backflush costing /ˈbækflʌʃ ˈkɒnstrʌŋ/ noun a method of costing that links cost to output produced
backing /ˈbækɪŋ/ noun support, especially financial support ♦ She has the backing of an Australian bank. ♦ The company will succeed only if it has sufficient backing. ♦ She gave her backing to the proposal.
‘...the company has received the backing of a number of oil companies who are willing to pay for the results of the survey’ [Lloyd’s List]
supplier of rubber plantations is part of the tyre company's backward integration policy. Also called vertical integration.

backwards spreading /ˈbækwərdz ˈspredɪŋ/ noun the practice of dividing income earned in a particular accounting year into portions which are allocated to several previous accounting periods.

BACS /ˈbæks/ noun a company set up to organise the payment of direct debits, standing orders, salary cheques and other payments generated by computers. It operates for all the British clearing banks and several building societies; it forms part of APACS. Compare CHAPS.

cash /ˈtʃes/ noun a cheque which is returned to the drawer for any reason.

debt /ˈdet/ noun a debt which will not be paid, usually because the debtor has gone out of business, and which has to be written off in the accounts. The company has written off $30,000 in bad debts.

debt expense /ˈdet ɪkspens/ noun an estimate of uncollectible debts which is charged to the profit and loss account.

debt provision /ˈdet prəˈvɪzən/ noun money put aside in accounts to cover potential bad debts.

debts recovered /ˈdet ˈrɛvərd/ plural noun money which was formerly classified as bad debts and therefore written off, but that has since been recovered either wholly or in part.

badges of trade /ˈbædʒz ˈoʊf ˈtreid/ noun a collection of principles established by case law to determine whether or not a person is trading. If so, he or she is taxed under different rules from non-traders.

bail out /ˈbeɪl ˈaut/ phrasal verb to rescue a company which is in financial difficulties. ‘…the government has decided to bail out the bank which has suffered losses to the extent that its capital has been wiped out’. [South China Morning Post]

bailment /ˈbeɪlment/ noun a transfer of goods by someone (the ‘bailor’) to someone (the ‘bailee’) who then holds them until they have to be returned to the bailor. (NOTE: Putting jewels in a bank’s safe deposit box is an example of bailment.)

cash /ˈtʃes/ noun 1. the amount which has to be put in one of the columns of an account to make the total debits and credits equal. balance brought down or forward the closing balance of the previous period used as the opening balance of the current period.

balance carried down or forward the closing balance of the current period 2. the rest of an amount owed. You can pay £100 deposit and the balance within 60 days. 3. to be equal, i.e. the assets owned must always equal the total liabilities plus capital. 2. to calculate the amount needed to make the two sides of an account equal. 3. The president is planning for a balanced budget.

balanced scorecard /ˈbeɪlənst ˈskɔːrkɑrd/ noun a system of measurement and assessment that uses a variety of indicators, particularly customer relations, internal efficiency, financial performance and innovation, to find out how well an organisation is doing in its attempts to achieve its main objectives.

balance of payments /ˈbeɪlənst ˈpeɪmənts/ noun a comparison between total receipts and payments arising from a country’s international trade in goods, services and financial transactions. Abbreviation BOP. 1. balance of payments capital account items in a country’s balance of payments which refer to capital investments made in or by other countries. 2. balance of payments current account record of imports and exports of goods and services and the flows of money between countries arising from investments. 3. long-term balance of payments record of movements of capital relating to overseas investments and the purchase of companies overseas.

balance of payments deficit /ˈbeɪlənst ˈpeɪmənts ˈdɛfɪrnt/ noun a situation in which a country imports more than it exports.

balance of payments surplus /ˈbeɪlənst ˈpeɪmənts ˈsɜːrpləs/ noun a situation in which a country exports more than it imports.

balance of retained earnings /ˈbeɪlənst ˈrɛtənd ˈɛrnənts/ noun statistics that show fluctuations in the level of income retained for reinvestment during an accounting period.
balance sheet /ˈbæləns ʃiːt/ noun a statement of the financial position of a company at a particular time, such as the end of the financial year or the end of a quarter, showing the company’s assets and liabilities.

Our accountant has prepared the balance sheet for the first half-year. The company balance sheet for the last financial year shows a worse position than for the previous year. The company balance sheet for 1984 shows a substantial loss.

COMMENT: The balance sheet shows the state of a company’s finances at a certain date. The profit and loss account shows the movements which have taken place since the end of the previous accounting period. A balance sheet must balance, with the basic equation that assets (i.e. what the company owns, including money owed to the company) must equal liabilities (i.e. what the company owes to its creditors) plus capital (i.e. what it owes to its shareholders). A balance sheet can be drawn up either in the horizontal form, with (in the UK) liabilities and capital on the left-hand side of the page (in the USA, it is the reverse) or in the vertical form, with assets at the top of the page, followed by liabilities, and capital at the bottom. Most are usually drawn up in the vertical format, as opposed to the more old-fashioned horizontal style.

balance sheet asset value /ˈbæləns ʃiːt əˈset, veɪˈʃiːt/ noun the value of a company calculated by adding together all its assets.

balance sheet audit /ˈbæləns ʃiːt ˈɔːdit/ noun a limited audit of the items on a company’s balance sheet in order to confirm that it complies with the relevant standards and requirements.

balance sheet date /ˈbæləns ʃiːt ˈdeɪt/ noun the date (usually the end of a financial or accounting year) when a balance sheet is drawn up.

balance sheet equation /ˈbæləns ʃiːt ˈiɡwər jən/ noun the basis upon which all accounts are prepared, that assets = liabilities + assets.

balance sheet total /ˈbæləns ʃiːt ˈtɔːt(ə)l/ noun in the United Kingdom, the total of assets shown at the bottom of a balance sheet and used to classify a company according to size.

balancing item /ˈbælənsɪŋ ɪtəm/ noun an item introduced into a balance sheet to make the two sides balance.

balloon /ˈbɔːlən/ noun a loan where the last repayment is larger than the others.

balloon mortgage /ˈbɔːlən ˈmɔːrɡɪdʒ/ noun a mortgage in which the final payment (called a ‘balloon payment’) is larger than the others.

BALO noun a French government publication that includes financial statements of public companies. Full form Bulletin des Annonces Légales Obligatoires.

bank /bæŋk/ noun a business which holds money for its clients, lends money at interest, and trades generally in money. The First National Bank; the Royal Bank of Scotland; She put all her earnings into the bank; I have had a letter from my bank telling me my account is overdrawn.

verb to deposit money into a bank or to have an account with a bank. He banked the cheque as soon as he received it. I bank at or with Barclays.

bankable /ˈbæŋkəb(ə)l/ adjective acceptable by a bank as security for a loan.

bankable paper /ˈbæŋkəb(ə)l ˈpeɪpə/ noun a document which a bank will accept as security for a loan.

bank account /ˈbæŋk əˈkaʊnt/ noun an account which a customer has with a bank, where the customer can deposit and withdraw money, to open a bank account, to close a bank account.

bank advance /ˈbæŋk ədˈvaːns/ noun same as bank loan.

She asked for a bank advance to start her business.

bank balance /ˈbæŋk, ˈbæləns/ noun the state of a bank account at any particular time.

Our bank balance went into the red last month.

bank base rate /ˈbæŋk ˈbeɪs ˌreɪt/ noun a basic rate of interest, on which the actual rate a bank charges on loans to its customers is calculated. Also called base rate.

bank bill /ˈbæŋk ˈbɪl/ noun 1. a bill of exchange by one bank telling another bank, usually in another country, to pay money to someone. same as banker’s bill. 3. US same as banknote.

bank book /ˈbæŋk bʊk/ noun a book given by a bank or building society which shows money which you deposit or withdraw from your savings account or building society account. Also called passbook.

bank borrowings /ˈbæŋk ˈbɔːrərəŋz/ plural noun money borrowed from banks.

bank card /ˈbæŋk kɑːrd/ noun a credit card or debit card issued to a customer by a bank for use instead of cash when buying goods or services (NOTE: There are internationally recognised rules that govern the
authorisation of the use of bank cards and the clearing and settlement of transactions in which they are used.

bank certificate /ˈbæŋk ˈsərkət/ noun a document, often requested during an audit, that is signed by a bank official and confirms the balances due or from a company on a specific date

bank charge /ˈbæŋk ˈtʃɑrdʒ/ noun same as service charge

bank confirmation /ˈbæŋk ˌkɒnfɪrmeɪʃən/ noun verification of a company's balances requested by an auditor from a bank

bank credit /ˈbæŋk ˈkrɛdɪt/ noun loans or overdrafts from a bank to a customer

bank deposits /ˈbæŋk dɪˈpɔzɪts/ plural noun all money placed in banks by private or corporate customers

bank draft /ˈbæŋk draft/ noun an order by one bank telling another bank, usually in another country, to pay money to someone

banker /ˈbæŋkər/ noun 1. a person who is in an important position in a bank 2. a bank official whose job is to look after the interests of the bank's customers

banker's acceptance /ˈbæŋkəz əkˈseptəns/ noun a bill of exchange guaranteed by a bank

Bankers' Automated Clearing Services /ˈbæŋkəz əˈmeɪtəd ˈkɪrənsi ˌfɔlərn/ plural noun full form of BACS

banker's bill /ˈbæŋkəz bɪl/ noun an order by one bank telling another bank, usually in another country, to pay money to someone. Also called bank bill

banker's credit card /ˈbæŋkəz ˈkredɪt kɑrd/ noun a credit card issued by a bank, as opposed to cards issued by stores. Typical such cards are Visa, Egg or MasterCard.

banker's draft /ˈbæŋkəz ˈdraft/ noun a draft payable by a bank in cash on presentation. Abbreviation B/D

banker's lien /ˈbæŋkəz lɪn/ noun the right of a bank to hold some property of a customer as security against payment of a debt

banker's order /ˈbæŋkəz ˈɔrdər/ noun an order written by a customer asking a bank to make a regular payment. He pays his subscription by banker's order.

banker's reference /ˈbæŋkəz ˈrefərəns/ noun a written report issued by a bank regarding a particular customer's creditworthiness

bank giro /ˈbæŋk ˈdʒəroʊ/ noun a method used by clearing banks to transfer money rapidly from one account to another

bank holiday /ˈbæŋk ˈhɑlədi/ noun a weekday which is a public holiday when the banks are closed. New Year's Day is a bank holiday. Are we paid for bank holidays in this job?

bank identification number /ˈbæŋk ɪˈdentɪfɪkeɪʃən ˈnʌmbər/ noun an internationally organised six-digit number which identifies a bank for charge card purposes. Abbreviation BIN

banking /ˈbæŋkɪŋ/ noun the business of banks. He is studying banking. She has gone into banking.

banking account /ˈbæŋkɪŋ əˈkaʊnt/ noun US an account which a customer has with a bank

banking covenants /ˈbæŋkɪŋ ˈkəʊvənənts/ plural noun a set of conditions imposed by a bank when it lends an institution a large amount of money

Banking Ombudsman /ˈbæŋkɪŋ ˈɒmbədzmən/ noun an official whose duty is to investigate complaints by members of the public against banks

banking products /ˈbæŋkɪŋ ˈprədʌkts/ plural noun goods and services produced by banks for customers, e.g. statements, direct debits

bank loan /ˈbæŋk loun/ noun a loan made by a bank to a customer, usually against the security of a property or asset. She asked for a bank loan to start her business. Also called bank advance

bank manager /ˈbæŋk ˈmeɪndʒər/ noun the person in charge of a branch of a bank. They asked their bank manager for a loan.

bank mandate /ˈbæŋk ˈmændər/ noun a written order to a bank, asking it to open an account and allow someone to sign cheques on behalf of the account holder, and giving specimen signatures and relevant information

banknote /ˈbæŋk nəʊt/ noun 1. a piece of printed paper money. A 20 note weighs 12 grams and is 135 millimetres long and 66 millimetres wide. Some banknotes have a 3D effect, and are harder to counterfeit than those that do not. A 50 note weighs 27 grams and is 170 millimetres long and 84 millimetres wide. Bank notes are red in the UK, green in Ireland and white in the Channel Islands. The Bank of England issues some banknotes for England and North Wales. You can usually find some banknotes in each equipment kit. 2. US a non-interest bearing note, issued by a Federal Reserve Bank, which can be used as cash

Bank of England /ˈbæŋk əv ˈɪŋɡlənd/ noun the UK central bank, owned by the state, which, together with the Treasury, regulates the nation's finances

bank reconciliation /ˈbæŋk ˌrekənsˈtrʌkʃən ˈɛŋɪn/ noun the act of making sure that the bank statements agree with the company's ledgers.

bank reorganisation /ˈbæŋk ˌrɪɔrɡənizəʃən/ noun the act of making sure that the bank statements agree with the company's ledgers.

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bank reserves /bæŋk rɪzərvz/ plural noun cash and securities held by a bank to cover deposits

bank return /bæŋk rɪtərn/ noun a regular report from a bank on its financial position

bankrupt /'bæŋkræpt/ noun, adjective (a person) who has been declared by a court not to be capable of paying his or her debts and whose affairs are put into the hands of a receiver ○ a bankrupt property developer ○ She was adjudicated or declared bankrupt. ○ He went bankrupt after two years in business. ■ verb to make someone become bankrupt ○ The recession bankrupted my father.

bankruptcy /'bæŋkræptɪs/ noun the state of being bankrupt ○ The recession has caused thousands of bankruptcies. (NOTE: The plural is bankruptcies.)

bankruptcy order /'bæŋkræptɪs ɔr də/ noun same as declaration of bankruptcy

bankruptcy petition /'bæŋkræptɪs ˈpetɪʃən/ noun an application to a court asking for an order making someone bankrupt

bankruptcy proceedings /'bæŋkræptɪs prɛˌsɪdiŋz/ plural noun legal action to declare a person bankrupt

bank statement /bæŋk ˈstɛmtmənt/ noun a written statement from a bank showing the balance of an account at a specific date

bank syndicate /bæŋk ˌsɪndɪkət/ noun a group of major international banks which group together to underwrite a very large loan

bank transfer /bæŋk ˈtrænsfər/ noun an act of moving money from one account to another account

bargain /ˈbɑːɡɪn/ noun an agreement on the price of something ○ to strike a bargain ○ to make a bargain. ■ verb to try to reach agreement about something, especially a price, usually with each person or group involved putting forward suggestions or offers which are discussed until a compromise is arrived at ○ You have to bargain with the dealer if you want a discount. ○ They spent two hours bargaining about or over the price. (NOTE: You bargain with someone over or about or for something.)

barter /ˈbɑːtər/ noun a system in which goods are exchanged for other goods and not sold for money ○ under the barter agreements, Nigeria will export 175,000 barrels a day of crude oil in exchange for trucks, food, planes and chemicals. [Wall Street Journal]
basic discount /ˈbɪsɪsk ˈdrɪskənt/ noun a normal discount without extra percentages ○ Our basic discount is 20%, but we offer 5% extra for rapid settlement.

basic earnings per share /ˈbɪsɪsk ˈɛərɪŋz ˈpɜːr ˈʃeər/ noun a figure that shows an investor how much of a company’s profit belongs to each share

basic pay /ˈbɪsɪsk ˈpet/ noun a normal salary without extra payments. Also called basic salary, basic wage

basic product /ˈbɪsɪsk ˈprɒdʌkt/ noun the main product made from a raw material

basic rate tax /ˈbɪsɪsk ret ˈtaks/ noun the lowest rate of income tax

basic salary /ˈbɪsɪsk ˈseɪbrəli/ basic wage noun same as basic pay

basis /ˈbɪsɪs/ noun 1. a point or number from which calculations are made ○ We forecast the turnover on the basis of a 6% price increase. (NOTE: The plural is bases.) 2. the general terms of agreement or general principles on which something is decided or done ○ This document should form the basis for an agreement. ○ We have three people working on a freelance basis. (NOTE: The plural is bases.) ○ on a short-term or long-term basis for a short or long period ○ He has been appointed on a short-term basis.

basis of accounting /ˈbɪsɪs əv ə ˈkaʊntɪŋ/ noun any of various methods of recognising income and expenditure in the preparation of accounts

basis of apportionment /ˈbɪsɪs əv ə ˈpərənɔmənt/ noun a way in which common overhead costs are shared among various cost centres

basis of assessment /ˈbɪsɪs əv ə ˈsesəmənt/ noun a method of deciding in which year financial transactions should be assessed for taxation

basis period /ˈbɪsɪsɪs ˈpiəriəd/ noun the period during which transactions occur, used for the purpose of deciding in which they should be assessed for taxation

basis point /ˈbɪsɪsɪs ˈpiənt/ noun one hundredth of a percentage point (0.01%), the basic unit used in measuring market movements or interest rates

basis swap /ˈbɪsɪsɪs swʌp/ noun the exchange of two financial instruments, each with a variable interest calculated on a different rate

basket of currencies /ˈbæskɪt əv ˈkærənsiz/ noun same as currency basket

batch /ˈbætʃ/ noun 1. a group of items which are made at one time ○ This batch of shoes has the serial number 25-02.

below-the-line 23 group of documents which are processed at the same time ○ Today’s batch of invoices is ready to be mailed. ○ The factory is working on yesterday’s batch of orders. ○ The accountant signed a batch of cheques. ○ We deal with the orders in batches of fifty at a time.

batch costing /ˈbætʃ ˈkɒstɪŋ/ noun a method of calculating the price of one item as part of a batch of items made at the same time

batch-level activities /ˈbætʃ ˈlev(ə)l/ noun business activities that vary as output varies

b/d abbreviation brought down

B/D abbreviation banker’s draft

bear /beər/ verb 1. to give interest ○ government bonds which bear 5% interest 2. to have something, especially to have something written on it ○ an envelope which bears a London postmark ○ a letter bearing yesterday’s date ○ The cheque bears the signature of the company secretary. ○ The share certificate bears his name. 3. to pay costs ○ The costs of the exhibition will be borne by the company. ○ The company bore the legal costs of both parties. (NOTE: bearing – bore – has borne)

bearer /ˈbeərə/ noun a person who holds a cheque or certificate

bearer bond /ˈbeərə bɔnd/ noun a bond which is payable to the bearer and does not have a name written on it

bearer security /ˈbeərə sɪ,ˌjʊərəti/ noun a bond that has security

beginning inventory /ˈbɪgɪnɪŋ ɪnˈvɛntərɪ/ noun inventory at the start of the account period

behavioural accounting /ˈbɪhəvjuərəl ə ˈkaʊntɪŋ/ noun an approach to the study of accounting that emphasises the psychological and social aspects of the profession in addition to the more technical areas

below-the-line /ˈbɜːlə,loʊ əˈlæm/ adjective ○ bear...

below-the-line expenditure /ˈbɜːlə,loʊ əˈlæm ˈɪkspəndətʃər/ noun payments which do not arise from a company’s usual activities, e.g. redundancy payments.

beside /bəzɪd/ adjective ○ bear...

behind /bɪhɪnd/ preposition ○ bear...

below /bəˈləʊ/ verb ○ bear...

be on /ˈbɪ na/ verb ○ bear...

be of /ˈbɪ əv/ preposition ○ bear...

be over /ˈbaʊvər/ verb ○ bear...

bear- (verb) /beər-/ noun

bear- (adjective) /beər-/ noun

bear- (noun) /beər-/ noun

bear- (adverb) /beər-/ noun
benchmark

beneficiaries of a will /'benfiʃiəri/ noun people who gain money from something

to improve /təˈɪmpruːm/ verb 1. to make better or to improve

assessments /əˈsesmənts/ noun one of a choice of two possible policies within an International Accounting Standard. The other policy is marked as an ‘allowed alternative’, although there is no indication of preference.

beneficiary /ˈbenfiʃərɪ/ noun the practice of measuring the performance of a company against the performance of other companies in the same sector. Benchmarking is also used widely in the information technology sector to measure the performance of computer-based information systems.

benefit /ˈbenɪt/ noun 1. a situation where someone is allowed to occupy or receive rent from a house without owning it

beneficial occupier /ˌbenɪˈfɪʃəl əˈkɒpjər/ noun a person who occupies a property but does not own it fully

beneficiary /ˌbenɪˈfɪʃərɪ/ noun a person who gains money from something the beneficiaries of a will

benefit /ˈbenɪt/ verb 1. to make better or to improve

A fall in inflation benefits the exchange rate.

benefit-cost analysis /ˌbenɪˈfɪt ˈkɒst əˈnælysɪs/ noun same as cost-benefit analysis

benefit in kind /ˌbenɪˈfɪt in ˈkænd/ noun a benefit other than money received by an employee as part of his or her total compensation package, e.g. a company car or private health insurance. Such benefits are usually subject to tax.

Benford's Law /ˈbenfədz lɔː/ noun a law discovered by Dr Benford in 1938, which shows that in sets of random numbers, it is more likely that the set will begin with the number 1 than with any other number

BEP abbreviation break-even point

bequeath /ˈbiːkwət/ verb to leave property, money, etc., (but not freehold land) to someone in a will

benchmarking /ˈbenʃmæktɪŋ/ noun the practice of measuring the performance of a company against the performance of other companies in the same sector. Benchmarking is also used widely in the information technology sector to measure the performance of computer-based information systems.

beneficial interest /ˌbenɪˈfɪʃəl ɪnˈterst/ noun a situation where someone is allowed to occupy or receive rent from a house without owning it

benchmark accounting policy /ˈbenʃmæktɪŋ əˈkɒntərɪŋ ˈpɒləsi/ noun one of a choice of two possible policies within an International Accounting Standard. The other policy is marked as an ‘allowed alternative’, although there is no indication of preference.

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BEP abbreviation break-even point

bequeath /ˈbiːkwət/ verb to leave property, money, etc., (but not freehold land) to someone in a will

bequest /ˈbiːkwəst/ noun something such as property or money (but not freehold land), given to someone in a will

best practice /ˈbest ˈpræktɪs/ noun the most effective and efficient way to do something or to achieve a particular aim (NOTE: In business, best practice is often determined by benchmarking, that is by comparing the method one organisation uses to carry out a task with the methods used by other similar organisations and determining which method is most efficient and effective.)

‘For the past 25 years, managers have been taught that the best practice for valuing assets…is to use a discounted-cash-flow (DCF) methodology.’

b/f abbreviation brought forward

BFH /ˌbiː əˈf/ noun in Germany, the supreme court for issues concerning taxation. Full form Bundesfinanzhof

bid /bɪd/ noun 1. an offer to buy something at a specific price

takeover bid /ˈtækəʊvər bɪd/ noun an offer to buy something

We made a bid for the house.

the company made a bid for its rival.

make a cash bid /mæk əˈkæʃ bɪd/ verb to offer to pay cash for something

to put in or enter a bid for something to offer to buy something, usually in writing

an offer to sell something or do a piece of work at a specific price

She made the lowest bid for the job.

bid to offer to buy something (at an auction) to offer to buy something at £1,000 for the jewels he offered to pay £1,000 for the jewels

bidder /ˈbɪdə/ noun a person who makes a bid, usually at an auction

Several bidders made offers for the house.

bidding /ˈbɪdɪŋ/ noun the act of making offers to buy, usually at an auction

the bidding started at £1,000 the first and lowest bid was £1,000 the bidding stopped at £250,000 the last bid, i.e. the successful bid, was for £250,000 the auctioneer started the bidding at £100 the auctioneer suggested that the first bid should be £100

bid market /ˈbɪd ˈmɑːrkɪt/ noun a market where there are more bids to buy than offers to sell. Opposite offered market

bid-offer price /ˌbɪd ˈɔfər prɑːs/ noun a price charged by unit trusts to buyers and sellers of units, based on the bid-offer spread

bid-offer spread /ˌbɪd ˈɔfər spred/ noun the difference between buying and selling prices (i.e. between the bid and offer prices)
bid price /'bɪd ˈpraɪs/ noun a price at which investors sell shares or units in a unit trust (NOTE: The opposite, i.e. the buying price, is called the offer price; the difference between the two is the spread.)

bid rate /'bɪd ˈreɪt/ noun a rate of interest offered on deposits

big business /ˈbɪɡ ˈbɪzɪnəs/ noun very large commercial firms

Big Four /ˈbaɪɡ ˈflɔːr/ noun 1. the four large British commercial banks: Barclays, LloydsTSB, HSBC and Natwest, now joined by several former building societies that have become banks 2. the four largest international accounting companies: PricewaterhouseCoopers, Deloitte Touche Tohmatsu, Ernst & Young and KPMG 3. the four largest Japanese securities houses: Daiwa, Nikko, Nomura and Yamaichi

bilateral clearing /bɪəˈlɪtərəl ˈkliːərɪŋ/ noun the system of annual settlements of accounts between some countries, where accounts are settled by the central banks

bilateral credit /bɪəˈlɪtərəl ˈkrɛdɪt/ noun credit allowed by banks to other banks in a clearing system, to cover the period while cheques are being cleared

bill /bɪl/ noun 1. a written list of charges to be paid ○ The bill is made out to Smith Ltd ○ The sales assistant wrote out the bill. ○ Does the bill include VAT? 2. a list of charges in a restaurant ○ Can I have the bill please? ○ The bill comes to £20 including service. ○ Does the bill include service? Same as check 3. a written paper promising to pay money 4. US same as banknote ○ a $5 bill 5. a draft of a new law which will be discussed in Parliament ○ verb to present a bill to someone so that it can be paid ○ The plumbers billed us for the repairs.

bill broker /bɪl ˈbrʊkər/ noun a discount house, a firm which buys and sells bills of exchange for a fee

billing /ˈbɪlɪŋ/ noun the work of writing invoices on bills

billion /ˈbaɪliən/ noun one thousand million (NOTE: In the US, it has always meant one thousand million, but in UK English it formerly meant one million million, and it is still sometimes used with this meaning. With figures it is usually written bn: $5bn say ‘five billion dollars.’)

‘...gros wool receipts for the selling season to end June 30 appear likely to top $2 billion’ [Australian Financial Review]

blind trust

bill of exchange /bɪl əv ˈɛksˈɛns/ noun a document, signed by the person authorising it, which tells another person or a financial institution to pay money unconditionally to a named person on a specific date (NOTE: Bills of exchange are usually used for payments in foreign currency.)

bill of lading /bɪl əv ˈleɪdɪŋ/ noun a document listing goods that have been shipped, sent by the transporter to the seller and entered in the seller’s accounts as money owed but not yet paid, and therefore as an asset

bill of materials /bɪl əv ˈmætrɪəlɪz/ noun a document setting out the materials and parts required to make a product

bill of sale /bɪl əv ˈseɪl/ noun a document which the seller gives to the buyer to show that the sale has taken place

bills payable /ˈbɪlz ˈpɛərəb(ə)l/ plural noun bills, especially bills of exchange, which a company will have to pay to its creditors. Abbreviation B/P

bills receivable /ˈbɪlz ˈriːsəvəb(ə)l/ plural noun bills, especially bills of exchange, which are due to be paid by a company’s debtors. Abbreviation B/R

BIN abbreviation bank identification number

binder /ˈbaɪnədər/ noun US a temporary agreement for insurance sent before the insurance policy is issued (NOTE: The UK term is cover note.)

black economy /ˈblæk ˈɛkənəmi/ noun goods and services which are paid for in cash, and therefore not declared for tax. Also called hidden economy, parallel economy, shadow economy

black market /ˈblæk ˈmɑːkɪt/ noun the buying and selling of goods or currency in a way which is not allowed by law ○ There is a flourishing black market in spare parts for cars.

blank cheque /ˈblæŋk ˈtʃeɪk/ noun a cheque with the amount of money and the payee left blank, but signed by the drawer

blanket lien /ˈblæŋkt lɪn/ noun US a lien on a person’s property, including personal effects

blind entry /ˈblænd ˈentri/ noun a bookkeeping entry that simply records a debit or credit but not other essential information

blind trust /ˈblænd ˈtrʌst/ noun a trust set up to run a person’s affairs without the details of any transaction being known to the
person concerned (NOTE: Blind trusts are set up by politicians to avoid potential conflicts of interest.)

block account /ˈblɒk əˈkaʊnt/ noun a bank account which cannot be used, usually because a government has forbidden its use

block currency /ˈblɒk ˈkɔrənəri/ noun a currency which cannot be taken out of a country because of government exchange controls

block funds /ˈblɒk ˈfʌndz/ plural noun money that cannot be transferred from one place to another, usually because of exchange controls imposed by the government of the country in which the funds are held

block trading /ˈblɒk ˈtrədɪŋ/ noun trading in very large numbers of shares

Blue Book /ˈbluː ˈbʊk/ noun an annual publication of national statistics of personal incomes and spending patterns

blue chip /ˈbluː tʃɪp/ noun a very safe investment, a risk-free share in a good company

Blue list /ˈbluː lɪst/ noun US a daily list of municipal bonds and their ratings, issued by Standard & Poor’s

blue sky laws /ˈbluː ˈskai ˈlɔːz/ plural noun US state laws to protect investors against fraudulent traders in securities

board /bɔːd/ noun 1, same as board of directors ○ He sits on the board as a representative of the bank. ○ Two directors were removed from the board at the AGM. 2, a group of people who run an organisation, trust or society. 3, on board on a ship, plane or train ○ verb to go on to a ship, plane or train ○ Customs officials boarded the ship in the harbour.

‘CEOs, with their wealth of practical experience, are in great demand and can pick and choose the boards they want to serve on’ [Dun’s Business Month]

Board for Actuarial Standards /ˈbɔːd fɔr ˌækʃəˈreɪʃəl ˈstændədz/ noun a UK authority with responsibility for overseeing the actuarial profession and setting actuarial standards

board meeting /ˈbɔːd ˈmiːtɪŋ/ noun a meeting of the directors of a company

Board of Customs and Excise /ˈbɔːd əv kəstəmz ənd ˈɛksəs/ noun the ruling body of the Customs and Excise

board of directors /ˈbɔːd əv dərətərz/ noun 1, a group of directors elected by the shareholders to run a company ○ The bank has two representatives on the board of directors. 2, US a group of people elected by the shareholders to draw up company policy and to appoint the president and other executive officers who are responsible for managing the company ○ ...a proxy is the written authorization an investor sends to a stockholder meeting conveying his vote on a corporate resolution or the election of a company’s board of directors [Barrons]

bona fide /ˈbəʊnə ˈfɪd/ adjective trustworthy, which can be trusted

bond /bənd/ noun 1. a contract document promising to repay money borrowed by a company or by the government on a specific date, and paying interest at regular intervals

2. □ goods (held) in bond goods held by customs until duty has been paid □ entry of goods under bond bringing goods into a country in bond □ to take goods out of bond to pay duty on goods so that they can be released by customs 3. a form of insurance fund which is linked to a unit trust, but where there is no yield because the income is automatically added to the fund

bond discount /ˈbənd ˈdɪskəʊnt/ noun the difference between the face value of a bond and the lower price at which it is issued

bonded /ˈbəndɪd/ adjective held in bond

bonded warehouse /ˈbəndɪd ˈwɜːʃʊər/ noun a warehouse where goods are stored until excise duty has been paid

bond fund /ˈbənd ˈfʌnd/ noun a unit trust in which investments are made in the form of bonds

bondholder /ˈbəndˈhɔːldər/ noun a person who holds government bonds

bond indenture /ˈbənd ɪnˈdɛntʃər/ noun a document that details the terms of a bond

bondised /ˈbəndɪzd/ adjective referring to an insurance fund linked to a unit trust

bond market /ˈbənd ˈmɑːkɪt/ noun a market in which government or municipal bonds are traded

bond premium /ˈbənd ˈprəmɪəm/ noun the difference between the face value of a bond and a higher price at which it is issued

bond-washing /ˈbənd ˈwɔːʃɪŋ/ noun the act of selling securities cum dividend and buying them back later ex dividend, or selling US Treasury bonds with the interest coupon, and buying them back ex coupon, so as to reduce tax

bond yield /ˈbənd ˈjɪld/ noun income produced by a bond, shown as a percentage of its purchase price
bonus /ˈbəʊnəs/ noun an extra payment in addition to a normal payment

bonus issue /ˌbəʊnəs ˈɪʃuː/ noun a scrip issue or capitalisation issue, in which a company transfers money from reserves to share capital and issues free extra shares to the shareholders. The value of the company remains the same, and the total market value of shareholders’ shares remains the same, the market price being adjusted to account for the new shares. Also called share split (NOTE: The US term is stock split.)

bonus share /ˈbəʊnəs ʃeə/ noun an extra share given to an existing shareholder

book /bʊk/ noun 1. a set of sheets of paper attached together into a company’s books the financial records of a company 2. a statement of a dealer’s exposure to the market, i.e. the amount which he or she is due to pay or has borrowed 3. to make a book to have a list of shares which he or she is prepared to buy or sell on behalf of clients

book inventory /ˈbʊk ɪnˈvɛntəri/ noun the number of stock items recorded in accounts, which is verified by a physical count

bookkeeper /ˈbʊkˌkiːpə/ noun a person who keeps the financial records of a company or an organisation

bookkeeping /ˈbʊkˌkiːpɪŋ/ noun the work of keeping the financial records of a company or an organisation

bookkeeping barter /ˈbʊkkiːpɪŋ bɑːtər/ noun the direct exchange of goods between two parties without the use of money as a medium, but using monetary measures to record the transaction

bookkeeping transaction /ˈbʊkkiːpɪŋ ˈtræn.zækʃən/ noun a transaction which involves changes to a company’s books of accounts, but does not alter the value of the company in any way, e.g. the issue of bonus shares

book of account /ˈbʊk əˈkaʊnt/ noun an account book, a book which records financial transactions

book of prime entry /ˈbʊk əˈprɛm ˈentri, ˈbʊk əˈpraim ˈentriɪ, ˈbʊk əˈpraim ˈentriɪ/ book of original entry noun a chronological record of a business’s transactions arranged according to type, e.g., cash or sales. The books are then used to generate entries in a double-entry bookkeeping system.

book sales /ˈbʊk ˈsɛlz/ plural noun sales as recorded in the sales book

book value /ˈbʊk, ˈvɛljuː/ noun the value of an asset as recorded in the company’s balance sheet

book value per share /ˈbʊk, ˈvɛljuː ˈpə share/ noun a company’s own assessment of the value of its shares, which may differ considerably from the market value

boost /bəʊst/ noun help given to increase something ○ This publicity will give sales a boost. ○ The government hopes to give a boost to industrial development. n verb to make something increase ○ We expect our publicity campaign to boost sales by 25%. ○ The company hopes to boost its market share. ○ Incentive schemes are boosting production.

boosting /ˈbəʊstɪŋ/ adjective expanding or becoming prosperous ○ a booming industry or company ○ Technology is a booming sector of the economy.

border tax adjustment /ˈbɜːrdər tɑːks əˌdʒɛstʃənt/ noun a deduction of indirect tax paid on goods being exported or importation of local indirect tax on goods being imported

borrow /ˈbɔːrəʊ/ verb 1. to take money from someone for a time, possibly paying interest for it, and repaying it at the end of the period ○ She borrowed £1,000 from the bank. ○ The company had to borrow heavily to repay its debts. ○ They borrowed £25,000 against the security of the factory. 2. to buy at spot prices and sell forward at the same time

borrower /ˈbɔːrəʊər/ noun a person who borrows ○ Borrowers from the bank pay 12% interest.

borrowing /ˈbɔːrəʊɪŋ/ noun the act of borrowing money ○ The new factory was financed by bank borrowing.

borrowing costs /ˈbɔːrəʊɪŋ kɔsts/ plural noun the interest and other charges paid on money borrowed

borrowing power /ˈbɔːrəʊɪŋ ˈpɔʊər/ noun the amount of money which a company can borrow

borrowings /ˈbɔːrəʊɪŋz/ plural noun money borrowed ○ The company’s borrowings have doubled.
bottleneck

bottleneck /'bɒtl(ə)nik/ noun a situation which occurs when one section of an operation cannot cope with the amount of work it has to do, which slows down the later stages of the operation and business activity in general. The bottleneck in the supply system. There are serious bottlenecks in the production line.

bottleneck activity /bɒtl(ə)nik /æk'tɪvɪti/ noun any business activity for which the work involved equals or exceeds the income generated.

bottom /'bɒtm/ verb to reach the lowest point. the market has bottomed out the market has reached the lowest point and does not seem likely to fall further.

bottom line /'bɒtm 'laɪn/ noun 1. the last line on a balance sheet indicating profit or loss. the boss is interested only in the bottom line he is only interested in the final profit. 2. the final decision on a matter. The bottom line was that the work had to be completed within budget.

bottom-up budgeting /'bɒtəm 'ʌpˌbʌdʒɪtɪŋ/ noun same as participative budgeting.

bought day book /bɔtɪd 'deɪ,bʌk/ noun a book used to record purchases made on credit.

bought ledger /bɔtɪd 'ledʒə/ noun a book in which purchases are recorded.

bought ledger clerk /bɔtɪd 'lɛdʒə ,klɛrk/ noun an office employee who deals with the bought ledger or the sales ledger.

bounce /bɔunaʊs/ verb (of a cheque) to be returned by the bank to the person who has tried to cash it, because there is not enough money in the payer’s account to pay it. She paid for the car with a cheque that bounced.

B/P abbreviation bills payable.

B/R abbreviation bills receivable.

bracket /'brækt/ noun a group of items or people taken together. she is in the top tax bracket she pays the highest level of tax.

branch accounting /'bræntʃ ə'kaʊntɪŋ noun the fact of operating separate accounting systems for each department of an organisation.

branch accounts /'bræntʃ ə'kaʊnts/ plural noun accounts showing transactions belonging to the branches of a large organisation, i.e., between a branch and other branches or its head office, or other companies outside the organisation.

breach /briːtʃ/ noun a failure to carry out the terms of an agreement.

breach of contract /ˈbriːtʃ ə'kɒntrakt/ noun the failure to carry out the terms of an agreement which has been agreed in a contract.

breach of trust /ˈbriːtʃ ə'træst/ noun a situation where a person does not act correctly or honestly when they expect him or her to.

break /brek/ noun 1. a pause between periods of work. She keyboarded for two hours without a break. 2. a sharp fall in share prices.

break even /'brek 'evən/ verb 1. to stop working because of mechanical failure. The company is hoping to be able to break the contract. 2. to cancel a contract. The company has broken the contract or the agreement by selling at a lower price. 3. to show all the items in a total list of costs or expenditure. We broke the expenditure down into fixed and variable costs.

break even if it sells at least 1,000 bicycles a month.

break down /'brek daʊn/ phrasal verb 1. to stop working because of mechanical failure. The fax machine has broken down. 2. to stop. Negotiations broke down after six months. 3. to show all the items in a total list of costs or expenditure. We broke the expenditure down into fixed and variable costs.

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Break-even analysis is usually shown in the
form of a chart and can be used to help
companies make decisions, set prices for
their products, and work out the effects of
changes in production or sales volume on
their costs and profits.

**break-even chart** /ˈbreɪk ɪv(ə)n ʃɑːrt/ noun a chart showing the point at which a company breaks even as the intersection between a line plotting total revenue and a line plotting total cost.

**break-even point** /ˈbreɪk ɪv(ə)n ˈpɔɪnt/ noun the point or level of financial activity at which expenditure equals income, or the value of an investment equals its cost so that the result is neither a profit nor a loss. Abbreviation BEP

**break-even sales** /ˈbreɪk ɪv(ə)n ˈsiːlz/ plural noun a level of sales that neither generates profit nor incurs loss.

**break-out** /ˈbreɪk aʊt/ noun a movement of a share price above or below its previous trading level.

**break-up value** /ˈbreɪk ʌp ˈvɔːljuː/ noun 1. the value of the material of a fixed asset ○ What would the break-up value of our old machinery be? 2. the value of various parts of a company taken separately.

**bribe** /ˈbraɪb/ noun money given secretly and usually illegally to someone in authority to get them to help ○ The minister was dismissed for taking a bribe.

**bricks-and-mortar** /ˈbrɪks ən ˈmɔːtər/ adjective referring to the fixed assets of a company, especially its buildings.

**bridge finance** /ˈbrɪdʒ ˈfænəns/ noun loans to cover short-term needs.

**bridging loan** /ˈbrɪdʒɪŋ ləʊn/ noun 1. a short-term loan to help someone buy a new house when the old one has not yet been sold 2. a short-term loan made to a company, e.g. to help in a cash-flow crisis or to fund company restructuring (NOTE: [all senses] The US term is bridge loan.)

**bring down** /ˈbrɪŋ ˈdaʊn/ phrasal verb to reduce ○ Petrol companies have brought down the price of oil.

**bring forward** /ˈbrɪŋ ˈfɔːrward/ phrasal verb 1. to make something take place earlier ○ to bring forward the date of repayment ○ The date of the next meeting has been brought forward to March. 2. to take an account balance from the end of the previous period as the starting point for the current period ○ Balance brought forward: £365.15

**bring in** /ˈbrɪŋ ˈɪn/ phrasal verb to earn an amount of interest ○ The shares bring in a small amount.

**British Accounting Association** /ˈbɪrɪtʃ ˈəʊkəntɪŋ əˌsəsiəʃən/ an organisation whose aim is to promote accounting education and research in the United Kingdom. F. Abbreviation BAA

**broker** /ˈbrʊkər/ noun a dealer who acts as a middleman between a buyer and a seller.

**brokerage** /ˈbrʊkərɪdʒ/ noun 1. same as broker’s commission. 2. same as broking

**brokerage house** /ˈbrʊkərɪdʒ ˈhauz/ noun a firm which buys and sells shares for clients.

**broker-dealer** /ˈbrʊkər-ˈdiːlər/ noun a dealer who buys and sells and holds them for resale, and also deals on behalf of investor clients.

**broking** /ˈbrʊkɪŋ/ noun the business of dealing in stocks and shares.

**brought down** /ˈbrɔt ˈdɔːn/ brought forward /ˈbrɔt ˈfɔːrward/ adjective used to describe the balance in an account from the previous period when it is taken as the starting point for the current period ○ balance brought down or forward: £365.15 Abbreviation bfd, b/f

**B/S** abbreviation balance sheet.

**B shares** /bɪː / plural noun ordinary shares with special voting rights, often owned by the founder of a company and his or her family. See Comment at A shares.

**buck** /bʌk/ noun US a dollar (informal)

**budget** /ˈbʌdʒɪt/ noun 1. a plan of expected spending and income for a period ○ We have agreed on the budgets for next year. 2. the Budget the annual plan of taxes and government spending ○ The minister put forward a budget aimed at boosting the economy. ○ verb to plan probable income and expenditure ○ We are budgeting for $10,000 of sales next year.

**budget account** /ˈbʌdʒɪt əˈkaʊnt/ noun a bank account where you plan income and
budgetary

expenditure to allow for periods when expenditure is high, by paying a set amount each month.

budgetary /ˈbʌdʒəteri/ adjective referring to a budget.

budgetary control /ˈbʌdʒəteri kənˈtrəʊl/ noun controlled spending according to a planned budget.

budgetary policy /ˈbʌdʒəteri ˈpɒlisi/ noun the policy of planning income and expenditure.

budgetary requirements /ˈbʌdʒəteri ˈrɪkwəriˈmɑntz/ plural noun the rate of spending or income required to meet the budget forecasts.

budgetary slack /ˈbʌdʒəteri ˈslæk/ noun a deliberate underestimation of income and overestimation of costs, designed to allow for budgetary emergencies or to make targets more easily attainable.

budget centre /ˈbʌdʒət kənˈtɜːrnt/ noun a part of an organisation for which a separate budget is prepared.

budget committee /ˈbʌdʒət kəˈmiːtɪ/ noun the group within an organisation responsible for drawing up budgets that meet departmental requirements, ensuring they comply with policy, and then submitting them to the board of directors.

budget control /ˈbʌdʒət kənˌtrəʊl/ noun the monitoring of a company’s actual performance against its expected performance as detailed in a budget plan.

Budget Day /ˈbʌdʒət dɪˈɛ/ noun the day when the Chancellor of the Exchequer presents the budget to Parliament. This is usually in March, but with an advance budget statement in November.

Budget deficit /ˈbʌdʒət ˈdɛfɪsɪt/ noun 1. a deficit in a country’s planned budget, where income from taxation will not be sufficient to pay for the government’s expenditure 2. a deficit in personal finances where a household will borrow to finance large purchases which cannot be made out of income alone.

budget department /ˈbʌdʒət dɪˌpɑrtmənt/ noun a department in a large store which sells cheaper goods.

budget director /ˈbʌdʒət dɪəˈrektaɪ/ noun the person in an organisation who is responsible for running the budget system.

budgeted balance sheet /ˈbʌdʒətɪd ˈbæləns ˈʃiːt/ noun a statement of company’s estimated financial position at the end of a budgetary year.

budgeted capacity /ˈbʌdʒətɪd kəˈpæsətɪ/ noun an organisation’s available output level for a budget period according to the budget. It may be expressed in different ways, e.g., in machine hours or standard hours.

budgeted income statement /ˈbʌdʒətɪd ˈɪnkuːm ˈstɛtmbənt/ noun a statement of a company’s expected net income in a budgetary period.

budgeted revenue /ˈbʌdʒətɪd ˈrɛvənjuː/ noun the income that an organisation expects to receive in a budget period according to the budget.

budget information /ˈbʌdʒətɪnˈfɔrmeɪʃən/ noun information about a company’s expected future levels of income and expenditure.

budgeting /ˈbʌdʒətɪŋ/ noun the preparation of budgets to help plan expenditure and income.

budgeting models /ˈbʌdʒətɪŋ ˈmodəls/ plural noun mathematical models used in the planning of a budget and designed to generate a profit.

budget lapsing /ˈbʌdʒət læpsɪŋ/ noun withdrawal by an authority of the unspent portion of an organisation’s budget allowance at the time the budget period expires.

budget manual /ˈbʌdʒət ˈmænjuəl/ noun a handbook or set of documents that detail budgetary procedure for a company or organisation.

budget period /ˈbʌdʒət ˈpiːriəd/ noun a period of time covered by a budget.

budget planning calendar /ˈbʌdʒət ˈplɛnɪŋ ˈkeɪləndər/ noun a schedule showing plans for the preparation of an organisation’s master budget and the departmental budgets that depend on it, which usually takes several months.

budget report /ˈbʌdʒət rɪˈpɔːt/ noun a report that compares a company’s actual performance with its budgeted performance for a given period.

budget surplus /ˈbʌdʒət ˈsɜːrpləs/ noun a situation where there is more revenue than was planned for in the budget.

budget variance /ˈbʌdʒət ˈvɛərɪəns/ noun the difference between the cost as estimated for a budget and the actual cost.

buffer stocks /ˈbʌfər ˈstəks/ plural noun stocks of a commodity bought by an international body when prices are low and held for resale at a time when prices have risen, with the intention of reducing sharp fluctuations in world prices of the commodity.

build into /bɪld ˈɪntu/ phrasal verb to include something in something which is being set up. You must build all the forecasts.
which is repaid in a single payment
so that it will soon become obsolete
extensive bumping in companies where only
something by adding pieces together
/L50263
bullion
bullet loan
Obligatoires
Bulletin des Annonces Légales
bullet bond
bulk buying
bulk buying
built-in obsolescence
about customer service.

There has been a buildup of complaints
buildup

I have an account with the Nationwide
bought

the security of the property which is being
pays interest on deposits, and lends money
building society
building and loan association

A shipment of gold bullion was stolen
from the security van. ○ The price of bullion
is fixed daily.

bumping /ˈbʌmɪŋ/ noun US a lay-off
procedure that allows an employee with
greater seniority to displace a more junior
employee ○ The economic recession led to
extensive bumping in companies where only
the most qualified were retained for some

business expenses /ˈbiznəs ɪkˈspənəs/ plural noun
money spent on running a business, not on stock or assets

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business hours

*business hours* /ˈbiznəs haʊərз/ plural *noun* the time when a business is open, usually 9:00 a.m. to 5:30 p.m.

*business intelligence* /ˈbiznəs ɪnˌtelɪdʒ(ə)ns/ *noun* information that may be useful to a business when it is planning its strategy

…a system that enables its employees to use cell phones to access the consulting firm’s business information database.' [InformationWeek]

*business name* /ˈbiznəs nɪm/ *noun* a name used by a company for trading purposes

*business plan* /ˈbiznəs plæn/ *noun* a document drawn up to show how a business is planned to work, with cash flow forecasts, sales forecasts, etc., often used when trying to raise a loan, or when setting up a new business

*business property relief* /ˈbiznəs prəˈprɔpəti riˈlif/ *noun* in the United Kingdom, a reduction in the amount liable to inheritance tax on certain types of business property

*business ratepayer* /ˈbiznəs rəˈteɪpər/ *noun* a business which pays local taxes on a shop, office, factory, etc.

*business rates* /ˈbiznəs rəts/ plural *noun* in the United Kingdom, a tax on businesses calculated on the value of the property occupied. Although the rate of tax is set by central government, the tax is collected the local authority.

*business review* /ˈbiznəs ˈrɪvju/ *noun* a report on business carried out over the past year. It forms part of the directors’ report

*business segment* /ˈbiznəs ˈseɡmənt/ *noun* a section of a company that can be distinguished from the rest of the company by its own revenue and expenditure

*business transaction* /ˈbiznəs trænˈzækʃən/ *noun* an act of buying or selling

*business travel* /ˈbiznəs trəˈvəl/ *noun* travel costs incurred in the course of work, as opposed to private travel or daily travel to your usual place of work

*buy* /bɔɪ/ *verb* to get something by paying money ○ to buy wholesale and sell retail ○ to buy for cash ○ She bought 10,000 shares.

○ The company has been bought by its leading supplier. (NOTE: buying – bought)

*buy back* /ˈbaɪ bæk/ *phrasal verb* to buy something which you sold earlier ○ She sold the shop last year and is now trying to buy it back.

*buy in* /ˈbaɪ in/ *phrasal verb* 1. (of a seller at an auction) to buy the thing which you are trying to sell because no one will pay the price you want 2. to buy stock to cover a position 3. (of a company) to buy its own shares

*buyback* /ˈbaɪbæk/ *noun* 1. a type of loan agreement to repurchase bonds or securities at a later date for the same price as they are being sold 2. an international trading agreement where a company builds a factory in a foreign country and agrees to buy all its production

‘…the corporate sector also continued to return cash to shareholders in the form of buy-backs, while raising little money in the form of new or rights issues’ [Financial Times]

*buyer* /ˈbraɪər/ *noun* 1. a person who buys 2. a person who buys stock on behalf of a trading organisation for resale or for use in production

*buyer’s market* /ˈbraɪərəz ˈmɑrkɪt/ *noun* a market where products are sold cheaply because there are few people who want to buy them. Opposite *seller’s market*

*buying department* /ˈbaɪŋ dırtəˈpɔrtnɑ̃/ *noun* the department in a company which buys raw materials or goods for use in the company (NOTE: The US term is *purchasing department*.)

*buying power* /ˈbaɪŋ puər/ *noun* an assessment of an individual’s or organization’s disposable income regarded as conferring the power to make purchases ○ The buying power of the dollar has fallen over the last five years.

*buyout* /ˈbaɪəут/ *noun* the purchase of a controlling interest in a company

‘…we also invest in companies whose growth and profitability could be improved by a management buyout’ [Fortune]

*bylaw* /ˈbaɪlɔ/ *noun* a rule made by a local authority or organisation, and not by central government

*by-product* /ˈbraɪ ˈprɔdəkt/ *noun* a secondary product made as a result of manufacturing a main product which can be sold for profit
CA abbreviation chartered accountant
c/a abbreviation capital account
C/A abbreviation current account
calculate /ˈkælɪkjuːleɪt/ verb 1. to find the answer to a problem using numbers ○ The bank clerk calculated the rate of exchange for the dollar. 2. to estimate ○ I calculate that we have six months’ stock left.
calculation /ˌkælkjʊˈleɪʃn/ noun the answer to a problem in mathematics ○ According to my calculations, we have six months’ stock left. □ we are £20,000 out in our calculations we have made a mistake in our calculations and arrived at a figure which is £20,000 too much or too little

calendar variance /ˈkæləndər veɪərəns/ noun variance which occurs if a company uses calendar months for the financial accounts but uses the number of actual working days to calculate overhead expenses in the cost accounts
calendar year /ˈkæləndər jɪər/ noun a year from the 1st January to 31st December
call /kɔːl/ noun 1. a demand for repayment of a loan by a lender 2. a demand to pay for new shares which then become paid up verb to ask for a loan to be repaid immediately
call in /kɔːl ɪn/ phrasal verb 1. to visit ○ Their sales representative called in twice last week. 2. to ask for a debt to be paid
call up /kɔːl ap/ phrasal verb to ask for share capital to be paid

callable bond /ˈkæləbl ぼʊnd/ bond/ noun a bond which can be redeemed before it matures
callable capital /ˈkæləbl ˈkæpɪt(ə)l/ noun the part of a company’s capital which has not been called up
call account /kɔːl əˈkɒunt/ noun a type of current account where money can be withdrawn without notice
call-back pay /kɔːl ˈbæk ˈpeɪ/ noun pay given to an employee who has been called back to work after his or her usual working hours
called up capital /ˈkæld ap ˈkæpɪt(ə)l/ noun share capital in a company which has been called up. The share capital becomes fully paid when all the authorised shares have been called up.

circular to shareholders highlights that the company’s net assets as at August 1, amounted to £47.9 million – less than half the company’s called-up share capital of £96.8 million. Accordingly, an EGM has been called for October 7. [Times]
call-in pay /kɔːl ɪn ˈpeɪ/ noun payment guaranteed to employees who report for work even if there is no work for them to do ○ Call-in pay is often necessary to ensure the attendance of employees where there is at least the possibility of work needing to be done.
call loan /kɔːl loʊn/ noun a bank loan repayable at call
call money /ˈkæl mʌni/ noun money loaned for which repayment can be demanded without notice. Also called money at call, money on call
call option /ˈkæl əˈpʃn/ noun an option to buy shares at a future date and at a specific price. Also called call
call price /ˈkæl prɪs/ noun a price to be paid on redemption of a US bond
call provision /ˈkæl prəvɪʒən/ noun a clause that allows a bond to be redeemed before its maturity date
call purchase /ˈkælp ˈpɜːtʃəs/ noun a transaction where the seller or purchaser can fix the price for future delivery
calls in arrear /kɔːls ɪn əˈreər/ plural noun money called up for shares, but not paid at the correct time and a special calls in arrear account is set up to debit the sums owing

Canadian Institute of Chartered Accountants /kænədɪn stɪˈɛtɪd əˈkaʊntənts/ noun in Canada, the
capital |

principal professional accountancy body that is responsible for setting accounting standards. Abbreviation CICA  
cap /kap/ noun 1. an upper limit placed on something, such as an interest rate. The opposite, i.e. a lower limit, is a ‘floor’. 2. same as capitalisation (informal)  ○ Last year the total market cap of all the world’s gold companies fell from $71 billion to $46 billion.  ○ verb to place an upper limit on something  ○ to cap a department’s budget (NOTE: capping – capped)  
CAPA noun a large association of accountancy bodies that operate in Asia and the Pacific Rim countries. Full form Confederation of Asian and Pacific Accountants  
capacity /ˈkæpəsɪti/ noun 1. the amount which can be produced, or the amount of work which can be done  ○ industrial or manufacturing or production capacity 2. the amount of space to use up spare or excess capacity to make use of time or space which is not fully used  ○ She has a particular capacity for detailed business deals with overseas companies.  ○ analysts are increasingly convinced that the industry simply has too much capacity [Fortune]  
capacity costs /ˈkæpəsɪti kəstz/ plural noun costs incurred to allow a company or producer to produce goods or services, e.g. the purchase of machinery or buildings  
capacity management /ˈkæpəsɪti ˈmænɪdʒmənt/ noun management of the cost of a company’s unused capacity, which does not rightly influence pricing  
capacity requirements planning /ˈkæpəsɪti ˈriːkwərəntz ˈplænɪŋ/ noun planning that determines how much machinery and equipment is needed in order to meet production targets  
capacity usage variance /ˈkæpəsɪti ˈjuːzəsɪvəns/ noun the difference in gain or loss in a given period compared to budgeted expectations, caused because the hours worked were longer or shorter than planned  
capacity variance /ˈkæpəsɪti ˈveərəns/ noun variance caused by the difference between planned and actual hours worked  
Caparo case /ˈkæpəroʊ kəs/ noun in England, a court decision taken by the House of Lords in 1990 that auditors owe a duty of care to present (not prospective) shareholders as a body but not as individuals  
CAPEX abbreviation capital expenditure capital /ˈkæpəsɪti/ noun 1. the money, property, and assets used in a business  ○ a company with $10,000 capital or with a capital of $10,000 2. money owned by individuals or companies, which they use for investment  
capital account /ˈkæpəsɪti əˈkeɪnt/ noun 1. an account that states the value of funds and assets invested in a business by the owners or shareholders 2. the portion of a country’s balance of payments that refers to investments, rather than to the buying and selling of merchandise 3. a statement of the net worth of an organization at a given time  
capital adequacy /ˈkæpəsɪti əˈdɛdɪkwəsɪ/ capital adequacy ratio /ˈkæpəsɪti əˈdɛdɪkwəsɪ ˈreɪʃəl/ noun the amount of money which a bank has to have in the form of shareholders’ capital, shown as a percentage of its assets. Also called capital-to-asset ratio (NOTE: The amount is internationally agreed at 8%)  
capital allowances /ˈkæpəsɪti əˈləʊənsiz/ plural noun the allowances based on the value of fixed assets which may be deducted from a company’s profits and so reduce its tax liability  
capital appreciation /ˈkæpəsɪti əˈprɛʃən/ noun same as appreciation  
capital asset pricing model /ˈkæpəsɪti əˈset ˈprɑːsɪŋ ˈmɔdəl/ noun an equation that shows the relationship between expected risk and expected return on an investment and serves as a model for valuing risky securities. Abbreviation CAPM  
capital assets /ˈkæpəsɪti əˈseɪts/ plural noun the property, machines, and other assets which a company owns and uses but which it does not buy and sell as part of its regular trade. Also called fixed assets  
capital base /ˈkæpəsɪti ˈbeɪs/ noun the capital structure of a company (shareholders’ capital plus loans and retained profits) used as a way of assessing the company’s worth  
capital bonus /ˈkæpəsɪti ˈbəʊnəs/ noun an extra payment by an insurance company which is produced by a capital gain  
capital budget /ˈkæpəsɪti ˈbʌdʒɪt/ noun a budget for planned purchases of fixed assets during the next budget period  
capital budgeting /ˈkæpəsɪti ˈbʌdʒɪtɪŋ/ noun the process of deciding on specific investment projects, the amount of expenditure to commit to them and how the finance will be raised  
capital commitments /ˈkæpəsɪti kənˈmɪnts/ plural noun expenditure on assets which has been authorised by direc-
tors, but not yet spent at the end of a financial period

**capital consumption** /ˈkæpɪtl ˈkɒnsəmən/ noun in a given period, the total depreciation of a national economy’s fixed assets based on replacement costs

**capital costs** /ˈkæpɪtl ˈkɒsts/ plural noun expenses on the purchase of fixed assets

**capital deepening** /ˈkæpɪtl ˈdiːpiŋ/ noun increased investment of capital in a business, without changing other factors of production. Also called **capital widening**

**capital employed** /ˈkæpɪtl ˈɪmplɔɪd/ noun an amount of capital consisting of shareholders' funds plus the long-term debts of a business. • return on assets

**capital equipment** /ˈkæpɪtl ˌɛkwɪpmen/ noun equipment which a factory or office uses to work

**capital expenditure** /ˈkæpɪtl ˈeksənpt/ noun money spent on fixed assets such as property, machines and furniture. Also called **capital investment, capital outlay**. Abbreviation CAPEX

**capital expenditure budget** /ˈkæpɪtl ˌɛkˈskənspəl ˌbɪdʒɪt/ noun a budget for planned purchases of fixed assets during the budget period

**capital flight** /ˈkæpɪtl ˈflɪt/ noun the rapid movement of capital out of a country because of lack of confidence in that country’s economic future in response to political unrest, war or other conditions. Also called **flight of capital**

**capital gain** /ˈkæpɪtl ˈgæn/ noun an amount of money made by selling a fixed asset or certain other types of property, such as shares, works of art, leases etc. Opposite **capital loss**

**capital gains expenses** /ˈkæpɪtl ˈɡeɪnz ɪnˈspɛnsɪz/ plural noun expenses incurred in buying or selling assets, which can be deducted when calculating a capital gain or loss

**capital gains tax** /ˈkæpɪtl ˈɡeɪnz ˈteɪks/ noun a tax on the difference between the gross acquisition cost and the net proceeds when an asset is sold. In the United Kingdom, this tax also applies when assets are given or exchanged, although each individual has an annual capital gains tax allowance that exempts gains within that tax year below a stated level. In addition, certain assets may be exempt, e.g., a person’s principal private residence and transfers of assets between spouses. Abbreviation CGT

**capital goods** /ˈkæpɪtl ˈɡɒdz/ plural noun machinery, buildings, and raw materials which are used to make other goods

**capital inflow** /ˈkæpɪtl ˈɪnfləʊ/ noun the movement of capital into a country by buying shares in companies, buying whole companies or other forms of investment

**capital-intensive industry** /ˈkæpɪtl ɪnˈtɛnsəv ɪndəstri/ noun an industry which needs a large amount of capital investment in plant to make it work

**capital investment** /ˈkæpɪtl ɪnˈvɛstmənt/ noun same as **capital expenditure**

**capital investment appraisal** /ˈkæpɪtl ɪnˈvɛstmənt əˈprɛzəmpl/ noun an analysis of the future profitability of capital purchases as an aid to good management

**capitalisation** /ˈkæpɪtl əˈzeɪʃən/ noun, **capitalization** /ˈkæpɪtl əˈzeɪʃən/ noun the value of a company calculated by multiplying the price of its shares on the stock exchange by the number of shares issued. Also called **market capitalisation**

‘...she aimed to double the company’s market capitalisation’ [Fortune]

**capitalisation issue** /ˌkæpɪtl ˌɪʃu/ noun same as **bonus issue**

**capitalisation of earnings** /ˌkæpɪtl əˈzeɪʃən əv ˈɛ)rɪnings/ noun a method of valuing a business according to its expected future profits

**capitalise** /ˈkæpɪtl əˌzaɪz/ verb 1. to invest money in a working company; the company is capitalised at £10,000 the company has a working capital of £10,000 2. to convert reserves or assets into capital

‘...at its last traded price the bank was capitalised at around $1.05 billion with 60 per cent in the hands of the family’ [South China Morning Post]

**capitalise on phrasal verb** to make a profit from ○ We are seeking to capitalise on our market position.

**capitalism** /ˈkæpɪtl əˈzɪzəm/ noun the economic system in which each person has the right to invest money, to work in business, and to buy and sell, with no restrictions from the state
capitalist /kaʊpɪt(ə)lɪst/ adjective working according to the principles of capitalism ◦ the capitalist system ◦ the capitalist countries or world
capitalist economy /kaʊpɪt(ə)lɪst əˈkjʊməri/ noun an economy in which each person has the right to invest money, to work in business, and to buy and sell, with no restrictions from the state
capital lease /kaʊpɪt(ə)l lɪs/ noun a lease that gives the lessee substantial property rights
capital levy /kaʊpɪt(ə)l ˈlevi/ noun a tax on the value of a person’s property and possessions
capital loss /kaʊpɪt(ə)l ˈlɒs/ noun a loss made by selling assets. Opposite capital gain
capital maintenance concept /kaʊpɪt(ə)l ˈmɛntənəns ˈkɒnsep/ noun a concept used to determine the definition of profit, that provides the basis for different systems of inflation accounting
capital market /kaʊpɪt(ə)l ˈmɑːkɪt/ noun an international market where money can be raised for investment in a business
capital outlay /kaʊpɪt(ə)l ˈaʊtlə/ noun same as capital expenditure
capital profit /kaʊpɪt(ə)l ˈprɒfɪt/ noun a profit made by selling an asset
capital project /kaʊpɪt(ə)l ˈprɒdjɛkt/ noun a large-scale and complex project, often involving construction or engineering work, in which an organisation spends part of its financial resources on creating capacity for production
capital ratio /kaʊpɪt(ə)l ˈrɛʃiər/ noun same as capital adequacy
capital rationing /kaʊpɪt(ə)l rəˈʃiənj/ noun restrictions on capital investment, the result either of the internal imposition of a budget ceiling or of external limitations such as the fact that additional borrowing is not available
capital reconstruction /kaʊpɪt(ə)l ˌrekonstrʌkʃən/ noun the act of putting a company into voluntary liquidation and then selling its assets to another company with the same name and same shareholders, but with a larger capital base
capital redemption reserve /kaʊpɪt(ə)l ˈrɪdemprəzn/ noun an account required to prevent a reduction in capital, where a company purchases or redeems its own shares out of distributable profits
capital reorganisation /kaʊpɪt(ə)l riˈɔɡnəˌreɪʃən/ noun the process of changing the capital structure of a company by amalgamating or dividing existing shares to form shares of a higher or lower nominal value
capital reserves /kaʊpɪt(ə)l ˈrɛzɜrvz/ plural noun 1. money from profits, which forms part of the capital of a company and can be used for distribution to shareholders only when a company is wound up. Also called undistributable reserves 2. the share capital of a company which comes from selling assets and not from their usual trading
capital shares /kaʊpɪt(ə)l ʃeəz/ plural noun (on the Stock Exchange) shares in a unit trust which rise in value as the capital value of the units rises, but do not receive any income [NOTE: The other form of shares in a split-level investment trust are income shares, which receive income from the investments, but do not rise in value.]
capital stock /kaʊpɪt(ə)l ˈstək/ noun 1. the amount of money raised by a company through the sale of shares, entitling holders to dividends, some rights of ownership and other benefits 2. the face value of the share capital that a company issues
capital structure /kaʊpɪt(ə)l ˈstræktʃər/ noun the relative proportions of equity capital and debt capital within a company’s balance sheet
capital surplus /kaʊpɪt(ə)l ˌsɜːpləs/ noun the total value of shares in a company that exceeds the par value
capital tax /kaʊpɪt(ə)l ˈteɪks/ noun a tax levied on the capital owned by a company, rather than on its spending. ◦ capital gains tax
capital-to-asset ratio /kaʊpɪt(ə)l təˈæsɪt, ˈkeɪpɪtəl/ noun same as capital adequacy
capital transactions /kaʊpɪt(ə)l ˈtræŋzəkʃənz/ plural noun transactions affecting non-current items such as fixed assets, long-term debt or share capital, rather than revenue transactions
capital transfer tax /kaʊpɪt(ə)l ˈtɜːfrɪzər, ˈteɪks/ noun in the United Kingdom, a tax on the transfer of assets that was replaced in 1986 by inheritance tax
capital turnover ratio /kaʊpɪt(ə)l ˈtɜːrnəvr, ˈreɪʃən/ noun turnover divided by average capital during the year
capital widening /kaʊpɪt(ə)l ˌwidɪnɪŋ/ noun same as capital deepening
CAPM abbreviation capital asset pricing model
capped floating rate note /ˌkeptˈflɔːtɪŋ rɛt,ˌnɑːt/ noun a floating rate note which has an agreed maximum rate

captive market /ˈkæptɪv ˈmɑːkt/ noun a market where one supplier has a monopoly and the buyer has no choice over the product which he or she must purchase

carriage /ˈkærɪdʒ/ noun the transporting of goods from one place to another ○ to pay for carriage

carriage forward /ˌkærɪdʒ ˈfɔːwɔrd/ noun a deal where the customer pays for transporting the goods

carriage free /ˌkærɪdʒ ˈfriː/ noun a deal where the customer does not pay for the shipping

carriage inwards /ˌkærɪdʒ ˈɪnwɔːdz/ noun delivery expenses incurred through the purchase of goods

carriage outwards /ˌkærɪdʒ ˈautwɔːdz/ noun delivery expenses incurred through the sale of goods

carriage paid /ˌkærɪdʒ ˈperd/ noun a deal where the seller has paid for the shipping

carry /ˈkærɪ/ noun the cost of borrowing to finance a deal

carry back /ˈkærɪ ˈbæk/ phrasal verb to take back to an earlier accounting period

carry down /ˈkærɪ ˈdaʊn/, carry forward /ˈkærɪ ˈfɔːwɔrd/ phrasal verb to take an account balance at the end of the current period as the starting point for the next period

carry forward /ˈkærɪ ˈfɔːwɔrd/ phrasal verb to take an account balance at the end of the current period or page as the starting point for the next period or page

carrying cost /ˈkærɪŋ kɔst/ noun any expense associated with holding stock for a given period, e.g., from the time of delivery to the time of dispatch. Carrying costs will include storage and insurance.

carrying value /ˈkærɪŋ vəlju/ noun same as book value

carry-over /ˈkærɪ, ˈnʌvə/ noun the stock of a commodity held at the beginning of a new financial year

cartel /ˈkɑːtəl/ noun a group of companies which try to fix the price or to regulate the supply of a product so that they can make more profit

cash /keʃ/ noun 1. money in the form of coins or notes 2. the using of money in coins or notes ▶ verb □ to cash a cheque to exchange a cheque for cash

cash in /keʃ ɪn/ phrasal verb to sell shares or other property for cash

cash in on /keʃ ɪn ˈɒn/ phrasal verb to profit from ○ The company is cashing in on the interest in computer games.

cash out phrasal verb US same as cash up

cash up /ˈkeʃ ʌp/ phrasal verb to add up the cash in a shop at the end of the day

cashable /ˈkeʃəb(ə)l/ adjective able to be cashed ○ A crossed cheque is not cashable at any bank.

cash account /ˈkeʃ əˈkaʊnt/ noun an account which records the money which is received and spent

cash accounting /ˈkeʃ əˈkaʊntɪŋ/ noun 1. an accounting method in which receipts and expenses are recorded in the accounting books in the period when they actually occur 2. in the United Kingdom, a system for Value Added Tax that enables the tax payer to account for tax paid and received during a given period, thus allowing automatic relief for bad debts

cash advance /ˈkeʃ əˈdəvəns/ noun a loan in cash against a future payment

cash and carry /ˈkeʃ ænˈkærɪ/ noun 1. a large store selling goods at low prices, where the customer pays cash and takes the goods away immediately ○ We get our supplies every morning from the cash and carry.

2. the activity of buying a commodity for cash and selling the same commodity on the futures market ‘...the small independent retailer who stocks up using cash and carries could be hit hard by the loss of footfall associated with any increase in smuggled goods’ [The Grocer]

cash at bank /ˈkeʃ əˈbæŋk/ noun the total amount of money held at the bank by an individual or company

cashback /ˈkeʃˈbæk/ noun a discount system where a purchaser receives a cash discount on the completion of the purchase ‘... he mentioned BellSouth’s DSL offer of $75 a month, plus a one-month cashback rebate.’ [BusinessWeek]

cash balance /ˈkeʃ ˈbæləns/ noun a balance that represents cash alone, as distinct from a balance that includes money owed but as yet unpaid

cash basis /ˈkeʃ ˈbæsɪs/ noun a method of preparing the accounts of a business, where receipts and payments are shown at the time when they are made, as opposed to showing debts or credits which are outstanding at the end of the accounting period. Also called receipts and payments basis

cash budget /ˈkeʃ ˈbɛdʒɪt/ noun a plan of cash income and expenditure. Also called cash-flow budget
cash card /ˈkeɪʃ kɑrd/ noun a plastic card used to obtain money from a cash dispenser
cash cow /ˈkeɪʃ ku/ noun a product or subsidiary company that consistently generates good profits but does not provide growth

cash discount /ˈkeɪʃ dɪskɑnt/ noun a discount given for payment in cash. Also called discount for cash
cash dispenser /ˈkeɪʃ dɪspensə/ noun a machine which gives out money when a special card is inserted and instructions given

cash dividend /ˈkeɪʃ ˈdɪvɪdend/ noun a dividend paid in cash, as opposed to a dividend in the form of bonus shares
cash economy /ˈkeɪʃ ˈekəməni/ noun a black economy, where goods and services are paid for in cash, and therefore not declared for tax

cash equivalent /ˈkeɪʃ ɪˈkwɪvələnt/ noun 1. an amount of money that can be realised immediately by selling an asset 2. a safe and highly liquid financial instrument such as a Treasury bill

cash equivalents /ˈkeɪʃ ɪˈkwɪvələnts/ noun short-term investments that can be converted into cash immediately and that are subject to only a limited risk. There is usually a limit on their duration, e.g., three months.
cash float /ˈkeɪʃ flɔt/ noun cash put into the cash box at the beginning of the day or week to allow change to be given to customers

cash flow /ˈkeɪʃ fləʊ/ noun cash which comes into a company from sales (cash inflow) or the money which goes out in purchases or overhead expenditure (cash outflow)
cash-flow accounting /ˈkeɪʃ fləʊ ə ˈkəʊntɪŋ/ noun the practice of measuring the financial activities of a company in terms of cash receipts and payments, without recording accruals, prepayments, debtors, creditors and stocks

cash-flow budget /ˈkeɪʃ fləʊ ˈbʌdʒɪt/ noun same as cash budget
cash-flow forecast /ˈkeɪʃ fləʊ ˈfɔrkast/ noun a forecast of when cash will be received or paid out
cash-flow ratio /ˈkeɪʃ fləʊ ˈrəʊʃəʊ/ noun a ratio that shows the level of cash in a business in relation to other assets and the use of cash in the activities of the business
cash-flow risk /ˈkeɪʃ fləʊ ˈrɪsk/ noun the risk that a company’s available cash will not be sufficient to meet its financial obligations

cash-flow statement /ˈkeɪʃ fləʊ ˈstretmənt/ noun a record of a company’s cash inflows and cash outflows over a specific period of time, typically a year

cash-flow-to-total-debt ratio /ˈkeɪʃ fləʊ tu ˈtəlt ˈdeɪt ˈrəʊʃəʊ/ noun a ratio that indicates a company’s ability to use its debts, often used as an indicator of bankruptcy

cash fraction /ˈkeɪʃ ˈfrækʃən/ noun a small amount of cash paid to a shareholder to make up the full amount of part of a share which has been allocated in a share split
cash-generating unit /ˈkeɪʃ ˈdʒenərətɪŋ ˈju:nɪt/ noun the smallest identifiable group of assets that generates cash inflows and outflows that can be measured

cashier /ˈkeɪʃər/ noun 1. a person who takes money from customers in a shop or who deals with the money that has been paid 2. a person who deals with customers in a bank and takes or gives cash at the counter
cashier’s check /ˈkeɪʃ ˈʃek/ noun US a bank’s own cheque, drawn on itself and signed by a cashier or other bank official
cash inflow /ˈkeɪʃ ˈɪnfləʊ/ noun receipts of cash or cheques

cash items /ˈkeɪʃ ˈaɪtəms/ plural noun goods sold for cash

cashless society /ˈkeɪʃ ˈsəʊsi-teɪ/ noun a society where no one uses cash, all purchases being made by credit cards, charge cards, cheques or direct transfer from one account to another

cash limit /ˈkeɪʃ ˈlɪmɪt/ noun 1. a fixed amount of money which can be spent during some period 2. a maximum amount someone can withdraw from an ATM using a cash card

cash offer /ˈkeɪʃ ˈəʊfər/ noun an offer to pay in cash, especially an offer to pay cash when buying shares in a takeover bid

cash outflow /ˈkeɪʃ ˈaʊtfləʊ/ noun expenditure in cash or cheques

cash payment /ˈkeɪʃ ˈpɛment/ noun payment in cash

cash payments journal /ˈkeɪʃ ˈpɛments ˈdʒɜrnəl/ noun a chronological record of all the payments that have been made from a company’s bank account

cash position /ˈkeɪʃ ˈpəzənʃən/ noun a state of the cash which a company currently has available

cash price /ˈkeɪʃ ˈprɪs/ noun 1. a lower price or better terms which apply if the customer pays cash 2. same as spot price
cash purchase /ˈkæʃ,ˈpɜːrʃ/ noun a purchase made for cash

cash receipts journal /ˈkæʃ ˌriːsɪpts/ plural noun a chronological record of all the receipts that have been paid into a company’s bank account

cash register /ˈkæʃ ˈrɛdʒɪstr/ noun a machine which shows and adds the prices of items bought, with a drawer for keeping the cash received

cash reserves /ˈkæʃ ˌrɛzɜːvz/ plural noun a company’s reserves in cash deposits or bills kept in case of urgent need. The company was forced to fall back on its cash reserves.

cash sale /ˈkæʃ seɪl/ noun a transaction paid for in cash

cash surrender value /ˈkæʃ ˈsʌrəndər ˈvɑːljuː/ noun the amount of money that an insurance company will pay a policyholder who chooses to terminate a policy before the maturity date

cash terms /ˈkæʃ ′tɜːmz/ plural noun lower terms which apply if the customer pays cash

cash-to-current-liabilities ratio /ˈkæʃ t̩ ˌkærənt ′leɪshəliˈtizəs, ′reʃɪˈlɔːr/ noun a ratio that indicates a company’s ability to pay its short-term debts, often used as an indicator of liquidity

cash transaction /ˈkæʃ ˈtræns,ˈzɛkʃən/ noun a transaction paid for in cash, as distinct from a transaction paid for by means of a transfer of a financial instrument

cash voucher /ˈkæʃ ˈvɔːrʃə/ noun a piece of paper which can be exchanged for cash. With every $20 of purchases, the customer gets a cash voucher to the value of $2.

casting vote /ˈkærəstɪŋ ˈvɔːt/ noun a vote used by the chairman in the case where the votes for and against a proposal are equal. The chairman has the casting vote. She used her casting vote to block the motion.

casual labour /ˈkæʒuəl ˈlɪərəb/ noun workers who are hired for a short period

casual work /ˈkæʒuəl ˈwɜːk/ noun work where the employees are hired only for a short period

center of Accountancy Bodies

certificate of deposit /ˈsərˌtɪfɪkət/ noun an official document carrying an official declaration by someone, and signed by that person

certificate of deposit /ˈsərˌtɪfɪkət/ noun a document from a bank showing that money has been deposited at a guar-
anteed interest rate for a certain period of time. Abbreviation CD

... interest rates on certificates of deposit may have little room to decline in August as demand for funds from major city banks is likely to remain strong. After delaying for months, banks are now expected to issue a large volume of CDs. If banks issue more CDs on the assumption that the official discount rate reduction will be delayed, it is very likely that CD rates will be pegged for a longer period than expected.

**certificate of incorporation** /ˌsəʊ .trɪfɪkɪ .əv /m .kə npo: .rɪtɪs əʊm/ noun a document issued by Companies House to show that a company has been legally set up and officially registered.

**certificate of origin** /ˌsəʊ .trɪfɪkɪ .əv /trɪdʒɪm/ noun a document showing where imported goods come from or were made.

**certificate of quality** /ˌsəʊ .trɪfɪkɪ .əv /kwənɪtɪ/ noun a certificate showing the grade of a soft commodity.

**certificate of registration** /ˌsəʊ .trɪfɪkɪ .əv /,redʒɪstr(ə)ʃəm/ noun a document showing that an item has been registered.

**certificate to commence business** /ˌsəʊ .trɪfɪkɪ tə /kə .məns .bɪznɪs/ noun a document issued by the Registrar of Companies which allows a registered company to trade.

**certified accountant** /ˈsɜrtɪfɪd ə /ˈkəʊntənt/ noun an accountant who has passed the professional examinations and is a member of the Association of Certified Chartered Accountants (ACCA).

**certified accounting technician** /ˈsɜrtɪfɪd ə /kəntɪnjuŋ tiːknɪʃəm/ noun a person who has passed the first stage course of the Association of Chartered Certified Accountants (ACCA). Abbreviation CAT.

**certified cheque** /ˈsɜrtɪfɪd ə /tʃeɪk/ noun a cheque which a bank says is good and will be paid out of money put aside from the payer’s bank account.

**certified public accountant** /ˈsɜrtɪfɪd ə /pʌblɪk ə /kəntənt/ noun US same as chartered accountant.

**certify** /ˈsɜrtɪfai/ verb to make an official declaration in writing. **I certify that this is a true copy.** (NOTE: certified – certifying – certified)

**cessation** /ˈse .sɛʃən/ noun the stopping of an activity or work.

**cession** /ˈse .ʃən/ noun the act of giving up property to someone, especially a creditor.

**CFO** abbreviation chief financial officer.

**CGT** abbreviation capital gains tax.

**CH** abbreviation Companies House.

**chairman** /ˈʃəmən/ noun 1. a person who is in charge of a meeting. **Mr Howard was chairman or acted as chairman.** 2. a person who presides over the board meetings of a company. **the chairman of the board or the company chairman** or **the chairman’s report, the chairman’s statement** an annual report from the chairman of a company to the shareholders.

... the corporation’s entrepreneurial chairman seeks a dedicated but part-time president. The new president will work a three-day week.

**Chamber of Commerce** /ˈʃɛməbər əv /ˈkəmənɪ/ noun an organisation of local business people who work together to promote and protect common interest in trade.

**Chancellor of the Exchequer** /ˈʃænələr əv /ˈɪks/ noun the chief finance minister in the British government. (NOTE: The US term is Secretary of the Treasury.)

**change** /tʃeɪndʒ/ noun 1. money in coins or small notes. **to exchange** to give someone change for £10 to give someone coins or notes in exchange for a ten pound note. 2. money given back by the seller, when the buyer can pay only with a larger note or coin than the amount asked. **She gave me the wrong change.** 3. a change in a major assumption or forecast. **We want to change some traveller’s cheques.**

**change in accounting estimate** /tʃeɪndʒɪn /ə /kəntɪnjuŋ /ɪˌstɪmət/ noun a change in a major assumption or forecast underpinning a set of accounts, full disclosure of which should be made in a financial statement.
change machine /tʃeɪndʒ ˈmeɪʃən/ noun a machine which gives small change for a note or larger coin
capital gains if sold
channel /ˈtʃeɪnl/ noun a means by which information or goods pass from one place to another
chargeable transfer /ˈtʃeɪndʒəbrəl ˈtrɜːnsfər/ noun in the United Kingdom, gifts that are liable to inheritance tax. Under UK legislation, individuals may gift assets to a certain value during their lifetime without incurring any liability to inheritance tax. These are regular transfers out of income that do not affect the donor’s standard of living. Additionally, individuals may transfer up to £3,000 a year out of capital.
CHAPS /keɪps/ noun an electronic, bank-to-bank payment system that guarantees same-day payment. Compare BACS
charge /ˈtʃeɪndʒ/ noun 1. money which must be paid, or the price of a service to make no charge for delivery to make a small charge for rental. There is no charge for this service. No charge is made for this service. 2. a guarantee of security for a loan, for which assets are pledged
charge card /ˈtʃeɪndʒ kɑrd/ noun a card issued to customers by a shop, bank or other organisation, used to charge purchases to an account for later payment
charge account /ˈtʃeɪndʒ əˈkaʊnt/ noun US same as credit account (NOTE: The customer will make regular monthly payments into the account and is allowed credit of a multiple of those payments)
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charge discharge accounting /ˈtʃeɪndʒ dɪsˈɑːdʒ ˈækəntɪŋ/ noun formerly a bookkeeping system in which a person charges himself or herself with receipts and credits himself or herself with payments. This system was used extensively in medieval times before the advent of double-entry bookkeeping.
charge by way of legal mortgage /ˈtʃeɪndʒ bai ˈwɛi ə ˈlɛgəl ˈmɔrtɪdʒ/ noun a way of borrowing money on the security of a property, where the mortgagor signs a deed which gives the mortgagee an interest in the property
charge card /ˈtʃeɪndʒ kɑrd/ noun a card issued to customers by a shop, bank or other organisation, used to charge purchases to an account for later payment
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charitable corporation /ˈtʃeɪndʒəbrəl ˈkɔrəpərəʃən/ noun a trust which benefits the public as a whole, which promotes education or religion, which helps the poor or which does other useful work
charitable trust /ˈtʃeɪndʒəbrəl ˈtrʌst/ noun an organisation which offers free help or services to those in need. Because the organisation is a charity...
charity accounts

it does not have to pay taxes. ○ The charity owes its success to clever marketing strategies in its fund-raising.

charity accounts /ˈtʃærətɪ ˈkaʊntz/ plural noun the accounting records of a charitable institution, that include a statement of financial activities rather than a profit and loss account. In the United Kingdom, the accounts should conform to the requirements stipulated in the Charities Act (1993).

Charity Commissioners /ˈtʃærətɪ ˈkɒmɪʃənz/ plural noun the UK body which governs charities and sees that they follow the law and use their funds for the purposes intended.

chart /tʃɑrt/ noun a diagram displaying information as a series of lines, blocks, etc.

charter /ˈtʃɑrtər/ noun 1. a document giving special legal rights to a group ○ a shop- pers' charter or a customers' charter 2. US in the US, a formal document incorporating an organisation, company or educational institution.

chartered /ˈtʃɑrtəd/ adjective 1. in the UK, used to describe a company which has been set up by charter, and not registered under the Companies Act ○ a chartered bank 2. in the US, used to describe an incorporated organisation, company or educational institution that has been set up by charter.

chartered accountant /ˈtʃɑrtəd ˈəˈkaʊntənt/ noun an accountant who has passed the necessary professional examinations and is a member of the Institute of Chartered Accountants. Abbreviation CA.

Chartered Association of Certified Accountants /ˈtʃɑrtəd əˈsəʊʃiərɪətɪn əv ˈkærəntɪnts/ noun the former name of the Association of Chartered Certified Accountants.

chartered bank /ˈtʃɑrtəd ˈbæŋk/ noun a bank which has been set up by government charter, formerly used in England, but now only done in the USA and Canada.

chartered company /ˈtʃɑrtəd ˈkʌmpəni/ noun a company which has been set up by royal charter, and not registered under the Companies Act.

Chartered Institute of Management Accountants /ˈtʃɑrtəd ˈmænɪdʒmənt ˈəˈkaʊntənts/ noun a UK organisation responsible for the education and training of management accountants who work in industry, commerce, not-for-profit and public sector organisations.

Chartered Institute of Public Finance and Accountancy /ˈtʃɑrtəd ˈɪnstɪtʃuːə əˈpʌblɪk ˈfɛinəns ən əˈkaʊntənts/ full form of CIPFA.

Chartered Institute of Taxation /ˈtʃɑrtəd ɪnstɪtʃuːə ə ˈteɪktʃərɪən/ noun in the United Kingdom, an organisation for professionals in the field of taxation, formerly the Institute of Taxation.

charting /ˈtʃɑrtɪŋ/ noun the work of using charts to analyse information such as stock market trends and forecast future rises or falls.

chart of accounts /ˈtʃɑrt əv ˈəˈkaʊntz/ noun a detailed and ordered list of an organisation's numbered or named accounts, providing a standard list of account codes for assets, liabilities, capital, revenue and expenses.

chatel mortgage /ˈʃætəl ˈmɔrgədʒ/ noun money lent against the security of an item purchased, but not against real estate.

chatelles real /ˈʃætəlz ˈreɪl/ plural noun leaseholds.

cheap money /ˈtʃeəp ˈmʌni/ noun money which can be borrowed at a low rate of interest.

cheat /tʃiːt/ verb 1. to stop or delay something ○ to check the entry of contraband into the country ○ to check the flow of money out of a country 2. to examine or to investigate something ○ to check that an invoice is correct ○ to check and sign for goods ○ she checked the computer printout against the invoices she examined the printout and the invoices to see if the figures were the same 3. US to mark something with a sign to show that it is correct ○ check the box marked 'R' (NOTE: The UK term is tick.)

checkable /tʃekəˈbəl/ adjective US referring to a deposit account on which checks can be drawn.

checkbook /tʃekˈbʊk/ noun US same as cheque book.

check card /tʃek ˈkɑrd/ noun US same as cheque card.

checking account /tʃeŋkɪŋ əˈkaʊnt/ noun US same as current account.

check routing symbol /tʃeŋkˌruːtɪŋ ˈsɜmbɔːl/ noun US a number shown on a US cheque which identifies the Federal Reserve district through which the cheque will be cleared, similar to the UK 'bank sort code'.

cheque /tʃeɪk/ noun a note to a bank asking them to pay money from your account to the
account of the person whose name is written on the note or a cheque for £10 or a £10 cheque (Note: The US spelling is check.)

**cheque account** /tʃek əˈkaʊnt/ noun same as current account

**cheque book** /tʃek bʊk/ noun a booklet with new blank cheques (Note: The usual US term is checkbook.)

**cheque card** /tʃek kɑrd/, **cheque guarantee card** /tʃek ɡərəntɪt kɑrd/ noun a plastic card from a bank which guarantees payment of a cheque up to some amount, even if the user has no money in his account

**cheque requisition** /tʃek rɪˈkwɪzɪʃən/ noun an official note from a department to the company accounts staff asking for a cheque to be written

**cheque stub** /tʃek stʊb/ noun a piece of paper left in a cheque book after a cheque has been written and taken out

**cheque to bearer** /tʃek tɔˈbɛər/ noun a cheque with no name written on it, so that the person who holds it can cash it

**chief executive** /tʃɪf ɪˈɡɛkˈsɪvəri/ noun the most important director in charge of a company. Abbreviation CEO

**chief financial officer** /tʃɪf ɪˈfiŋ əˈsəˈfiʃnəl ˈɒfɪsə/ noun an executive in charge of a company’s financial operations, reporting to the CEO. Abbreviation CFO

**chief investment officer** /tʃɪf ɪˈnɛvəstəmənt ˈɒfɪsə/ noun a senior manager responsible for managing a company’s investment portfolio

**chief operating officer** /tʃɪf əˈpɜːreɪtɪŋ ˈɒfɪsə/ noun a director in charge of all a company’s operations (same as a ‘managing director’). Abbreviation COO

**Chief Secretary to the Treasury** /tʃɪf ˌsɛkərətri tə ˈdʒɛstəri ˈəʊn/ noun a government minister responsible to the Chancellor of the Exchequer for the control of public expenditure (Note: In the USA, this is the responsibility of the Director of the Budget.)

**Chinese walls** /tʃəˈniːz ˈwɔːlz/ plural noun imaginary barriers between departments in the same organisation, set up to avoid insider dealing or conflict of interest.

For example, if a merchant bank is advising on a planned takeover bid, its investment department should not know that the bid is taking place, or they would advise their clients to invest in the company being taken over.

**chop** /tʃɒp/ noun a mark made on a document to show that it has been agreed, acknowledged, paid or that payment has been received

**chose** /tʃɔz/ phrase a French word meaning ‘item’ or ‘thing’

**chase in action** /tʃɔz ɪn ˈækʃən/ noun the legal term for a personal right which can be enforced or claimed as if it were property, e.g. a patent, copyright or debt

**chase in possession** /tʃɔz ɪn ˈpəzəsənʃən/ noun the legal term for a physical thing which can be owned, such as a piece of furniture

**Christmas bonus** /krɪsməs ˈbʊnoʊs/ noun an extra payment made to staff at Christmas

**chronological order** /kroʊnələˈɔrdər/ noun the arrangement of records such as files and invoices in order of their dates

**CIMA** /ˈsɪmə/ abbreviation Chartered Institute of Management Accountants

**CIPFA** noun a leading professional accountancy body in the UK, specialising in the public services. Full form Chartered Institute of Public Finance and Accountancy

**circularisation of debtors** /səˈkjuːlərəˈzɛʃən əv ˈdɛtəz/ noun the sending of letters by a company’s auditors to debtors in order to verify the existence and extent of the company’s assets

**circular letter of credit** /səˈkjuːlə ˈlɛtər əv ˈkredɪt/ noun a letter of credit sent to all branches of the bank which issues it

**circuiting capital** /səˈkjuːlətərɪŋ ˈkærɪpəl/ noun capital in the form of cash or debtors, raw materials, finished products and work in progress which a company requires to carry on its business

**circulation of capital** /səˈkjuːlələˈtʃən əv ˈkærɪpəl/ noun a movement of capital from one investment to another

**City Panel on Takeovers and Mergers** /ˈsɪti ˌpænəl əv ˈtekəʊvəz ən ˈmɜːrʒəriz ən ˈmeɪnəmənt əv ˈteɪkəʊvəz ənd ˈmɜːrζərz/ noun same as Takeover Panel

**civil action** /səˈvɪl əˈʃænjən/ noun a court case brought by a person or a company against someone who has done them wrong

**claim** /klem/ noun an act of asking for something that you feel you have a right to

1. to ask for money, especially from an insurance company: He claimed £100,000 damages against the cleaning firm.

2. She claimed for repairs to the car against her insurance policy.

3. to say that you have a right to something or that some-
clawback /ˈklɔːbæk/ noun 1. money taken back, especially money taken back by the government from grants or tax concessions which had previously been made 2. the allocation of new shares to existing shareholders, so as to maintain the value of their holdings

clean float /ˈkliːn ˈflɒt/ noun an act of floating a currency freely on the international markets, without any interference from the government

clean opinion /ˈkliːn ˈɒpjən/ clean report /ˈkliːn ˈrɪپɔrt/ noun an auditor’s report that is not qualified

clearance certificate /ˈklɛərəns ˈsərtifikət/ noun a document showing that goods have been passed by customs

clearance sale /ˈklɛərəns ˈsɔl/ noun a sale of items at low prices to get rid of stock

clearing /ˈklɛəriŋ/ noun 1. clearing of a debt paying all of a debt 2. clearing of goods through customs passing of goods through customs

cleaning account /ˈklɛərən ˈəʊ(ə)nt/ noun a temporary account containing amounts to be transferred to other accounts at a later date

claim form /ˈklem fɔːrm/ noun a form which has to be filled in when making an insurance claim

claims department /ˈklemz ˈdept/ noun a department of an insurance company which deals with claims

claims manager /ˈklemz ˈmenɑːdʒər/ noun the manager of a claims department

classical system of corporation tax /ˌklaːsɪkəl ˌsɪstəm əv ˈkɔrəporəˈteɪʃən teɪks/ noun a system in which companies and their owners are liable for corporation tax as separate entities. A company’s taxed income is therefore paid out to shareholders who are in turn taxed again. This system operates in the United States and the Netherlands. It was replaced in the United Kingdom in 1973 by an imputation system.

classification of assets /ˌklaːsɪfɪkeɪʃən əv ˈæsetz/ noun the process of listing a company’s assets under appropriate categories

classification of liabilities /ˌklaːsɪfɪkeɪʃən əv ˈlaɪəbəlɪtiz/ noun the process of classifying liabilities by the date or period when they are due

classified stock /ˌklaːsɪfaɪd stɒk/ noun a company’s common stock when it is divided into categories

classify /ˌklaːsɪfai/ verb to put into classes or categories according to specific characteristics (NOTE: classifies – classifying – classified)

class of assets /ˌklaːs əv ˈæsetz/ noun the grouping of similar assets into categories. This is done because under International Accounting Standards Committee rules, tangible assets and intangible assets cannot be revalued on an individual basis, only for a class of assets.

clause /klɔːz/ noun a section of a contract

thing is your property ○ She is claiming possession of the house. ○ No one claimed the umbrella found in my office. 3. to state that something is a fact ○ He claims he never received the goods. ○ She claims that the shares are her property.

chasing /ˈtʃeɪstɪŋ/ verb to list details of the relevant parties to a bill of exchange

claw back /ˈklɔːbæk/ verb to take back money which has been allocated ○ Income tax clawns back 25% of pensions paid out by the government. ○ Of the £1m allocated to the project, the government clawed back £100,000 in taxes.
clerical error /ˈklerɪk(ə)l/ˈɛrə/ noun a mistake made by someone doing office work  
close /kləʊz/ verb 1. to to close the accounts to come to the end of an accounting period and make up the profit and loss account 2. to bring something to an end she closed her building society account  
close company /ˈkləʊz ˈkʌmpərəni/ noun a privately owned company controlled by a few shareholders (in the UK, fewer than five) where the public may own a small number of the shares (NOTE: The US term is close corporation or closed corporation.)  
close economy /ˈkləʊz ˈɛkənəmi/ noun a type of economy where trade and financial dealings are tightly controlled by the government  
close-end credit /ˈkləʊz ɛnd ˈkredɪt/ noun a loan, plus any interest and finance charges, that is to be repaid in full by a specified future date. Loans that have property or motor vehicles as collateral are usually closed-end. revolving credit (NOTE: Most loans for the purchase of property or motor vehicles are closed-end credits.)  
close-end fund /ˈkləʊz ɛnd ˈfænd/ noun an investment fund shares in which can only be bought and sold on the open market  
closed fund /ˈkləʊzd ˈfænd/ noun a fund, such as an investment trust, where the investor buys shares in the trust and receives dividends. This is as opposed to an open-ended trust, such as a unit trust, where the investor buys units, and the investment is used to purchase further securities for the trust.  
closed market /ˈkləʊzd ˈmɑːrkɪt/ noun a market where a supplier deals only with one agent or distributor and does not supply any others directly. They signed a closed-market agreement with an Egyptian company.  
close-ended /ˈkləʊzd ˈɛndɪd/ adjective referring to an investment which has a fixed capital, such as an investment trust  
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close-ended fund /ˈkləʊzd ɛnd ˈfænd/ noun an investment fund shares in which can only be bought and sold on the open market  
closely held /ˈkləʊzd ˈhɛld/ adjective referring to shares in a company which are controlled by only a few shareholders  
close off /ˈkləʊz ˈɒf/ verb to come to the end of an accounting period and make up the profit and loss account  
closing balance /ˈkləʊzɪŋ ˈbælənz/ noun the balance at the end of an accounting period  
closing-down sale /ˈkləʊzɪŋ ˈdɔːnt ˌsɛlt/ noun the sale of goods when a shop is closing for ever  
closing entries /ˈkləʊzɪŋ ˈentriz/ noun in a double-entry bookkeeping system, entries made at the very end of an accounting period to balance the expense and revenue ledgers  
closing out /ˈkləʊzɪŋ ˈaut/ noun US the act of selling goods cheaply to try to get rid of them  
closing rate /ˈkləʊzɪŋ ˈreɪt/ noun the exchange rate of two or more currencies at the close of business of a balance sheet date, e.g. at the end of the financial year  
closing-rate method /ˈkləʊzɪŋ ˈreɪt ˈmeθəd/ noun a technique for translating the figures from a set of financial statements into a different currency using the closing rate. This method is often used for the accounts of a foreign subsidiary of a parent company.  
closing stock /ˈkləʊzɪŋ ˈstɒk/ noun a business’s remaining stock at the end of an accounting period. It includes finished products, raw materials, or work in progress and is deducted from the period’s costs in the balance sheets. at the end of the month the closing stock was 10% higher than at the end of the previous month.  
closure /ˈkləʊzər/ noun the act of closing  
C/N abbreviation credit note  
CNCC abbreviation Compagnie Nationale des Commissaires aux Comptes  
Co-/ˈkəʊ/ prefix working or acting together  
CoCoA abbreviation continuously contemporary accounting  
co-creditor /ˈkəʊ ˈkredɪtər/ noun a person who is a creditor of the same company as you are
code /kəʊd/ noun 1. a system of signs, numbers, or letters which mean something 2. a set of rules
code of practice /ˈkəʊd əv ˈprɛktɪs/ noun 1. rules drawn up by an association which the members must follow when doing business 2. the formally established ways in which members of a profession agree to work ○ Advertisers have agreed to abide by the code of practice set out by the advertising council.
codicil /ˈkəʊdɪsɪl/ noun a document executed in the same way as a will, making additions or changes to an existing will
coding /ˈkəʊdɪŋ/ noun the act of putting a code on something ○ the coding of invoices
coding of accounts /ˈkəʊdɪŋ əv ə ˈkɔːntz/ noun the practice of assigning codes to the individual accounts that make up the accounting system of a large company
co-director /ˈkəʊ dəˌrektər/ noun a person who is a director of the same company as you
coefficient of variation /ˈkɒfɪntʃ(ə)nt əv, ˈveɪlərəf(ə)n/ noun a measure of the spread of statistical data, which is equal to the standard deviation multiplied by 100
co-financing /ˌkəʊˌfɪnənsiŋ/ noun the act of arranging finance for a project from a series of sources
cold start /ˈkəʊld ˈstɑːt/ noun the act of beginning a new business or opening a new shop with no previous turnover to base it on collateral /ˈkələtərl/ noun a security, such as negotiable instruments, shares or goods, used to provide a guarantee for a loan ○ …examiners have come to inspect the collateral that thrifts may use in borrowing from the Fed [Wall Street Journal] collateralisation /ˈkələtərəlɪzaʃ(ə)n/ noun the act of securing a debt by selling long-term receivables to another company which secures them on the debts collateralise /ˈkələtəralɪzaɪz, ˈkələtərəlɪzaɪz/ verb to secure a debt by means of a collateral
collect /ˈkəlɛkt/ verb 1. to get money which is owed to you by making the person who owes it pay 2. to take things away from a place ○ We have to collect the stock from the warehouse. ■ adverb, adjective used to describe a phone call which the person receiving the call agrees to pay for
collectability /ˈkəlɛktəbəlti/ noun ability of cash owed to be collected

collecting agency /ˈkəlɛktɪŋ əˌɛndʒənsi/ noun an agency which collects money owed to other companies for a commission
collecting bank /ˈkəlɛktɪŋ ɓæŋk/ noun a bank into which a person has deposited a cheque, and which has the duty to collect the money from the account of the writer of the cheque
collection period /ˈkəlɛktʃ(ə)n ˌpiəriəd/ noun the number of days it takes a company to collect money owing
collection ratio /ˈkəlɛktʃ(ə)n ˌreɪʃ(ə)nəl/ noun the average number of days it takes a firm to convert its accounts receivable into cash. Also known as days’ sales outstanding
collections /ˈkəlɛktʃ(ə)nz/ plural noun money which has been collected
collective investment /ˌkəlɛktɪv ɪnˈvestmənt/ noun the practice of investing money with other individuals or organisations in order to share costs and risk
collector /ˈkəlɛktər/ noun a person who makes people pay money which is owed ○ He works as a debt collector.
column /ˈkəlnəm/ noun a series of numbers arranged one underneath the other ○ to add up a column of figures ○ Pat the total at the bottom of the column.
combined financial statement /ˌkʌmbəd ˈfɪnənsi ˌstɛntmənt/ noun a written record covering the assets, liabilities, net worth and operating statement of two or more related or affiliated companies
comfort letter /ˈkəmʃəft lətər/ noun 1. in the United States, an accountant’s statement confirming that the unaudited financial information in a prospectus follows GAAP 2. a letter from a parent company to a lender assuring the lender that a subsidiary company that has applied for a loan will be supported by the parent in its efforts to stay in business
command economy /ˈkəmənd ˈɛkənəmɪ/ noun same as planned economy
commerce /ˈkɜrməns/ noun the buying and selling of goods and services
commercial /ˌkəməˈʃənl/ adjective 1. referring to business 2. profitable
commercial bank /ˌkəməˈʃənl ɓæŋk/ noun a bank which offers banking services to the public, as opposed to a merchant bank
commercial bill /ˌkəməˈʃənl ˈbɪl/ noun a bill of exchange issued by a company (a trade bill) or accepted by a bank (a bank bill), as opposed to a Treasury bill, which is issued by the government
commercial directory /kəˈmɛərəl dəˈriːtərɪ/ noun a book which lists all the businesses and business people in a town
commercial failure /kə,ˈmɛərəl ˈfeɪər/ noun financial collapse or bankruptcy
commercial law /kə,ˈmɛərəl lɔ/ noun the laws regarding the conduct of businesses
commercial lawyer /kə,ˈmɛərəl ˈlɔːrə/ noun a person who specialises in company law or who advises companies on legal problems
commercial loan /kə,ˈmɛərəl ˈloʊn/ noun a short-term renewable loan or line of credit used to finance the seasonal or cyclical working capital needs of a company
commercially /kə,ˈmɛərələli/ adverb 1. for the purpose of making a profit 2. in the operation of a business
commercial paper /kə,ˈmɛərəl ˈpærpər/ noun an IOU issued by a company to raise a short-term loan. Abbreviation CP
commercial property /kə,ˈmɛərəl ˈprɔpəti/ noun a building, or buildings, used as offices or shops
commercial report /kə,ˈmɛərəl ˈrɪpɔrət/ noun an investigative report made by an organisation such as a credit bureau that specialises in obtaining information regarding a person or organisation applying for something such as credit or employment
commercial substance /kə,ˈmɛərəl ˈsʌbstəns/ noun the economic reality that underlies a transaction or arrangement, regardless of its legal or technical denomination. For example, a company may sell an office block and then immediately lease it back: the commercial substance may be that it has not been sold.
commercial year /kə,ˈmɛərəl ˈjɪə/ noun an artificial year treated as having 12 months of 30 days each, used for calculating such things as monthly sales data and inventory levels
commission /kəˈmɪʃən/ noun 1. money paid to a salesperson or agent, usually a percentage of the sales made 2. She gets 10% commission on everything she sells. 3. He is paid on a commission basis. 2. a group of people officially appointed to examine some problem 3. He is the chairman of the government commission on export subsidies.
commission agent /kəˈmɪʃən əˈdʒɛnt/ noun an agent who is paid a percentage of sales
commissioner /kəˈmɪʃənər/ noun an ombudsman

Commissioner of the Inland Revenue /kəˈmɛərəl ˈrɛvəˈnjuː/ noun same as Appeals Commissioner
commission house /kəˈmɪʃən hɔːs/ noun a firm which buys or sells for clients, and charges a commission for this service
commission rep /kəˈmɪʃən əp/ noun a representative who is not paid a salary but receives a commission on sales
commit /kəˈmɪt/ verb 1. to commit yourself to to guarantee something, especially a loan issue, or to guarantee to do something 2. commitment /kəˈmɪtment n noun something which you have agreed to do or to make a commitment or to enter into a commitment to do something 3. The company has a commitment to provide a cheap service.
commitment document /kəˈmɪtment ˈdokjʊmənt/ noun a contract, change order, purchase order or letter of intent which deals with the supply of goods and services and commits an organisation to legal, financial and other obligations
commitment fee /kəˈmɪtment fɪ/ noun a fee paid to a bank which has arranged a line of credit which has not been fully used
commitments basis /kəˈmɪtmentz ˈbɛrsəs/ noun the method of recording the expenditure of a public sector organisation at the time when it commits itself to it rather than when it actually pays for it
commitments for capital expenditure /kəˈmɪtmentz fɔ kəˈmɪtmentz ˈfɔr kəˈmɪtmentz ˈeksˈpɛndɪtʃər/ noun the amount a company has committed to spend on fixed assets in the future. In the United Kingdom, companies are legally obliged to disclose this amount, and any additional commitments, in their annual report.
committed credit lines /kəˈmɪtɪd ˈkredɪt ˈlайнz/ noun a bank’s agreement to provide a loan on the borrower’s request, with a fee paid by the borrower for any undrawn portion of the agreed loan
Committee of European Securities Regulators /kəˈmɪtɪ on ˈiːrəpoʊˈsiːər ˈriɡələrɪz/ noun an independent organisation of securities regulators established to promote consistent supervision of the European market for financial services
Committee on Accounting Procedure /kəˈmɪtı ɒn əˈkɔʊntɪŋ prɔˈprəʊdərəs/ noun in the United States, a committee of the American Institute of Certified Public Accountants that was responsible between 1939 and 1959 for issuing accounting prin-
commodity /ˈkɒməditi/ noun something sold in very large quantities, especially a raw material such as a metal or a food such as wheat

commodity exchange /ˈkɒməditi ɪks əˈʃən/ noun a place where commodities are bought and sold

commodity futures /ˈkɒməditi ˈfjuːrɪz/ plural noun commodities traded for delivery at a later date ○ Silver rose 5% on the commodity futures market yesterday.

commodity market /ˈkɒməditi ˈmɑːkɪt/ noun a place where people buy and sell commodities

commodity trader /ˈkɒməditi ˈtrɑːdər/ noun a person whose business is buying and selling commodities

common cost /ˈkɒmən ˈkɒst/ noun a cost which is apportioned to two or more cost centres

common ownership /ˈkɒmən ˈɔːnərʃɪp/ noun a situation where a business is owned by the employees who work in it

common pricing /ˈkɒmən ˈpraɪsɪŋ/ noun the illegal fixing of prices by several businesses so that they all charge the same price

common stock /ˈkɒmən ˈstɒk/ noun US same as ordinary shares

Compagnie Nationale des Commissaires aux Comptes /ˌkɒmpəˈniz əˈkɔməli ˈkɒməli/ noun in France, an organisation that regulates external audit. Abbreviation CNCC

Companies House /ˌkɑːmpəˈnɪz ˈhɔʊs/ noun an official organisation where the records of companies must be deposited, so that they can be inspected by the public. The official name is the 'Companies Registration Office'.

Companies Registration Office /ˌkɑːmpəˈnɪz ˈredʒɪstrəʃən ˈɒfɪs/ noun an office of the Registrar of Companies, the official organisation where the records of companies must be deposited, so that they can be inspected by the public. Abbreviation CRO. Also called Companies House

company /ˈkɑːmpəni/ noun a business organisation, a group of people organised to buy, sell, or provide a service, usually for profit

company auditor /ˈkɑːmpəni əˈdʒıdər/ noun the individual or firm of accountants a company appoints to audit its annual accounts

company car /ˈkɑːmpəni ˈkɑːr/ noun a car which belongs to a company and is lent to an employee to use for business or other purposes

company director /ˈkɑːmpəni ˈdɪətər/ noun a person appointed by the shareholders to help run a company

company flat /ˈkɑːmpəni ˈflæt/ noun a flat owned by a company and used by members of staff from time to time (NOTE: The US term is company apartment.)

company law /ˈkɑːmpəni ˈlɔː/ noun laws which refer to the way companies work

company pension scheme /ˈkɑːmpəni ˈpɛnʃən skəmi/ noun same as occupational pension scheme ○ She decided to join the company’s pension scheme.

company promoter /ˈkɑːmpəni ˈprəʊmətər/ noun a person who organises the setting up of a new company

company registrar /ˈkɑːmpəni ˈrɛdʒɪstrər/ noun the person who keeps the share register of a company

company reserves /ˈkɑːmpəni ˈriːzərvz/ plural noun same as revenue reserves

company secretary /ˈkɑːmpəni ˈsɛkrətəri/ noun a person who is responsible for a company’s legal and financial affairs

comparability /ˌkɒmpəˈbɪlətɪ/ noun the extent to which accurate comparisons can be made of the financial status of different companies, based on similarities in their accounting procedures, measurement concepts and other features

comparative balance sheet /ˌkɒmpəˈretɪv ˈbæləns ʃiːt/ noun one of two or more financial statements prepared on different dates that lend themselves to a comparative analysis of the financial condition of an organisation

comparative statements /ˌkɒmpəˈretɪv ˈstɛtʃmənts/ plural noun financial statements which cover different accounting periods, usually the previous accounting period, but which are prepared in the same way and therefore allow information to be fairly compared

compensate /ˌkɑːmpəˈsɛnt/ verb to give someone money to make up for a loss or injury ○ In this case we will compensate a manager for loss of commission. ○ The company will compensate the employee for the burns suffered in the accident. (NOTE: You compensate someone for something.)
compensating balance /ˈkɔmpənstɪŋ bæləns/ noun the amount of money which a customer has to keep in a bank account in order to get free services from the bank

compensating errors /ˈkɔmpənstɪŋ ˈɝrors/ plural noun two or more errors which are set against each other so that the accounts still balance

compensation /ˈkɔmpənʃən/ noun for damage done □ compensation for loss of office payment to a director who is asked to leave a company before their contract ends □ compensation for loss of earnings payment to someone who has stopped earning money or who is not able to earn money 2. US a salary

...compensation can also be via the magistrates courts for relatively minor injuries' [Personnel Management]

compensation deal /ˈkɔmpənʃən ˈdləl/ noun a deal where an exporter is paid (at least in part) in goods from the country to which he or she is exporting

compensation fund /ˈkɔmpənʃən ˈfʌnd/ noun a fund operated by the Stock Exchange to compensate investors for losses suffered when members of the Stock Exchange default

compensation package /ˈkɔmpənʃən ˈpækɪdʒ/ noun the salary, pension and other benefits offered with a job

...golden parachutes are liberal compensation packages given to executives leaving a company' [Publishers Weekly]

compete /ˈkɔmpət/ verb □ to compete with someone or with a company to try to do better than another person or another company □ We have to compete with cheap imports from the Far East. □ They were competing unsuccessfully with local companies on their home territory. □ the two companies are competing for a market share or for a contract each company is trying to win a larger part of the market, trying to win the contract

competition /ˈkɔmpətʃən/ noun a situation where companies or individuals are trying to do better than others, e.g. trying to win a larger share of the market, or to produce a better or cheaper product or to control the use of resources

...profit margins in the industries most exposed to foreign competition are worse than usual' [Sunday Times]

...competition is steadily increasing and could affect profit margins as the company tries to retain its market share' [Citizen (Ottawa)]

competitive devaluation /ˈkɔmpətɪv dɪˈvæljuəʃən/ noun a devaluation of a currency to make a country’s goods more competitive on the international markets

competitive pricing /ˈkɔmpətɪv prəˈprɪŋ/ noun the practice of putting low prices on goods so as to compete with other products

competitor /ˈkɔmpətər/ noun a person or company that is competing with another

Two German firms are our main competitors.

...sterling labour costs continue to rise between 3% and 5% a year faster than in most of our competitor countries' [Sunday Times]

complete /ˈkɔmpli:t/ verb to sign a contract for the sale of a property and to exchange it with the other party, so making it legal

completed contract method /ˈkɔmpli,tɪd ˈkɒntrækt ˈmeθəd/ noun a way of accounting for a particular contractual obligation, e.g., a long-term construction project, whereby the profit is not recorded until the final completion of the project, even if there has been some revenue while the project was still in progress

completion date /ˈkɔmpli,tʃən ˈdeɪt/ noun a date when something will be finished

compliance /ˈkɔmpləns/ noun agreement to do what is ordered

compliance audit /ˈkɔmpləns ˈɔːdɪt/ noun an audit of business activities carried out to determine whether performance matches contractual, regulatory or statutory requirements

compliance costs /ˈkɔmpləns kɔstz/ plural noun expenses incurred as a result of meeting legal requirements, e.g., for safety requirements or to comply with company law

compliance department /ˈkɔmpləns ˈdɪpærtmənt/ noun a department which ensures that the company is adhering to any relevant regulations, such as FSA regulations

compliance officer /ˈkɔmpləns ˈɒfɪsə/ noun an employee of a financial organisation whose job is to make sure that the organisation complies with the regulations governing its business
within a company are reasonable and comply with regulations.

composition /kəmˈprɪʃən/ noun an agreement between a debtor and creditors, where the debtor settles a debt by repaying only part of it.

compound /kəmˈpaʊnd/ verb 1. to agree with creditors to settle a debt by paying part of what is owed 2. to add to. The interest is compounded daily.

compound discount /kəmˈpaʊnd ˈdɪskʌnt/ noun the difference between the nominal amount of a particular sum in the future and its present discounted value. So, if £150 in a year’s time is worth £142 now, the compound discount is £8.

compounding period /kəmˈpaʊndɪŋ ˈpɜrɪd/ noun the period over which compound interest is calculated.

compound interest /kəmˈpaʊnd ɪntərst/ noun interest which is added to the capital and then earns interest itself.

compound journal entry /kəmˈpaʊnd ˌdʒɜːnəl ˈɛntrɪ/ noun an entry in a journal that comprises more than individual equally matched debit and credit items.

comprehensive income /kəmˈpreʃən ˈɪnkoʊm/ noun a company’s total income for a given accounting period, taking into account all gains and losses, not only those included in a normal income statement. In the United States, comprehensive income must be declared whereas in the United Kingdom it appears in the statement of total recognised gains and losses.

comprehensive insurance /kəmˈpreʃən ɪnʃərəns/ noun an insurance policy which covers you against all risks which are likely to happen.

comprehensive tax allocation /kəmˈpreʃən ˈtækst əˌselfʃər(ə)n/ noun the setting aside of money to cover deferred tax.

compromise /kəmˈprɒməriz/ noun an agreement between two sides, where each side gives way a little. Management offered £5 an hour; the union asked for £9, and a compromise of £7.50 was reached. • verb to reach an agreement by giving way a little. She asked £15 for it, I offered £7 and we compromised on £10.

comptroller /kənˈtrəʊlər/ noun a financial controller.

Comptroller and Auditor General /kənˈtrəʊlər ənd əˈdʒʊdətər/ noun in the United Kingdom, the head of the National Audit Office who reports back to Parliament on the audit of government departments.

compulsory annuity /kəmˌpɔːlərri əˈnɪti/ in the United Kingdom, the legal requirement that at least 75% of the funds built-up in a personal pension plan have to be used to purchase an annuity by the age of 75.

compulsory liquidation /kəmˌpɔːlərri ˈlɪkwɪdəʃən/ noun same as compulsory winding up.

compulsory purchase /kəmˌpɔːlərri ˈpɜːrʃəs/ noun the purchase of an annuity with the fund built up in a personal pension scheme.

compulsory winding up order /kəmˌpɔːlərri ˈwɪndəŋ ˈɔrədər/ noun an order from a court saying that a company must be wound up.

computable /kəmˌpjuːtəb(ə)l/ adjective possible to calculate.

computation /kəmˌpjuːʃən/ noun a calculation.

computational error /kəmˌpjuːʃənl ˈɛrər/ noun a mistake made in calculating.

computerise /kəmˌpjuːtərəs/ verb to calculate, to do calculations.

computerise /kəmˌpjuːtərəs/, computerize verb to change something from a manual system to one using computers. We have computerised all our records.

control is now completely computerised.

concealment of assets /kənˌsiːlɪmənt əv əˈsetz/ noun the act of hiding assets so that creditors do not know they exist.

concept /kənˈsept/ noun an idea. Concept of capital maintenance the idea that profit is only recorded if the capital of the company, measured in terms of its net assets, increases during an accounting period. Assets can be measured at historical cost or in units of constant purchasing power.

concept of capital maintenance capacity the concept of capital maintenance measured in terms of the changes in the current values of fixed assets, stock and working capital. Profit can only be taken if the total value of these assets, called the "net operating assets", including adjustments for changes in prices affecting these assets, increases during an accounting period.
ciples that underlies the practice and regula-
tion of financial accounting. In the United
States, this is expressed in the Statements of
Financial Accounting Concepts issued by
the Financial Accounting Standards Board.
In the United Kingdom, it is expressed in the
Statement of Principles issued by the
Accounting Standards Board.

cf. /kən'sən/ noun a business or
company

cornc /kən'səʃ(ə)n/ noun 1, the
right to use someone else’s property for
business purposes 2, the right to be the only
seller of a product in a place ⊓ She runs a
jewellery concession in a department store.
3, an allowance, e.g. a reduction of tax or
price

cess /kən'sɛʃ(ə)n/ noun a reduced fare for some types of
passenger such as pensioners, students or
employees of a transport company

conclusion /kən'sɪlɪ'ʃ(ə)n/ noun the
practice of bringing together the parties in a
dispute with an independent third party, so
that the dispute can be settled through a
series of negotiations

condition /'kəndɪʃ(ə)n/ noun something
which has to be carried out as part of a con-
tact or which has to be agreed before a con-
tact becomes valid

conditional /'kəndɪʃ(ə)n(ə)l/ adjective
provided that specific conditions are taken
into account

conditionality /'kəndɪʃ(ə)nəlɪtɪ/ noun
the fact of having conditions attached

conditional sale /kən'dɪʃ(ə)n(ə)l 'sɛl/ noun
a sale which is subject to conditions,
such as a hire-purchase agreement

conditions of employment /'kən
'dɪʃ(ə)n ənz əv 'ɛm'ploıəm(ə)nt/ plural noun the
terms of a contract of employment

conditions of sale /kən'dɪʃ(ə)n ənz əv
'sɛl/ plural noun special features that apply
to a particular sale, e.g. discounts or credit
terms

Confederation of Asian and Pacific
Accountants /kən'fɛdərəʃ(ə)n əv
'ekənəntz/ noun full form of CAPA

confidential report /'kɒnfɪd(ə)nl̩ rɪ
'tɔp/ noun a secret document which must
not be shown to other people

conflict of interest /'kɒnflɪkt əv
'ɪntərɪst/ noun a situation where a person or
firm may profit personally from decisions
taken in an official capacity

conglomerate /kən'glɒmərət/ noun a
group of subsidiary companies linked
together and forming a group, each making
even different types of products

connected persons /'kən,nektəd
'pəsənz/ plural noun for purposes of dis-
losure under the UK Companies Act, cer-
tain people who are related to or connected
with members of the board of directors,
including his or her spouse and children

Conseil National de la Comptabilité
/kən,sɛl ˈnektəbəlɪtə/ noun in France, a committee appointed by
the government that is responsible for drawing
up the Plan Comptable Général (General
Accounting Plan).

consensus ad idem /kən,sɛnsəs əd
ədəm/ phrase a Latin phrase meaning
‘agreement to this same thing’: real agree-
ment to a contract by both parties

conservative /kən'sɜrvətɪv/ adjective
controls, not overestimating ⊓ His forecast
of expenditure was very conservative or She
made a conservative forecast of expenditure.

conservatively /kən'sɜrvətɪvli/ adverb
not overestimating ⊓ The total sales are
conservatively estimated at £2.3m.

consideration /kən,sɛrə'seʃ(ə)n/ noun
1, serious thought ⊓ We are giving consider-
ation to moving the head office to Scotland.
2, something valuable exchanged as part of
a contract

consign /kən'saɪn/ verb ⊕ to consign
goods to someone to send goods to some-
one for them to use or to sell for you

consignee /'kɒnsɪn(ə)ni/ noun a person
who receives goods from someone for their
own use or to sell for the sender

consignment /kən'saɪnmənt/ noun 1,
the sending of goods to someone who will
sell them for you 2, a group of goods sent for
sale ⊕ A consignment of goods has arrived.
⊕ We are expecting a consignment of cars
from Japan.

...some of the most prominent stores are
gradually moving away from the tradi-
tional consignment system, under which
manufacturers agree to repurchase any

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consignment accounts

unsold goods, and in return dictate prices to sell the products’ [Nikkei Weekly]

consignment accounts /ˈkaʊntɪz/ plural noun accounts kept by both consignee and consignor showing quantities, dates of shipment, and payments for stocks held

consignment note /ˈkaʊntɪzm/ noun a note saying that goods have been sent

consignor /ˈkaʊznər/ noun a person who consigns goods to someone

consistency /ˈkɒnsɪstənsi/ noun one of the basic accounting concepts, that items in the accounts should be treated in the same way from year to year

consolidate /ˈkɒnsəldeɪt/ verb 1. to include the accounts of several subsidiary companies as well as the holding company in a single set of accounts 2. to group goods together for shipping

consolidated accounts /ˈkɒnsəldeɪtɪd ˈkaʊnts/ plural noun accounts where the financial position of several different companies, i.e. a holding company and its subsidiaries, are recorded together

consolidated balance sheet /ˈkɒnsəldeɪtɪd ˈbeɪlənts fiʃt/ noun the balance sheets of subsidiary companies grouped together into the balance sheet of the parent company. Also called group balance sheet

consolidated cash flow statement /ˈkɒnsəldeɪtɪd ˈkefʊl ˈfɔʊrfləʊ ˈstreɪntmənt/ noun a cash flow statement for a group of enterprises and its parent company as a whole

consolidated financial statement /ˈkɒnsəldeɪtɪd ˈfænəl ˈstreɪntmənt/ noun a document that gives the main details of the financial status of a company and its subsidiaries. Also called group financial statement

consolidated fund /ˈkɒnsəldeɪtɪd ˈfʌnd/ noun money in the Exchequer which comes from tax revenues and is used to pay for government expenditure

consolidated income statement /ˈkɒnsəldeɪtɪd ˈɪnkəʊm ˈstreɪntmənt/ noun an income statement for a group of enterprises and its parent company as a whole

consolidated profit and loss account /ˈkɒnsəldeɪtɪd ˈprəʊfɪt ən ˈlɒs ə ˈkaʊnt/ noun profit and loss accounts of the holding company and its subsidiary companies, grouped together into a single profit and loss account (NOTE: The US term is profit and loss statement or income statement.)

consolidation /ˈkɒnsəldeɪʃn/ noun 1. the grouping together of goods for shipping 2. the act of taking profits from speculative investments and investing them safely in blue-chip companies

consolidation adjustments /ˈkɒnsəldeɪʃn ˈdʒərdʒəmtz/ plural noun necessary changes and deletions made to financial records when consolidating the accounts of a group of enterprises

consolidation difference /ˈkɒnsəldeɪʃn ˈdɪfərəns/ noun the difference between the price paid for a subsidiary and the value of the assets and liabilities obtained in the purchase

consols /ˈkɒnsəlz/ plural noun government bonds which pay interest but do not have a maturity date

consortium /ˈkɒnsərtiəm/ noun a group of companies which work together ○ A consortium of Canadian companies ○ A Canadian consortium has tendered for the job. (NOTE: The plural is consortia.) ‘...the consortium was one of only four bidders for the $2 billion contract to run the lines, seen as potentially the most difficult contract because of the need for huge investment’ [Times]

constant purchasing power /ˈkɒnstənt ˈpɜːʃərɪŋ ˈpowər/ noun same as current purchasing power

constraint /ˈkɒnstreɪnt/ noun any factor that limits the activities of a business, e.g. the capacity of a machine or the number of hours a worker can legally work

constraint-based costing /ˈkɒnstrænt bɪˈsteɪnt ˈkɒnstrænt bɪˈsteɪnt/ noun a costing method that takes account of restraints on capacity, e.g. the capacity of machinery

Consultative Committee of Accountancy Bodies /ˈkɒnsəltətiv ˈkəʊˌmɪtɪs əv əˈkaʊntəntɪ ˈbɒdiz/ noun an organisation established in 1974 that represents and encourages coordination between the six professional accountancy bodies in the United Kingdom and Ireland. Abbreviation CCAB

consulting /ˈkɒnsəltɪŋ/ adjective giving specialist advice ○ a consulting engineer

consulting actuary /ˌkɒnsəltɪŋ ˈeɪtʃərəki/ noun an independent actuary who advises large pension funds

consumable goods /ˈkɒnsəmuləb(ə)l/ ‘goods, consumables plural noun goods which are bought by members of the public
and not by companies. Also called consumer goods.

**Consumed cost** /kən, suː!m d kəst/
noun same as *sunk cost*

**Consumer** /kən, suːzma/ noun a person or company that buys and uses goods and services. © Gas consumers are protesting at the increase in prices. © The factory is a heavy consumer of water.

**Consumer council** /kən, suːzma ˈkaʊnsəl/ noun a group representing the interests of consumers.

**Consumer credit** /kən, suːzma ˈkritiːd/ credit given by shops, banks and other financial institutions to consumers so that they can buy goods (NOTE: Lenders have to be licensed under the Consumer Credit Act, 1974.)

**Consumer Credit Act, 1974** /kən, suːzma ˌkrɪtərɪ ˈækt/ noun an Act of Parliament which licenses lenders, and requires them to state clearly the full terms of loans which they make, including the APR.

**Consumer goods** /kən, suːzma ˈgʊdz/ plural noun same as *consumable goods*

**Consumer Price Index** /kən, suːzma ˈpraɪs ˌɪndəks/ noun a US index showing how prices of consumer goods have risen over a period of time, used as a way of measuring inflation and the cost of living. Abbreviation CPI (NOTE: The UK term is retail prices index)

A…analysis of the consumer price index for the first half of the year shows that the rate of inflation went down by about 12.9 per cent! [Business Times (Lagos)]

**Consumer protection** /kən, suːzma ˈpraˌtekʃən/ noun the activity of protecting consumers against unfair or illegal traders.

**Consumer spending** /kən, suːzma ˈspendɪŋ/ noun spending by private households on goods and services.

...companies selling in the UK market are worried about reduced consumer spending as a consequence of higher interest rates and inflation. [Business]

**Consumption tax** /kən, ˈsʌmpʃən ˈteɪks/ noun a tax used to encourage people to buy less of a particular good or service by increasing its price. This type of tax is often levied in times of national hardship.

**Contact Committee** /kən, kəntəˈkwɪətɪ/ noun an advisory body, established by the European Union, that oversees the application of European accounting directives and makes recommendations to the European Commission about changes to those directives.

**Contested takeover** /kənˌtestɪd ˈteɪkəʊr/ noun a takeover bid where the board of the target company does not recommend it to the shareholders and tries to fight it. Also called *hostile bid*

**Contingency fund** /kənˌtɪndʒənsi/ noun money set aside in case it is needed urgently.

**Contingent expenses** /kənˌtɪndʒənt ɪkˈspensz/ plural noun expenses which will be incurred only if something happens.

**Contingent gain** /kənˌtɪndʒənt ˈɡɛn/ noun a possible gain that is conditional on the occurrence of a certain event in the future.

**Contingent liability** /kənˌtɪndʒənt ˈlaɪələtɪ/ noun a liability which may or may not occur, but for which provision is made in a company’s accounts, as opposed to ‘provisions’, where money is set aside for an anticipated expenditure.

**Contingent loss** /kənˌtɪndʒənt ˈlɒs/ noun a possible loss that is conditional on the occurrence of a certain event in the future.

**Contingent policy** /kənˌtɪndʒənt ˈpɒlɪs/ noun an insurance policy which pays out only if something happens, such as if a person named in the policy dies before the person due to benefit.

**Contingent reserve** /kənˌtɪndʒənt ˈrezəvər/ noun a fund set aside to meet unexpected costs, e.g. an increase in interest rates.

**Continuing professional development** /kənˌtɪnjuər prəˌdiːvələnt/ noun a procedure and management philosophy that focuses on looking all the time for ways in which small improvements can be made to processes and products, with the aim of increasing quality and reducing waste and cost (NOTE: Continuous improvement is one of the tools that underpin the philosophies of total quality management and lean production; in Japan it is known as *kaizen*.)

**Continuously** /kənˌtiːnjuəlɪ/ adverb

**Contemporaneous** /kənˌtɪmpərəˈniəs/ adjective

**Contemporary accounting** /kənˌtɪmpərəˈniəri ˈkeɪnˌteɪkərɪŋ/ noun an accounting system that measures assets and liabilities at their current cash price. Profit and loss can therefore be viewed in terms of changes...
contra /ˈkɒntrə/ noun an accounting term used when debits are matched with related credits in an account or set of accounts

contra account /ˈkɒntrə əˈkaʊnt/ noun an account which offsets another account, e.g. where a company’s supplier is not only a creditor in that company’s books but also a debtor because it has purchased goods on credit

contract noun /ˈkɒntrækt/ 1. a legal agreement between two parties ☑ to draw up a contract ☑ to sign a contract ☑ the contract is binding on both parties both parties signing the contract must do what is agreed ☑ under contract bound by the terms of a contract ☑ The firm is under contract to deliver the goods by November. ☑ to void a contract to make a contract invalid 2. ☑ by private contract by private legal agreement 3. an agreement for the supply of a service or goods ☑ to enter into a contract to supply spare parts ☑ to sign a contract for $10,000 worth of spare parts 4. (Stock Exchange) a deal to buy or sell shares, or an agreement to purchase options or futures ☑ verb /ˈkɒntrækt/ to agree to do some work on the basis of a legally binding contract ☑ to contract to supply spare parts or to contract for the supply of spare parts

contract costing /ˈkɒntrækt ˈkɒnstɪŋ/ noun a method of costing large projects, where the contracted work will run over several accounting periods

contracting party /ˈkɒntrækt ˈpɑrti/ noun a person or company that signs a contract

contract note /ˈkɒntrækt ˈnɒt/ noun a note showing that shares have been bought or sold but not yet paid for, also including the commission

contract of employment /ˈkɒntrækt əˈmɪplɔːmənt/ noun a contract between an employer and an employee stating all the conditions of work. Also called employment contract

contract of service /ˈkɒntrækt əˈsɜːvɪs/ noun a legal agreement between an employer and an employee whereby the employee will work for the employer and be directed by them, in return for payment

contributor /ˈkɒntrɪbjuːtə/ noun a person or company that does work according to a written agreement

contractual /ˈkɒntrɪtræktʃuəl/ adjective according to a contract ☑ contractual conditions

contractual liability /ˈkɒntrɪtræktʃuəl ˈlɪblɪtɪ/ noun a legal responsibility for something as stated in a contract

contractually /ˈkɒntrɪtræktʃuəli/ adverb according to a contract ☑ The company is contractually bound to pay our expenses.

contractual obligation /ˈkɒntrɪtræktʃuəl əˈblɪtɪər/ noun something that a person is legally forced to do through having signed a contract to do ☑ to fulfill your contractual obligations to do what you have agreed to do in a contract

contract work /ˈkɒntrækt wɜːk/ noun work done according to a written agreement

contra entry /ˈkɒntrə ɪntrɪ/ noun an entry made in the opposite side of an account to make an earlier entry worthless, i.e. a debit against a credit

contribute /ˈkɒntrɪbjuːt/ verb to give money or add to money ☑ We agreed to contribute 10% of the profits. ☑ They had contributed to the pension fund for 10 years.

contribution /ˈkɒntrɪbjuːʃən/ noun 1. money paid to add to a sum 2. the difference between sales value and the variable costs of a unit sold. This goes to cover fixed costs and provide the profit.

contribution income statement /ˈkɒntrɪbjuːʃən ɪnˈkɒm ɪnˈstæmt/ noun a way of presenting an income statement in which fixed costs are shown as a deduction from the total contribution. This format is often used as part of management accounting.

contribution margin /ˈkɒntrɪbjuːʃən ˈmɑːrɪtʃən/ noun a way of showing how much individual products or services contribute to net profit

‘The provider of rehabilitation services cited the negative impact of Part B therapy caps on estimated Contract Therapy contribution margins.” [BusinessWeek]

contribution of capital /ˈkɒntrɪbjuːʃən ˌɒf kəˈpɜːt(ə)l/ noun money paid to a company as additional capital

contributor of capital /ˈkɒntrɪbjuːtə əˈkɜːpt(ə)l/ noun a person who contributes capital

contributory /ˈkɒntrɪbjuːtərɪ/ adjective causing or helping to cause ☑ Falling exchange rates have been a contributory factor in the company’s loss of profits.

control account /ˈkɒntrəl əˈkaʊnt/ noun an account used to record the total amounts entered in a number of different
ledger accounts. It also acts as a means of checking the accuracy of the ledger accounts.

controlled variance /ˈkɔntrəuləb(ə)r/ noun a difference between actual and budgeted amounts that is considered as being within the control of the budget centre manager

corporate bonds or preference shares /ˈkɔpərəti bɔndz ər prəfərəns ʃeərz/ plural noun corporate bonds and preference shares which can be converted into ordinary shares at a set price on set dates

corporate control /ˈkɔpərəti kəntrəl/ noun 1. the ability of a currency to be exchanged for another currency 2. the ability of a currency to be used for a purpose for which it is not supposed to be used

corporate headquarters /ˈkɔpərəti həˈkwɔrətəlz/ plural noun the main office of a company where control of the company is maintained

corporate headquarters /ˈkɔpərəti həˈkwɔrətəlz/ plural noun the main office of a company where control of the company is maintained

corporate share /ˈkɔpərəti ʃeər/ noun a share in a company that is owned by a corporation

corporate social responsibility /ˈkɔpərəti ˌsəriˈɔl əˈraɪzəb(ə)ləti/ noun the responsibility of a corporation to act in the best interests of society

controlled company /ˈkɔntrəold ˈkærənpi/ noun a company where more than 50% (or in the USA, 25%) of the shares belong to one owner

corporated currency /ˈkɔpərət stɔr/ lengthmark plural noun a currency that is used in a country where the government controls it

corporate entity /ˈkɔpərəti əˈtjəni/ noun a corporation that is treated as a separate legal entity

corporate funds /ˈkɔpərəti fʌndz/ plural noun the funds that are available to a corporation

controller /ˈkɔntrələ/ noun 1. a person who controls something, especially the finances of a company. 2. the chief accountant in a company

controller /ˈkɔntrələ/ noun 1. a person who controls something, especially the finances of a company. 2. the chief accountant in a company

control limits /ˈkɔntrəl lɪmɪts/ plural noun limits on quantities or values which, if exceeded, trigger intervention from management

control period /ˈkɔntrəl pɜriərd/ noun the fraction of the financial year, e.g., a month, for which separate totals are given in a budget

cost driver /kəʊst dəˈvaɪər/ noun a factor that influences the cost of producing a product or service

costs and losses /kəʊsts ənd ləʊsɪz/ plural noun the costs and losses incurred in a business

cost of funds /kəʊst əv fʌndz/ noun the cost of funds that is considered as being controlled

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costs and losses /kəʊsts ənd ləʊsɪz/ plural noun the costs and losses incurred in a business

conversion /kənvərs(ə)ʃ(ə)n/ noun the act of changing convertible loan stock into ordinary shares

conversion cost /kənvərzaʃ(ə)n kəʊst/ noun the cost of converting convertible loan stock to ordinary shares

conversion cost /kənvərzaʃ(ə)n kəʊst/ noun the cost of converting convertible loan stock to ordinary shares

conversion costs /kənvərzaʃ(ə)n kəʊstz/ plural noun the costs of converting convertible loan stock to ordinary shares

cost of funds /kəʊst əv fʌndz/ noun the cost of funds that is considered as being controlled

cost of funds /kəʊst əv fʌndz/ noun the cost of funds that is considered as being controlled

conversion /kənvərzaʃ(ə)n/ noun 1. a rate at which a currency is changed into a foreign currency

conversion value /kənvərzaʃ(ə)n vəlju/ noun a value of convertible stock, including the extra value of the ordinary shares into which they may be converted

convert /kənvərzt/ verb 1. to change money of one country for money of another 2. to convert funds to your own use to use someone else’s money for yourself

convertible debenture /kənvərztəb(ə)r//dɪˈbɛntʃə/ noun a debenture or loan stock which can be converted into ordinary shares at a later date

convertible loan stock /kənvərztəb(ə)r//ləʊn stɔk/ noun money lent to a company which can be converted into shares at a later date

convertibles /kənvərztəb(ə)r//ləʊn stɔk/ plural noun corporate bonds or preference shares which can be converted into ordinary shares at a set price on set dates

convertible currency /kənvərztəb(ə)r//kərn stɔr/ lengthmark plural noun a currency which can easily be exchanged for another currency

conveyancer /kənvəˈʃənər/ noun 1. a person who is responsible for the registration of property and for the transfer of ownership of property. 2. a person who is responsible for the registration of property and for the transfer of ownership of property

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conveyance /kənvərəns/ noun 1. the act of conveying property from one person to another. 2. the act of conveying property from one person to another. 3. the act of conveying property from one person to another.

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cooperative store /kəʊˈprəʊvət stɔr/ noun a type of retail store owned by a group of people who share the profits
corporate name /ˌkɔːpəˈnɛm/ noun the name of a large corporation
corporate plan /ˌkɔːpəˈplæn/ noun a plan for the future work of a whole company
corporate planning /ˌkɔːpəˈplænɪŋ/ noun the process of planning the future work of a whole company

Notes:
- The Financial Times reported in February 2007 that corporate profits for the first quarter showed a 4 per cent drop from last year.
- Companies are raising capital, usually against the cost of sales.
- The prime rate is the rate at which banks lend to their top corporate borrowers.
- The degree to which there is a relationship between people's incomes and the amount they spend on clothing is called correlation.
- In accounting, the cost absorption method calculates how much money will be needed to make a product, and so work out its selling price.
cost accountant /ˈkɒst ə,ˈkaʊntənt/ noun an accountant who gives managers information about their business costs
cost accounting /ˈkɒst ə,ˈkaʊntɪŋ/ noun the process of preparing special accounts of manufacturing and sales costs
cost accumulation /ˈkɒst əˈkaʊməntʃuː/ˈletʃə(n)/ noun a system of presenting costs in an account
cost allocation /ˈkɒst əˌləkjəʃ(ə)n/ noun the way in which overhead expenses are related to various cost centres
cost analysis /ˈkɒst əˌnæləsɪs/ noun the process of calculating in advance what a new product will cost
cost apportionment /ˈkɒst əˌpɔtərnəmt/ noun the sharing out of common overhead costs among various cost centres
cost assignment path /ˈkɒst əˌɔʃənment ˌpaθ/ noun a link between a cost and its cost object
cost-based price /ˈkɒst bɪzɪtˈpræs/ noun a price for a particular product or service based on that portion of overall costs assigned to it
cost behaviour pattern /ˈkɒst ˈbɪhəvjaˌpətə(ˈɑ)m/ noun the extent to which a cost will change as the level of activity of a business changes
cost-benefit analysis /ˈkɒst ˈbɛnɪfɪtəˌnæləsɪs/ noun the process of comparing the costs and benefits of various possible ways of using available resources. Also called benefit-cost analysis
cost centre /ˈkɒst ˌsɛntər/ noun 1. a person or group whose costs can be itemised and to which costs can be allocated in accounts 2. a unit, a process or an individual that provides a service needed by another part of an organisation and whose cost is therefore accepted as an overhead of the business
cost (at cost) concept /ˈkɒst əˈkɒst ˌkɑnsept/ noun the practice of valuing assets with reference to their acquisition cost
cost control /ˈkɒst ˈkontrəl/ noun the process of ensuring that a business’s actual costs do not exceed predetermined acceptable limits
cost-cutting /ˈkɒst ˌkʌtɪŋ/ adjective intended to reduce costs ○ We have taken out the second telephone line as a cost-cutting exercise. ■ noun the process of reducing costs ○ As a result of cost-cutting, we have had to make three staff redundant.
cost driver /ˈkɒst ˈdriːvər/ noun a factor that determines how much it costs to carry out a particular task or project, e.g. the amount of resources needed for it, or the activities involved in completing it
cost-effective /ˈkɒst ˈɪfektɪv/ adjective giving good value when compared with the original cost ○ We find advertising in the Sunday newspapers very cost-effective.
cost-effectiveness /ˈkɒst ˈɪfektɪvənis/, cost efficiency /ˈkɒst ˈɪfɪʃənis/ noun the quality of being cost-effective ○ Can we calculate the cost-effectiveness of air freight against shipping by sea?
cost element /ˈkɒst əˈleɪmənt/ noun a single element of a total cost, e.g. the cost of depreciation of an item or the cost of warehousing the item
cost estimation /ˈkɒst ˌɛstɪmeɪʃ(ə)n/ noun the process of determining cost behaviour patterns
cost factor /ˈkɒst ˌfæktər/ noun any activity or item of material, equipment or personnel that incurs a cost
cost function /ˈkɒst ˌfʌŋkʃ(ə)n/ noun a mathematical function that links a company’s total costs to its output and factor costs
cost hierarchy /ˈkɒst ˈhɜːrərɪk/ noun a system for classifying a company’s activities according to the costs they incur
costing /ˈkɒstɪŋ/ noun a calculation of the manufacturing costs, and so the selling price, of a product ○ The costings give us a retail price of $2.95. ○ We cannot do the costing until we have details of all the production expenditure.
costly /ˈkɒstli/ adjective costing a lot of money, or costing too much money ○ Defending the court case was a costly process. ○ The mistakes were time-consuming and costly.
cost management /ˈkɒst ˌmænɪdʒmənt/ noun the application of management accounting concepts, methods of data collection, analysis and presentation, in order to provide the information required to enable costs to be planned, monitored and controlled
cost management function /ˈkɒst ˌmænɪdʒmənt ˌfʌŋkʃ(ə)n/ noun the management of those activities that help determine accurate costs
cost modelling /ˈkɒst ˌmɒdəlɪŋ/ noun the use of a costing system to give a clear view of the costs and profitability of a product or service
cost object 58

**cost object** /ˈkɒst əbˈdʒekt/ noun any aspect of a company’s business for which a costing can be produced, e.g. employees’ salaries and factory overheads

**cost of borrowing** /ˈkɒst əv ˈbɔːrəʊɪŋ/ noun an interest rate paid on borrowed money

**cost of capital** /ˈkɒst əv ˈkeːptəl/ noun interest paid on the capital used in operating a business

**cost of goods sold** /ˈkɒst əv ˈgʊdz ˈsɔld/ noun same as **cost of sales**

**cost of living** /ˈkɒst əv ˈlɪvɪŋ/ noun money which has to be paid for basic items such as food, heating or rent to allow for the cost of living in the salary adjustments

**cost-of-living adjustment** /ˈkɒst əv ˈlɪvɪŋ ˈdʒæstmaʊnt/ noun an increase in wages or salary that compensates for an increase in the cost of living

**cost-of-living allowance** /ˈkɒst əv ˈlɪvɪŋ ˈə,ˈloʊns/ noun an addition to normal salary to cover increases in the cost of living

**cost-of-living increase** /ˈkɒst əv ˈlɪvɪŋ ˈɪnkriz/ noun an increase in salary to allow it to keep up with the increased cost of living

**cost-of-living index** /ˈkɒst əv ˈlɪvɪŋ ˈɪndeks/ noun a way of measuring the cost of living which is shown as a percentage increase on the figure for the previous year. It is similar to the consumer price index, but includes other items such as the interest on mortgages.

**cost of replacement** /ˈkɒst əv ˈrɛplɛstmənt/ noun same as **replacement cost**

**cost of sales** /ˈkɒst əv ˈsɛls/ noun all the costs of a product sold, including manufacturing costs and the staff costs of the production department, before general overheads are calculated. Also called **cost of goods sold**

**cost of sales adjustment** /ˈkɒst əv ˈsɛls ˈdʒæstmaʊnt/ noun an adjustment made in current cost accounting to a company’s historical cost profit figure to take into account the effect of inflation on the value of materials used in production during the accounting period. If prices are rising, the COSA will reduce historical cost profit. Abbreviation COSA

**cost plus** /ˈkɒst plaɪs/ noun a system of calculating a price, by taking the cost of production of goods or services and adding a percentage to cover the supplier’s overheads and margin. We are charging for the work on a cost plus basis.

**cost pool** /ˈkɒst pʊl/ noun a grouping of individual costs, e.g. by department or by type of job

**cost price** /ˈkɒst prɑːs/ noun a selling price that is the same as the price paid by the seller, which results in no profit being made

**cost reduction programme** /ˈkɒst ˈrɪdʒən pɹəˈɡrɛm/ noun a programme of cutting costs in order to improve profitability

**costs** /ˈkɒsts/ plural noun the expenses involved in a court case. The judge awarded costs to the defendant. Costs of the case will be borne by the prosecution.

**cost of nonconformance** /ˈkɒst əv ˈnʌnkənˈfɔrnəns/ plural noun costs incurred by a company in rectifying defects in products or services sold

**costs of quality** /ˈkɒsts əv ˈkwɒləti/ plural noun costs incurred in applying quality control standards

**cost summary schedule** /ˈkɒst ˈsʌməri ˈʃedʒəl/ noun a method of determining the cost to be transferred to a department’s finished goods inventory account

**cost-volume-profit analysis** /ˈkɒst vəljuːm ˈprəʊfət ənteɪləs/ noun an analysis of the relationship between gross profit and costs of production at different selling prices and output volumes. Also called CVP analysis

**coterminous period ends** /ˌkɒtərˈmɪnəs ˌprəˈriəd ənds/ plural noun a point in time that marks the end of the accounting period for separate and related accounts that cover the same period

**council tax** /ˈkəʊnlənt ˈteɪks/ noun a tax paid by individuals or companies to a local authority. Introduced in April 1993 as a replacement for the much maligned community charge, or ‘poll tax’, council tax depends on the value of the residential or commercial property occupied.

**count** /ˈkɑʊnt/ verb 1. to add figures together to make a total. Did you count up the sales for the six months to December? 2. to include something. Did you count my trip to New York as part of my sales expenses?

**counterbid** /ˈkɑʊntəbɪd/ noun a higher bid in reply to a previous bid. When I bid $20 she put in a counterbid of $25.

**counter-claim** /ˈkɑʊntə klem/ noun a claim for damages made in reply to a previous claim. Jones claimed $25,000 in dam-
Counterfeit /ˈkɔːntəfɔɪt/ adjective referring to false or imitation money. ○ Shops in the area have been asked to look out for counterfeit £20 notes.

Counterfoil /ˈkɔːntəfɔɪl/ noun a slip of paper kept after writing a cheque, an invoice or a receipt, as a record of the deal which has taken place.

Countermand /ˈkɔːntəmɑːnd/ verb to say that an order must not be carried out ○ to countermand an order to say that an order must not be carried out.

Counter-offer /ˈkɔːntəˌɔfə/ noun a higher or lower offer made in reply to another offer ○ Smith Ltd made an offer of $1m for the property, and Blacks replied with a counter-offer of $1.4m.

Counterparty /ˈkɔːntəpɑːrti/ noun each of the other parties to a contract, considered from the viewpoint of a particular party.

Counterpurchase /ˈkɔːntəpɑːtʃ/ noun an international trading deal, where a company agrees to use money received on a sale to purchase goods in the country where the sale was made.

Countersign /ˈkɔːntəsɛn/ verb to sign a document which has already been signed by someone else ○ All our cheques have to be countersigned by the finance director ○ The sales director countersigns all my orders.

Countertrade /ˈkɔːntətrərd/ noun a trade which does not involve payment of money, but something such as a barter or a buy-back deal instead.

Countervailing duty /ˈkɔːntəvɛlɪŋ ,dʒuːtɪ/ noun a duty imposed by a country on imported goods, where the price of the goods includes a subsidy from the government in the country of origin. Also called anti-dumping duty.

Counting house /ˈkɔːntɪŋ hɔʊs/ noun a department dealing with cash (dated)

Country risk /ˈkʌntrɪ rɪsk/ noun the risk associated with undertaking transactions with, or holding assets in, a particular country. Sources of risk might be political, economic or regulatory instability affecting overseas taxation, repatriation of profits, nationalisation, currency instability, etc.

Cover /ˈkʌvər/ noun an amount of money large enough to guarantee that something can be paid for ○ Do you have sufficient cover for this loan? ○ verb 1. to provide protection by insurance against something ○ The insurance covers fire, theft and loss of work. ○ to cover a risk to be protected by insurance against a risk 2. to earn enough money to pay for costs, expenses, etc. ○ We do not make enough sales to cover the expense of running the shop. ○ Break-even point is reached when sales cover all costs.

Cover note /ˈkʌvər nəʊt/ noun a letter from an insurance company giving details of an insurance policy and confirming that the policy exists CP abbreviation commercial paper

CPA abbreviation certified public accountant CPD /ˈsɪt ˈdiː/ noun training and education that continues throughout a person’s career in order to improve the skills and
knowledge they use to do a job or succession of jobs. Full form continuing professional development

CPI abbreviation Consumer Price Index

creative accountancy /'kri,əvoʊntənsi/; creative accounting /'kriˌəvoʊnt/ noun an adaptation of a company’s figures to present a better picture than is correct, usually intended to make a company more attractive to a potential buyer, or done for some other reason which may not be strictly legal

credit /'kredıt/ noun 1. a period of time allowed before a customer has to pay a debt incurred for goods or services. 2. to give someone six months’ credit. 3. to sell on good credit terms. 4. an amount entered in accounts to show a decrease in assets or expenses or an increase in liabilities, revenue or capital. In accounts, credits are entered in the right-hand column. 5. to enter $100 to someone’s credit. 6. to pay in $100 to the credit of Mr Smith. Compare debit. 7. verb to put money into someone’s account, or to note money received in an account. 8. to credit an account with £100 or to credit £100 to an account

credit account /'kredıt ə,kaʊnt/ noun an account which a customer has with a shop which allows him or her to buy goods and pay for them later

credit agency /'kredıt ə,ɛdʒənsi/ noun a company which reports on the creditworthiness of customers to show whether they should be allowed credit. Also called credit bureau

credit agreement /'kredıt ə,grɪzmənt/ noun a document that sets out the terms under which credit is made available, or the agreement enshrined in such a document

credit analysis /'kredıt ə,neɪlənɪs/ noun the process of assessing a potential borrower’s creditworthiness

credit balance /'kredıt ə,biːləns/ noun a balance in an account showing that more money has been received than is owed. The account has a credit balance of £100.

credit bank /'kredıt bæŋk/ noun a bank which lends money

credit bureau /'kredıt ,bɪˌjoʊərəʊ/ noun US same as credit agency

credit card /'kredıt kɑrd/ noun a plastic card which allows someone to borrow money and to buy goods up to a certain limit without paying for them immediately, but only after a period of grace of about 25–30 days. Also charge card

credit card holder /'kredıt kɑrd,hoʊldə/ noun a person who has a credit card

credit column /'kredıt ,kələm/ noun the right-hand column in accounts showing money received

credit control /'kredıt ə,krəʊləʊ/ noun a check that customers pay on time and do not owe more than their credit limit

credit controller /'kredıt ə,krəʊləʊr/ noun a member of staff whose job is to try to get payment of overdue invoices

credit entry /'kredıt ə,entri/ noun an entry on the credit side of an account

credit facilities /'kredıt fə,ˈstɪlɪtɪz/ plural noun an arrangement with a bank or supplier to have credit so as to buy goods

credit freeze /'kredıt frɪz/ noun a period when lending by banks is restricted by the government

credit limit /'kredıt ə,limɪt/ noun the largest amount of money which a customer can borrow

credit line /'kredıt əˌlайн/ noun an overdraft, the amount by which a person can draw money from an account with no funds, with the agreement of the bank

credit note /'kredıt ə,not/ noun a note showing that money is owed to a customer. The company sent the wrong order and so had to issue a credit note. Abbreviation C/N

creditor /'kredıtər/ noun a person or company that is owed money, i.e. a company’s creditors are its liabilities

creditor days /'kredıtər dɛz/ plural noun the number of days on average that a company requires to pay its creditors. Also debtor days

creditors /'kredıtəz/ plural noun a list of all liabilities in a set of accounts, including overdrafts, amounts owing to other companies in the group, trade creditors, payments received on account for goods not yet supplied, etc.

creditors’ meeting /'kredıtəz ,miˈtiŋ/ noun a meeting of all the people to whom an insolvent company owes money, to decide how to obtain the money owed

credit rating /'kredıt riˈteɪʃən/ noun an amount which a credit agency feels a customer will be able to repay

credit reference /'kredıt ,rɪˈfɛrəns/ noun a credit rating or other indication of the creditworthiness of a company or individual

credit-reference agency /'kredıt ,rɪˈfɛrəns əˌdʒɛnsi/ noun same as credit agency
crisis situations may result from external events or situations occur that could threaten a business or a country’s economy during a period of crisis, actions taken by an organisation to protect itself when unexpected events or situations occur that could threaten its success or continued operation (NOTE: Crisis situations may result from external factors such as the development of a new product by a competitor or changes in legislation, or from internal factors such as a product failure or faulty decision-making, and often involve the need to make quick decisions on the basis of uncertain or incomplete information.)
critical-path method /ˈkriːtɪkl,piːθəm/ adverb a technique used in project management to identify the activities within a project that are critical to its success, usually by showing on a diagram or flow chart the order in which activities must be carried out so that the project can be completed in the shortest time and at the least cost ‘...need initial project designs to be more complex or need to generate Critical Path Method charts or PERT reports.’ [InformationWeek]
cross-border /ˈkrɔːs,bɔːrdər/ adjective from one country to another, covering several countries
cross-border services /ˈkrɔːs,bɔːrdərˌsɜːrvəs/ plural noun accountancy services provided by an accountancy firm in one country for a client in another country
cross cheque /ˈkrɔːstʃek/ noun a cheque with two lines across it showing that it can only be deposited at a bank and not exchanged for cash
cross holdings /ˈkrɔːshɔldɪŋz/ plural noun a situation where two companies own shares in each other in order to stop either from being taken over or to limit the extent to which an individual or organisation is creditworthy
cross dividend /ˈkrɔːsdɪvɪdənd/ noun an exchange rate between two currencies expressed in a third currency
cross-subsidy /ˈkrɔːssəbsɪdi/ noun the process of deliberately assigning costs to items in an account in such a way that some items are undercosted and some overcosted
crown jewels /ˈkrɔːnˌdʒuːəlz/ plural noun the most valuable assets of a company, the reason why other companies may want to make takeover bids
crystallise /ˈkrɔːstəlaɪz/, crystallize verb to become chargeable on an asset or a deferred gain is crystallised when you realise the gain by selling the asset
CT abbreviation corporation tax
cum /kʌm/ preposition with
cum all /ˌkʌm ˈɔːdl/ adverb including all entitlements
cum coupon /ˌkʌm ˈkʌpuːn/ adverb with a coupon attached or before interest due on a security is paid
cum dividend /ˌkʌm ˈdɪvɪndənd/, cum div adverb including the next dividend still to be paid
cum rights /ˌkʌm ˈrʌts/ adverb sold with the right to purchase new shares in a rights issue
cumulative /ˈkjuːmjʊleɪtɪv/ adjective added to regularly over a period of time
cumulative interest /ˈkjuːmjʊleɪtɪv ɪntrəst/ noun the total amount of interest that has been charged on a loan up to a given point
cumulative preference share /ˈkjuːmjʊleɪtɪv ˈpreʃər ʃeər/ noun a
currency preference share which will have the dividend paid at a later date even if the company is not able to pay a dividend in the current year (note: The US term is cumulative preferred stock.)
cumulative weighted average cost /ˌkjuːmərətɪv ˈwɛtɪd əˈvɜːrɪdʒ kɒst/, cumulative weighted average price /ˌkjuːmərətɪv ˈwɛtɪd əˈvɜːrɪdʒ prایس/ noun the average price per unit of stock delivered in a period calculated each time a new delivery is received. Compare periodic weighted average cost.
currency /ˈkærənsi noun 1. money in coins and notes which is used in a particular country: 2. foreign currency, the currency of another country (note: currency has no plural when it refers to the money of one country: He was arrested trying to take currency out of the country.)
‘...today’s wide daily variations in exchange rates show the instability of a system based on a single currency, namely the dollar.’ [economist]‘...the level of currency in circulation increased to N4.9 billion in the month of August’ [business times (lagos)]
currency backing /ˈkærənsi ˈbeɪkɪŋ/ noun gold or government securities which maintain the strength of a currency.
currency band /ˈkærənsi ˈbænd/ noun the exchange rate levels between which a currency is allowed to move without full devaluation.
currency basket /ˈkærənsi ˈbɑːskɪt/ noun a group of currencies, each of which is weighted, calculated together as a single unit against which another currency can be measured.
currency clause /ˈkærənsi ˈkləʊz/ noun a clause in a contract which avoids problems of payment caused by changes in exchange rates, by fixing the exchange rate for the various transactions covered by the contract.
currency futures /ˈkærənsi ˈfjuːtʃərz/ plural noun purchases of foreign currency for delivery at a future date.
currency hedging /ˈkærənsi ˈhedʒɪŋ/ noun a method of reducing exchange rate risk by diversifying currency holdings and adjusting them according to changes in exchange rates.
currency mismatching /ˈkærənsi ˈmɪsmɪtʃɪŋ/ noun the activity of borrowing money in the currency of a country where interest rates are low and depositing it in the currency of a country with higher interest rates. The potential profit from the interest rate margin may be offset by changes in the exchange rates which increase the value of the loan in the company’s balance sheet.
currency movements /ˈkærənsi ˈmɔːvvəmənts/ plural noun fluctuations in the value of the world’s currencies that occur as they are traded.
currency note /ˈkærənsi ˈnəʊt/ noun a bank note.
currency reserves /ˈkærənsi ˈrɛzərvz/ plural noun foreign money held by a government to support its own currency and to pay its debts.
currency swap /ˈkærənsi ˈswɑːp/ noun 1. an agreement to use a certain currency for payments under a contract in exchange for another currency (the two companies involved can each buy one of the currencies at a more favourable rate than the other); 2. the buying or selling of a fixed amount of a foreign currency on the spot market, and the selling or buying of the same amount of the same currency on the forward market.
current account /ˈkɜːrənt ˈəʊntər/ noun 1. an account in an bank from which the customer can withdraw money when he or she wants. Current accounts do not always pay interest. ○ to pay money into a current account. Also called cheque account (note: The US term is checking account.) 2. an account of the balance of payments of a country relating to the sale or purchase of raw materials, goods and invisibles.
current assets /ˈkɜːrənt æˈsetz/ plural noun the assets used by a company in its ordinary work, e.g. materials, finished goods, cash and monies due, and which are held for a short time only.
current cost /ˈkɜːrənt ˈkɒst/ noun the amount it would cost to replace an asset at current prices.
current cost accounting /ˈkɜːrənt ˈkɒst əˈkɒntərɪŋ/ noun a method of accounting in which assets are valued at the amount it would cost to replace them, rather than at the original cost. Abbreviation CCA. Also called replacement cost accounting.
current liabilities /ˈkɜːrənt ˈlɪərəˌlɪətɪz/ plural noun the debts which a company has to pay within the next accounting period. In a company’s annual accounts, these would be debts which must be paid within the year and are usually payments for goods or services received.
current purchasing power /ˈkɜːrənt ˈpɜːtʃərɪŋ ˈpəwər/ noun a method of accounting which takes inflation into
customer service department /ˈkɑːstəm ˌsɜːrvɪs dɪ ˈpɑːrtnər/ noun a department which deals with customers and their complaints and orders

customise /ˈkɑːstəmɪz/ verb to change something to fit the special needs of a customer ○ We use customised computer terminals.

customs /ˈkɑːstəmz/ plural noun the government department which organises the collection of taxes on imports, or an office of this department at a port or airport ○ He was stopped by customs. ○ Her car was searched by customs.

Customers and Excise /ˈkɑːstəms ən ˈɛksəs/ noun a former UK government department which organised the collection of taxes on imports and also collected VAT. It merged with the Inland Revenue to form HM Revenue & Customs in 2005.

customs barrier /ˈkɑːstəms ˈbɛriə/ noun any provision intended to make trade more difficult, e.g. a high level of duty

customs broker /ˈkɑːstəms ˈbrɔːkə/ noun a person or company that takes goods through customs for a shipping company

customs clearance /ˈkɑːstəmz kluːərəns/ noun 1. the act of passing goods through customs so that they can enter or leave the country 2. a document given by customs to a shipper to show that customs duty has been paid and the goods can be shipped ○ to wait for customs clearance

customs declaration /ˈkɑːstəmz dɪˈklaːrən/ noun a statement showing goods being imported on which duty will have to be paid ○ to fill in a customs declaration form

customs duty /ˈkɑːstəms djʊrətɪ/ noun a tax on goods imported into a country

customs entry point /ˈkɑːstəmz ˈentri ˈpɔɪnt/ noun a place at a border between two countries where goods are declared to customs

customs examination /ˈkɑːstəmz ɪŋ ˈzɛmɪneɪʃ(ə)n/ noun the inspection of goods or baggage by customs officials

customs formalities /ˈkɑːstəmz ˈfɔːrəlmətiz/ plural noun a declaration of goods by the shipper and examination of them by customs

customs officer /ˈkɑːstəmz ˈɒfɪsə/ noun a person working for the customs department of a country

customs seal /ˈkɑːstəm sɪl/ noun a seal attached by a customs officer to a box, to show that the contents have not passed through customs
customs tariff /kəstəmz 'tærif/ noun a list of taxes to be paid on imported goods

customs union /'kastəmz 'ju:nɪən/ noun an agreement between several countries that goods can travel between them, without paying duty, while goods from other countries have to pay special duties

Cut /kʌt/ noun 1. the sudden lowering of a price, salary or the number of jobs ○ price cuts or cuts in prices □ he took a cut in salary. he took a salary cut he accepted a lower salary 2. a share in a payment ○ She introduces new customers and gets a cut of the sales rep’s commission. ■ verb 1. to lower something suddenly ○ We are cutting prices on all our models. ○ We have taken out the second telephone line in order to try to cut costs. 2. to reduce the number of something

‘…state-owned banks cut their prime rates a percentage point to 11%’ [Wall Street Journal]

‘…the US bank announced a cut in its prime from 10½ per cent to 10 per cent’ [Financial Times]
D

D/A abbreviation deposit account
damages /ˈdæmɪdʒz/ plural noun money claimed as compensation for harm done ○ to claim damages ○ to be liable for damages ○ to pay £25,000 in damages
D & B abbreviation Dun & Bradstreet
danger money /ˈdændʒərə mi/ noun extra money paid to employees in dangerous jobs ○ The workforce has stopped work and asked for danger money ○ He decided to go to work on an oil rig because of the danger money offered as an incentive.
Datastream /ˌdeɪstraɪm/ noun a data system available online, giving information about securities, prices, stock exchange transactions, etc.
date of bill /dɛt ə 'bɪl/ noun a date when a bill will mature
date of maturity /dɛt ə ˈmætjʊərəti/ noun same as maturity date
date of record /dɛt ə 'rɛkərd/ noun the date when a shareholder must be registered to qualify for a dividend
date stamp /dɛt stæmp/ noun a stamp with rubber figures which can be moved, used for marking the date on documents
dawn raid /dɔ:n 'reid/ noun a sudden planned purchase of a large number of a company’s shares at the beginning of a day’s trading (NOTE: Up to 15% of a company’s shares may be bought in this way, and the purchaser must wait for seven days before purchasing any more shares. Sometimes a dawn raid is the first step towards a takeover of the target company.)
day book /dɛt buk/ noun a book with an account of sales and purchases made each day
DCF abbreviation discounted cash flow
DD abbreviation direct debit
dead account /dɛd ˈkeɪənt/ noun an account which is no longer used
dead loss /dɛd 'lɔs/ noun a total loss ○ The car was written off as a dead loss.
dead money /dɛd ˈmi/ noun money which is not invested to make a profit
deal /dɪl/ noun a business agreement, affair or contract ○ The sales director set up a deal with a Russian bank ○ The deal will be signed tomorrow ○ They did a deal with an American airline ○ verb to buy and sell ○ to deal in leather or options to buy and sell leather or options
dealer /dɪlə/ noun 1. a person who buys and sells ○ a used-car dealer 2. a person or firm that buys or sells on their own account, not on behalf of clients
dealing /dɪˈlɪŋ/ noun 1. the business of buying and selling on the Stock Exchange, commodity markets or currency markets ○ dealing for or within the account buying shares and selling the same shares during an account, which means that the dealer has only to pay the difference between the price of the shares bought and the price obtained for them when they are sold 2. the business of buying and selling goods
dear money /dɪə ,mi/ noun money which has to be borrowed at a high interest rate, and so restricts expenditure by companies. Also called tight money
death benefit /dθ bɛnˈfɪt/ noun insurance benefit paid to the family of someone who dies in an accident at work
death duty /dθ ˈdjuːti/ noun same as inheritance tax
death in service /dθ ɪn 'sɜːvɪs/ noun an insurance benefit or pension paid when someone dies while employed by a company
death tax /dθ ˈteɪks/ noun same as inheritance tax
debenture /dəˈbentʃər/ noun agreement to repay a debt with fixed interest using the company’s assets as security ○ The bank holds a debenture on the company
debenture bond /dəˈbentʃər bɔnd/ noun US 1. a certificate showing that a debenture has been issued 2. an unsecured loan
debenture capital  /dɪˈbentʃər kɑpɪtl/ noun capital borrowed by a company, using its fixed assets as security

debenture holder  /dɪˈbentʃər həʊldər/ noun a person who holds a debenture for money lent

debenture issue  /dɪˈbentʃər ɪˈʃjuː/ noun the activity of borrowing money against the security of the company’s assets

debenture stock  /dɪˈbentʃər stəʊk/ noun a form of debt instrument in which a company guarantees payments on a fixed schedule or at a fixed rate of interest

debit  /dɪˈbeɪt/ noun an amount entered in accounts which shows an increase in assets or expenses or a decrease in liabilities, revenue or capital. In accounts, debits are entered in the left-hand column. Compare credit

debitable  /dɪˈbeɪtəb(ə)l/ adjective able to be debited

debit balance  /dɪˈbeɪt ˈbæləns/ noun a balance in an account showing that more money is owed than has been received. Because of large payments to suppliers, the account has a debit balance of £1,000.

debit card  /dɪˈbeɪt kɑrd/ noun a plastic card, similar to a credit card, but which debits the holder’s account immediately through an EPOS system

debit column  /dɪˈbeɪt ˈkʌlnəm/ noun the left-hand column in accounts showing the money paid or owed to others

debit entry  /dɪˈbeɪt ˈentri/ noun an entry on the debit side of an account

debit note  /dɪˈbeɪt nəʊt/ noun a note showing that a customer owes money. We undercharged Mr Smith and had to send him a debit note for the extra amount.

debits and credits  /dɪˈbeɪts ənd ˈkredɪts/ plural noun money which a company owes and money it receives, or figures which are entered in the accounts to record increases or decreases in assets, expenses, liabilities, revenue or capital

debit side  /dɪˈbeɪt saɪd/ noun a left-hand column of accounts showing money owed or paid to others

debit  /dɪˈbeɪt/ noun money owed for goods or services. The company stopped trading with debts of over £1 million. As he is in debt to the tune of £250,000 he owes £250,000

debt collection  /dɪˈkælækʃən əˈkɒləm/ noun the act of collecting money which is owed

debt collection agency  /dɪˈdɛɪt ˈkæləkjən eɪˈdʒenst/ noun a company which collects debts for other companies for a commission

debt collector  /dɪˈdet kəˈлектər/ noun a person who collects debts

debt-convertible bond  /dɪˌdet kanˌsərˌvəntəbl bɔnd/ noun a floating-rate bond which can be converted to a fixed rate of interest.

droplock bond  /dɹɔplɒk bɔnd/ noun

debt counselling  /dɪˌdet ˈkʌnsəliŋ/ noun the work of advising people who are in debt of the best ways to arrange their finances so as to pay off their debts

debt-equity ratio  /dɪˌdet ˈekwətɪ rɪˈʃiərə/ noun a measure of a company’s ability to repay its creditors, equal to its total long term debt divided by the total of shareholders’ equity.

gearing

debt factoring  /dɪˌdet ˈfæktərɪŋ/ noun the business of buying debts at a discount. A factor collects a company’s debts when due, and pays the creditor in advance part of the sum to be collected, so ‘buying’ the debt.

debtor  /dɪˈdetər/ noun a person who owes money

debtor days  /dɪˌdetər deɪz/ plural noun the number of days on average that it takes a company to receive payment for what it sells.

debtor days  /dɪˌdetər deɪz/ plural noun the number of days on average that it takes a company to receive payment for what it sells.

debtors control account  /dɪˈdetərz kənˌtəl kənˌtəl əˈkɒntənt/ noun an account used to summarise the balances on the individual sales ledger accounts

debtor side  /dɪˈdetər saɪd/ noun the debit side of an account

debtors ledger  /dɪˈdetərz ˈledʒər/ noun same as sales ledger

debtors turnover ratio  /dɪˌdetərz ˈtɜːnərvɜːr/ noun the average time which debtors take to pay

debt ratio  /dɪˌdet ˈrɪʃiərə/ noun the debt of a company shown as a percentage of its equity plus loan capital

debt rescheduling  /dɪˌdet ˌresəˈskedjuˈlɪŋ/ noun the process of reorganising the way in which debts are repaid. Debt rescheduling may be necessary if a company is unable to pay its debts and may involve postponing debt payments, postponing payment of interest, or negotiating a new loan.

decile  /dɛkəl/ noun one of a series of nine figures below which one tenth or several tenths of the total fall

decimalisation  /ˌdɛsmələˈzeɪʃən/ noun the process of changing to a decimal system
decimalise /ˌdɛsɪmlaɪz/;  decimalize verb to change something to a decimal system

decimal point /ˌdɛsɪml pɔɪnt/ noun a dot which indicates the division between the whole unit and its smaller parts, e.g. 4.75

decimal system /ˌdɛsɪml sɪstəm/ noun a system of mathematics based on the number 10

decision support system /dɪˈzaɪsən ˈspɔːt ˈsɪstəm/ noun a computer-based system which presents auditor judgments in a structured way and can be used to create audit programmes or document the assessment of business risk

decision theory /dɪˈzaɪsən ˈθɪəri/ noun the mathematical methods for weighing the various factors in making decisions • In practice it is difficult to apply decision theory to our planning. • Students study decision theory to help them suggest strategies in case-studies.

decision tree /dɪˈzaɪsən ˈtriː/ noun a model for decision-making, showing the possible outcomes of different decisions • This computer programme incorporates a decision tree.

declaración /dɪˈklɛrəʃən/ noun an official statement

declaración de escritura /dɪˈklɛrəʃən əv əˈskrɪtə/ noun the date on which a board of directors declares the dividend to be paid

declaración de bancarrota /dɪˈklɛrəʃən əv ˈbæŋkrərɔtə/ noun an official statement that someone is bankrupt

declaración de ingresos /dɪˈklɛrəʃən əv ɪnˈɡrɛsoʊs/ noun same as income tax

declaración de solvencia /dɪˈklɛrəʃən əv ˈsɔlvənsi/ noun a document, lodged with the Registrar of Companies, that lists the assets and liabilities of a company seeking voluntary liquidation to show that the company is capable of repaying its debts within 12 months

declarar /dɪˈklerə/ verb to make an official statement of something, or announce something to the public • to declare someone bankrupt • The company declared an interim dividend of 10p per share.

declared /dɪˈklerd/ adjective having been made public or officially stated

decleared value /dɪˈklerd ˈvæljuː/ noun the value of goods entered on a customs declaration

decline /dɪˈklaɪn/ verb to fall slowly or decrease • Shares declined in a weak market. • New job applications have declined over the last year. • The economy declined during the last government. • The purchasing power of the pound declined over the decade.

'Saudi oil production has declined by three quarters to around 2.5m barrels a day' [Economist]

'...this gives an average monthly decline of 2.15 per cent during the period' [Business Times (Lagos)]

'...share prices disclosed a weak tendency right from the onset of business and declined further, showing losses over a broad front' [The Hindu]

decreasing balance method /dɪˈklaɪnɪŋ ˈbæləns ˈmɛθəd/ noun US same as reducing balance method

decrease /dɪˈkriːs/ verb to fall or to become less • Imports are decreasing. • The value of the pound has decreased by 5%.

deduct /dɪˈdɛkkt/ verb to take money away from a total • to deduct £3 from the price • to deduct a sum for expenses • After deducting costs the gross margin is only 23%. • Expenses are still to be deducted.

deductible /dɪˈdɛkktəbəl/ adjective possible to deduct

deduction /dɪˈdɛkʃən/ noun the removing of money from a total, or the amount of money removed from a total • Net salary is salary after deduction of tax and social security. • The deduction from her wages represented the cost of repairing the damage she had caused to the machinery. • Deductions from salary, salary deductions, deductions at source money which a company removes from salaries to give to the government as tax, National Insurance contributions, etc.

deed /dɪd/ noun a legal document or written agreement

deed of arrangement /dɪd əv ə ˈreɪndʒmənt/ noun an agreement made between a debtor and creditors whereby the creditors accept an agreed sum in settlement of their claim rather than make the debtor bankrupt

deed of assignment /dɪd əv ə ˈæznəmənt/ noun a document which legally transfers a property from a debtor to a creditor.

deed of covenant /dɪd əv ə ˈkɔvənənt/ noun a legal document in which a person or organisation promises to pay a third party a sum of money on an annual basis. In certain countries this arrangement may have tax advantages. For example, in the United
defeeed of partnership

Kingdom, it is often used for making regular payments to a charity.

defeed of partnership /dɪˈpɑːtnʃɪp/ noun an agreement which sets up a partnership

defeed of transfer /dɪˈtɜːfɜːr/ noun a document which transfers the ownership of shares

deed deep pocket /dɪˈpɒkt/ noun a company which provides finance for another

defalcation /dɪˈfælkeɪʃn/ noun the illegal use of money by someone who is not the owner but who has been trusted to look after it

default /dɪˈfɔːlt/ noun a failure to carry out the terms of a contract, especially failure to pay back a debt. It is a major financial crisis when the bank defaulted.

defaulter /dɪˈfɔːltər/ noun a person who defaults

default notice /dɪˈfɔːlt ˈnəʊts/ noun a formal notice to a borrower stating that he or she has defaulted on the loan and legal action may be taken to recover the money. Also called notice of default (note: The US term is notice of default.)
defeer /dɪˈfər/ verb to put back to a later date, to postpone ○ We will have to defer payment until January. ○ The decision has been deferred until the next meeting. (note: deferring – deferred)
deferment /dɪˈfɛrənt/ noun the act of leaving until a later date ○ deferment of payment ○ deferment of a decision.
deferred annuity /dɪˈfɛrəd ənˈjʊətri/ noun an investment that does not pay out until at least one year after the final premium has been paid

deferred consideration /dɪˈfɛrəd kənˈsidərəʃən/ noun instalment payments for the acquisition of new subsidiaries usually made in the form of cash and shares, where the balance due after the initial deposit depends on the performance of the business acquired

deferred cost /dɪˈfɛrəd kɒst/ noun a cost with future benefit that extends beyond the current accounting period

deferred credit /dɪˈfɛrəd ˈkredət/ noun income received but not yet entered in accounts as income

deferred creditor /dɪˈfɛrəd ˈkredətər/ noun a person who is owed money by a bankrupt but who is paid only after all other creditors

defeated expenditure /dɪˈfɛrtɪd ɪnˈspən/ noun expenditure incurred now but reflected in the accounts of future years

defeated maintenance /dɪˈfɛrtɪd ˈmeɪntənəns/ noun a failure to carry out maintenance, e.g. to machinery, that adversely affects its value, recorded in accounts

defeated payment /dɪˈfɛrtɪd ˈpɛrnənt/ noun 1. money paid later than the agreed date 2. payment for goods by instalments over a long period

defeated revenue /dɪˈfɛrtɪd ˈrɛvənjuː/ noun revenue carried forward to future accounting periods

deflected tax /dɪˈfɛltɪd ˈtæks/ noun a tax which may become payable at some later date

deficiency /dɪˈfɪʃn/ noun a lack of something, or the amount by which something, e.g. a sum of money, is less than it should be ○ There is a £10 deficiency in the petty cash.
deficit /dɪˈfɪsɪt/ noun the amount by which spending is higher than income

deficit financing /dɪˈfɪsɪt ˈfænənsɪ/ noun a type of financial planning by a government in which it borrows money to cover the difference between its tax income and its expenditure

deflation /dɪˈfleɪʃn/ noun a general reduction in economic activity as a result of a reduced supply of money and credit, leading to lower prices ○ The oil crisis resulted in worldwide deflation. Opposite inflation

...the reluctance of people to spend is one of the main reasons behind 26 consecutive months of price deflation, a key economic ill that has led to price wars, depressed the profit margins of state enterprises and hit incomes among the rural population

[Financial Times]
deflationary /dɪˈfleɪʃnəri/ adjective causing deflation ○ The government has introduced some deflationary measures in the budget.
deflator /dɪˈfleɪtər/ noun the amount by which a country’s GNP is reduced to take inflation into account
defeaking /dɪˈɡeɪnɪŋ/ noun a reduction in gearing, reducing a company’s loan capital in relation to the value of its ordinary shares
def credere /dɛl ˈkredər/ noun an amount added to a charge to cover the possibility of not being paid
def credere agent /dɛl ˈkredər əˈdʒent/ noun an agent who receives a high


commission because he or she guarantees payment by customers.

delinquency /dəˈlɪŋkwənsi/ noun US the fact of being overdue in payment of an account, an interest payment, etc.

delinquent /dəˈlɪŋkwənt/ adjective US referring to an account or payment of tax which is overdue

deliver /dɪˈlɪvər/ verb to transport goods to a customer with the goods being delivered, given to the customer’s address at a price which includes transport costs.

delivered goods goods transported to the customer’s address at a price which includes transport costs.

delivered price /dɪˈlɪvərd prɑːs/ noun a price which includes packing and transport

delivery /dɪˈlɪvəri/ noun 1. a consignment of goods being delivered.

2. the transport of a commodity to a purchaser.

3. the transfer of a bill of exchange or other negotiable instrument to the bank which is due to make payment

delivery cycle time /dɪˈlɪvəri saɪkl tɪm/ noun the interval between the time of accepting an order and the time of making the final delivery

delivery month /dɪˈlɪvəri mʌnθ/ noun a month in a futures contract when actual delivery will take place

delivery note /dɪˈlɪvəri noʊt/ noun a list of goods being delivered, given to the customer with the goods.

delivery of goods /dɪˈlɪvəri əv ˈɡʊdɪz/ noun the transport of goods to a customer’s address.

delivery order /dɪˈlɪvəri ər dəˈlɪvəri ər də/ noun the instructions given by the customer to the person holding her goods, to tell her where and when to deliver them.

delivery time /dɪˈlɪvəri tɪm/ noun the number of days before something will be delivered.

demand /dɪˈmænd/ noun 1. an act of asking for payment.

2. an act of asking for something and insisting on getting it.

3. the need that customers have for a product or their eagerness to buy it.

4. there was an active demand for oil shares on the stock market.

5. The factory had to cut production when demand slackened.

6. The office cleaning company cannot keep up with the demand for its services.

7. to meet or fill a demand to supply what is needed.

departmental accounts /dɪˈpɑːrtnməntəl/ noun a unit of money on a coin, banknote or stamp.

demonetise /dɪˈmənətɪz/ verb to stop a coin or note being used as money.

demonetization /dɪˈmənətɪzaʃən/ noun the act of stopping a coin or note being used as money.

demonetization /dɪˈmənətɪzaʃən/ noun the process by which a mutual society, such as a building society, becomes a publicly owned corporation.

demutualise /dɪˈmjuːtjuːlaɪz/ verb to stop having mutual status and become a publicly owned corporation by selling shares to the general public on the stock market.

denomination /dənəˈmeɪʃən/ noun a unit of money on a coin, banknote or stamp.

1. We collect coins of all denominations for charity.

2. Small denomination notes are not often counterfeited.

3. departmental accounts /dɪˈpɑːrtnməntəl/ noun a unit of money on a coin, banknote or stamp.

4. We collect coins of all denominations for charity.

5. Small denomination notes are not often counterfeited.
dependent variable 70

accounts which analyse the sales of different departments or products of a company

Dependent variable /dɪˌpendənt ˈvɛəriəb(ə)l/ noun a variable or factor which changes as a result of a change in another (the 'independent variable')

We are trying to understand the effects of several independent variables on one dependent variable, in this case, sales.

deposit /dɪˈpɔzɪt/ noun 1. money placed in a bank for safe keeping or to earn interest
2. money given in advance so that the thing which you want to buy will not be sold to someone else ○ to pay a deposit on a watch ○ to leave £10 as deposit ♦ verb 1. to put documents somewhere for safe keeping ○ to deposit shares with a bank ○ We have deposited the deeds of the house with the bank. ○ He deposited his will with his solicitor.
2. to put money into a bank account ○ to deposit £100 in a current account

deposit account /dɪˈpɔzɪt əˈkaʊnt/ noun a bank account which pays interest but on which notice has to be given to withdraw money. Abbreviation D/A

depository /dɪˈpɔzɪtəri/ noun US a person or corporation which can place money or documents for safekeeping with a depositary. (Note: Do not confuse with depository.)

depositor /dɪˈpɔzɪtər/ noun a person who deposits money in a bank, building society, etc.

depository /dɪˈpɔzɪtəri/ noun a person or company with whom money or documents can be deposited (Note: Do not confuse with depository.)

deposit slip /dɪˈpɔzɪt slaɪp/ noun US same as paying-in slip

deposit-taking institution /dɪˈpɔzɪt ˈteɪkɪŋ ɪnˌstɪˈtʃən/ noun, depository institution /dɪˈpɔzɪt ɪnˌstɪˈtʃən/ noun an institution which is licensed to receive money on deposit from private individuals and to pay interest ○ e.g. a building society, bank or friendly society

depreciable /dɪˈpriːʃəb(ə)l/ adjective possible to depreciate

depreciable asset /dɪˌpriːʃəb(ə)l ˈæsət/ noun an asset which will be used over more than one accounting period, but which has a limited life and so can be depreciated

depreciable cost /dɪˌpriːʃəb(ə)l ˈkɒst/ noun a cost that can be applied to more than one accounting period

depreciable life /dɪˌpriːʃəb(ə)l ˈlaɪf/ noun the period over which the cost of an asset may be spread

depreciate /dɪˌpriːʃɪt/ verb 1. to make an allowance in accounts for the loss of value of an asset over time ○ We depreciate our company cars over three years.
2. to lose value ○ a share that has shown a depreciation of 10% over the year ○ The pound has depreciated by 5% against the dollar.

depreciation /dɪˌpriːʃɪeɪʃən/ noun 1. a loss of value ○ a share that has shown a depreciation of 10% over the year ○ the depreciation of the pound against the dollar
2. the loss of value of an asset over time, which is recorded in accounts as an expense

depreciation accounting /dɪˌpriːʃɪeɪʃən ˈækˈkɒntən/ noun the process of spreading the cost of an asset over its useful life

depreciation provision /dɪˌpriːʃɪeɪʃən ˈprəˌvɪzən/ noun the amount of depreciation, in relation to a particular asset, that has been charged cumulatively to an account since the asset was acquired

depreciation rate /dɪˌpriːʃɪeɪʃən ˈreɪt/ noun the rate at which an asset is depreciated each year in the company accounts

depress /dɪˈprɛs/ verb to reduce something ○ Reducing the money supply has the effect of depressing demand for consumer goods.

depressed market /dɪˈprɛst ˈmɑːrkɪt/ noun a market where there are more goods than customers

deregulate /dɪˈrɛɡjʊleɪt/ verb to remove government controls from an industry ○ The US government deregulated the banking sector in the 1980s.

deregulation /dɪˌrɛɡjʊˈleɪʃən/ noun the reduction of government control over an industry ○ the deregulation of the airlines

…after the slump in receipts last year that followed liner shipping deregulation in the US, carriers are probably still losing money on their transatlantic services. But with a possible contraction in capacity and healthy trade growth, this year has begun
in a much more promising fashion than
last. [Lloyd’s List]
derivative instruments /dəˈrɪvətɪv/ plural noun any forms of traded security such as option contracts, which are derived from ordinary bonds and shares, exchange rates or stock market indices
designated account /dɪˈzaɪndɪəntɪd/ a 
'kaunt/ noun an account opened and held in one person's name, but which also features another person's name for extra identification purposes
detailed audit /ˈdɪteɪliəd/ noun an audit that involves examining all or most of a company's transactions, rather than a sample of them
devaluation /dɪˈvɛljʊeɪʃ(ə)n/ noun a reduction in the value of a currency against other currencies 
O the devaluation of the rand
devalue /dɪˈvæljuː/ verb to reduce the value of a currency against other currencies 
O The pound has been devalued by 7%
development costs /dəˈvəlpmənt kənst/ plural noun costs of developing new or improved products, sometimes also incorporating a portion of standard overhead costs
devise /dɪˈvəz/ noun the act of giving freehold land to someone in a will 
O verb to give freehold property to someone in a will
devisee /dɪˈvəzɪ/ noun a person who receives freehold property in a will
DFES abbreviation Department for Education and Skills
differential tariffs /dɪˈfərɛntʃəl tərɪfs/ plural noun different tariffs for different classes of goods as, e.g., when imports from some countries are taxed more heavily than similar imports from other countries
digit /dɪˈdʒɪt/ noun a single number 
O a seven-digit phone number
digital analysis /dɪˈdʒɪtəl ə ˈsɪɡnəlɪŋ/ noun auditing techniques that investigate the digits in accounting numbers to reveal fraud and error
diluted earnings per share /dɪˈljuːtɪd əˈʃɛrɪŋ/ noun the cost of employing those workers directly involved in producing a particular product, not including materials or overheads
direct labour costs /dɪˈrekt əˈlɜːbər kəsts/ plural noun the cost of employing those workers directly involved in producing a particular product
direct materials cost /dɪˈrekt əˈmɛrɪkəl ə ˈkrɛɪən əs ɪndɪks/ noun the cost of the materials used in producing a particular product
director /dɪˈrektə/ noun a senior employee appointed by the shareholders to help run a company, who is usually in charge of one or other of its main functions, e.g., sales or human relations, and usually, but not always, a member of the board of directors
O the research director will manage and direct a team of business analysts reporting on the latest developments in retail distribution throughout the UK' [Times]

Our share of the market has diminished over the last few years.

The pound has been devalued by 7%.
Director of the Budget /dætɪ'rektərɪ/ə'breɪt/ a noun a group of directors

discharge /dɪs'kɑːʃ(ə)n/ verb to release someone from bankruptcy because they have paid their debts 2. ☐ to discharge a debt. to discharge your liabilities to pay a debt or your liabilities in full 3. to dismiss an employee ☐ to discharge an employee for negligence

discharged bankrupt /dɪs'tʃɑːrd/verb a noun a person who has been released from being bankrupt because his or her debts have been paid

disclaimer /dɪsklə'meɪʃ(ə)n/ a noun a legal refusal to accept responsibility
disclose /dɪskluːz/verb to tell something that was previously unknown to other people or secret ☐ The bank has no right to disclose details of my account to the tax office.
disclosure /dɪskluːz/verb the act of telling something that was previously unknown to other people or secret ☐ The disclosure of the takeover bid raised the price of the shares.
disclosure of shareholding /dɪs'kluːz(ə) fɜː(hə)rɪŋ/ a noun the act of making public the fact that someone owns shares in a company
discost noun /'dɪskəu/ 1. the percentage by which the seller reduces the full price for the buyer ☐ to give a discount on bulk purchases ☐ to sell goods at a discount or at a discount price to sell goods below the normal price ☐ 10% discount for cash, 2. ☐ 10% cash discount you pay 10% less if you pay in cash 2. the amount by which something is sold for less than its value ☐ verb /dɪskəu/ 1. to reduce prices to increase sales 2. ☐ to discount bills of exchange to buy or sell bills of exchange for less than the value written on them in order to cash them later 3. to react to something which may happen in the future, such as a possible takeover bid or currency devaluation 4. to calculate the value of future income or expenditure in present value terms
discountable /dɪskəntə'be(ə)l/ adjective possible to discount ☐ These bills are not discountable.
discounted cash flow /dɪskəntə'dɑːʃ(ə)n/ a noun the calculation of the forecast return on capital investment by discounting future cash flows from the investment, usually at a rate equivalent to the company’s minimum required rate of return. Abbreviation DCF
discounted value /dɪskəntəd/ a noun the difference between the face value of a share and its lower market price
discount /'dɪskɔʊnt/noun a person or company that discounts bills or invoices, or sells goods at a discount
discount for cash /'dɪskɔʊnt ɪf 'kæʃ/noun same as cash discount
discount house /'dɪskɔʊnt həʊs/noun a financial company which specialises in discounting bills
discount rate /'dɪskɔʊnt rɛt/noun the rate charged by a central bank on any loans it makes to other banks
discrepancy /'dɪskrɪpʃən/noun a lack of agreement between figures in invoices or accounts
discretion /'dɪskrɪʃən/noun the ability to decide what should be done
discretionary account /'dɪskrɪʃənərɪ əkˈkaʊnt/noun a client’s account with a stockbroker, where the broker invests and sells at his or her own discretion without the client needing to give him specific instructions
discretionary client /'dɪskrɪʃənərɪ 'klɛnt/noun a client whose funds are managed on a discretionary basis
discretionary cost /'dɪskrɪʃənərɪ ˈkɒst/noun a cost that can vary greatly within an accounting period and is determined by the appropriate budget holder
discretionary funds /'dɪskrɪʃənərɪ ˈfʌndz/plural noun funds managed on a discretionary basis
discretionary trust /'dɪskrɪʃənərɪ ˈtɹʌst/noun a trust where the trustees decide how to invest the income and when and how much income should be paid to the beneficiaries
diseconomies of scale /'dɪsɪˌekəməz əv skɛl/ plural noun a situation where increased production leads to a higher production cost per unit or average production cost
disequilibrium /'dɪskiwəlɪbrɪm/ noun an imbalance in the economy when supply does not equal demand
dishonoured cheque /dɪs, nəʊd t'ʃek/ noun a cheque which the bank will not pay because there is not enough money in the account to pay it
disinvest /dɪsɪn'vest/ verb to reduce investment by not replacing capital assets when they wear out
disinvestment /dɪsɪn'vestment/noun a reduction in capital assets by not replacing them when they wear out
dispensary /dɪspən'seɪʃən/noun arrangement between an employer and the Inland Revenue by which business expenses paid to an employee are not declared for tax
disposable personal income /'dɪs, pə'sɜːnəl ɪnˈkʌm/noun the income left after tax and National Insurance have been deducted. Also called take-home pay
disposal /dɪ'spəʊzl/noun a sale ○ a disposal of securities ○ The company has started a systematic disposal of its property portfolio; ○ lease or business for disposal a lease or business for sale
disposals /'dɪs,pəʊzlz/plural noun assets which have been sold or scrapped
disqualification /'dɪs,kwɒlɪfəkeɪʃən/noun 1. the act of making someone disqualified to do something 2. a court order which forbids a person from being a director of a company. A variety of offences, even those termed as ‘administrative’, can result in some being disqualified for up to five years
disqualify /'dɪsˌkwɒlɪfai/ verb to make a person unqualified to do something, such as to be a director of a company
dissolution /'dɪsəˌljuːʃən/noun the ending of a partnership
dissolve /'dɪsəv/lverb to bring to an end ○ to dissolve a partnership
distrain /'dɪstrɛin/ verb to seize goods to pay for debts
distress /'dɪstrɛs/noun the act of taking someone’s goods to pay for debts
distress merchandise /'dɪstrɛs ˌmɜːzəˌmənsdʒər/ noun US goods sold cheaply to pay a company’s debts
distress sale /'dɪstrɛs sæl/noun a sale of goods at low prices to pay a company’s debts
distributable /'dɪstrɪbjuʃəbl/adj ective possible to distribute
distributable profits /'dɪstrɪbjuʃəbl 'prɑfəts/plural noun profits which can be distributed to shareholders as dividends if the directors decide to do so
distributable reserve /'dɪstrɪbjuʃəbl ˈrezərv/ noun a reserve fund that is able to be distributed to shareholders in the form of dividends
distribute /'dɪstrɪbjuʃət/vb 1. to share out dividends ○ Profits were distributed among the shareholders. 2. to send out goods from a manufacturer’s warehouse to retail shops ○ Smith Ltd distributes for several smaller companies. ○ All orders are distributed from our warehouse near Oxford.
distributed profits

**distributed profits** /ˌdɪstrɪbjuʃənt/ 'profits/ plural noun profits passed to shareholders in the form of dividends

**distribution** /ˌdɪstrɪbjuʃən/ noun the act of sending goods from the manufacturer to the wholesaler and then to retailers ○ Stock is held in a distribution centre which deals with all order processing. ○ Distribution costs have risen sharply over the last 18 months. ○ She has several years' experience as distribution manager.

‘British distribution companies are poised to capture a major share of the European market’ [Management News]

**distribution cost** /ˌdɪstrɪbjuʃən kɒst/ noun, distribution expense /ˌdistrɪbjuʃən ɪk ˈspɛns/ distribution overhead /ˌdistrɪbjuʃən ˈəʊvərˌhɛd/ noun expenditure involved in warehousing, packing and sending products for sale

**distribution network** /ˌdistrɪbjuʃən ˈnɜːt的方式/ noun a series of points or small warehouses from which goods are sent all over a country

**distribution of income** /ˌdistrɪbjuʃən ɒv ɪˈnʌmənt/ noun the payment of dividends to shareholders

**distributor** /ˌdɪstrɪbjuʃər/ noun a company which sells goods for another company which makes them

**distributorship** /ˌdɪstrɪbjuʃərʃɪp/ noun the position of being a distributor for a company

**District Bank** /ˈdɪstrɪkt ˈbæŋk/ noun one of the 12 US banks that make up the Federal Reserve System. Each District Bank is responsible for all banking activity in its area

**diversification** /dəˈvaːzəfɪʃən/ noun the process in which a company begins to engage in a new and different type of business

**diversify** /dəˈvaːzəfai/ verb 1. to add new types of business to existing ones ○ The company is planning to diversify into new products. 2. to invest in different types of shares or savings so as to spread the risk of loss

**divestiture** /dɪˈvestɪʃər/ noun the sale of an asset

**dividend** /ˈdɪvɪnd/ noun 1. a percentage of profits paid to shareholders ○ to raise or increase the dividend to pay out a higher dividend than in the previous year ○ to omit or pass the dividend to pay no dividend 2. a number or quantity that is to be divided by another number or quantity

**dividend check** /ˈdɪvɪnd ʃek/ noun US same as dividend warrant

**dividend cover** /ˈdɪvɪnd kəvər/ noun the ratio of profits to dividends paid to shareholders

**dividend forecast** /ˈdɪvɪnd fɔːrˈkɑːst/ noun a forecast of the amount of an expected dividend

**dividend growth model** /ˈdɪvɪnd ɡrəʊθ ˈmɔdl/ noun a financial model that assesses the value of a company using figures for its current and assumed future dividend payments

**dividend mandate** /ˈdɪvɪnd məˈneɪd/ noun authorisation by a shareholder to the company, to pay his or her dividends directly into a bank account

**dividend payout** /ˈdɪvɪnd ˈpeɪmənt/ noun money paid as dividends to shareholders

**dividend per share** /,ˈdiːvɪnd pər ˈʃeər/ noun an amount of money paid as dividend for each share held

**dividend warrant** /ˈdɪvɪnd ˈwɜːrnt/ noun a cheque which makes payment of a dividend (NOTE: The US term is dividend check.)

**dividend yield** /ˈdɪvɪnd jɪlɪd/ noun a dividend expressed as a percentage of the current market price of a share

**dividend yield basis** /ˈdɪvɪnd jɪlɪd ˈbɛtsəz/ noun a method of valuing shares in a company, by which the dividend per share is divided by the expected dividend yield

**divisional headquarters** /ˌdɪviʃənəl ˈhɛdərkwɔːtərz/ plural noun the main office of a division of a company

**divisor** /ˈdɪvɪzər/ noun a number divided into another number

**document** /ˈdɒkjʊmənt/ noun a paper, especially an official paper, with written information on it ○ He left a file of documents in the taxi. ○ She asked to see the documents relating to the case.

**documentary** /ˈdɒkjʊmətərɪ/ adjective in the form of documents ○ documentary evidence

**documentary credit** /ˌdɒkjʊmətərɪ ˈkredɪt/ noun a credit document used in export trade, when a bank issues a letter of credit against shipping documents

**documentation** /ˈdɒkjʊmenʃən/ noun all the documents referring to something ○ Please send me the complete documentation concerning the sale.

**dollar** /ˈdɒlər/ noun a unit of currency used in the US and other countries such as Aus-
The US dollar rose 2%.

**dollar area** /dələr 'eərə/ noun an area of the world where the US dollar is the main trading currency

**dollar balances** /dələr 'bælənsiz/ plural noun a country’s trade balances expressed in US dollars

**dollar-cost averaging** /dələr 'kɒst 'ævərɪnɪŋ/ noun pound-cost averaging

**dollar crisis** /dələr 'krɪsɪs/ noun a fall in the exchange rate for the US dollar

**dollar gap** /dələr 'ɡæp/ noun a situation where the supply of US dollars is not enough to satisfy the demand for them from overseas buyers

**dollar millionaire** /dələr 'mɪljənær/ noun a person who has more than one million dollars

**dollar stocks** /dələr 'stʌks/ plural noun shares in US companies

**domestic production** /dəməstɪk prədʌktʃən/ noun the production of goods for use in the home country

**domicile** /dəmɪsəl/ noun the country where someone lives or where a company’s office is registered

**donation** /dəʊneɪʃən/ noun a gift, especially to a charity

**donee** /ˈdʌni/ noun a person who receives a gift from a donor

**donor** /ˈdɔːnər/ noun a person who gives, especially someone who gives money

**dormant** /ˈdɔːrment/ adjective no longer active or no longer operating

**dormant account** /ˈdɔːrmənt ˈkaʊnt/ noun a bank account which is no longer used

**dormant company** /ˈdɔːrment kəmpəni/ noun a company which has not made any transactions during an accounting period

**dot.com** /dɔt ˈkɒm/ noun a business that markets its products through the Internet, rather than by using traditional marketing channels

**double-entry bookkeeping** /dəbəˈrɛliŋ bʊkˈkiːpiŋ/ noun the most commonly used system of bookkeeping, based on the principle that every financial transaction is accounted for on both the credit and debit side of an account

**double taxation** /ˈdaubəl ˈtækʃən/ noun the act of taxing the same income twice

**double taxation agreement** /ˈdaubəl ˈtækʃən əɡrɪmənt/ noun an agreement between two countries that a person living in one country shall not be taxed in both countries on the income earned in the other country

**double taxation relief** /ˈdaubəl ˈtækʃən ˈriːjəl/ noun a reduction of tax payable in one country by the amount of tax on income, profits or capital gains already paid in another country

**doubtful** /ˈdaʊtfl/ adjective doubtful

**doubtful debt** a debt which may never be paid

**doubtful loan** a loan which may never be repaid

**doubtful debt provision** /ˈdaʊtfl ˈdɛpt prəˈvɪʒən/ noun a bad debt provision

**doubtful loan** /ˈdaʊtfl ˈloʊn/ noun a loan which may never be repaid

**downgrade** /ˈdaʊnɡrɛd/ verb noun a reduction of tax paid to reduce the status of an employee or position

**down turn** /ˈdaʊntɜːrn/ noun part of a total payment made in advance

**downside factor** /ˈdaʊnsaɪd ˈfæktaʊr/ noun the possibility of making a loss in an investment

**downside risk** /ˈdaʊnsaɪd rɪsk/ noun the risk that an investment will fall in value

**downside potential** /ˈdaʊnsaɪd pəˈtɒlənt/ noun the opportunity for a machine to work or not be available because it is broken or being mended

**down turn** /ˈdaʊntɜːrn/ noun a downward trend in sales or profits on a downturn in the market price

**draft** /drɑːft/ noun

1. an order for money to be paid by a bank

2. a first rough plan or document which has not been finished

**DPP abbreviation** direct profit profitability

**The draft contract** is waiting for the MD's comments.

They sent a cheque for $75 draft.
dropped three points against the dollar.

Sales show a drop of 10%.

partners in a partnership
drawings account

for a sum due from a debtor to fall or become due to be ready for payment

due diligence

dumping

neglecting to pay a debt is required to be paid

instating the examination of a company’s accounts prior to a potential takeover by another organisation. This assessment is often undertaken by an independent third party.

dues

dumping the act of getting rid of excess goods cheaply in an overseas market

The government has raised consumer prices by 1.6 per cent in urban areas during the period under review’ [Business Times (Lagos)]

‘...corporate profits for the first quarter showed a 4 per cent drop from last year’s final three months’ [Financial Times]

‘...since last summer American interest rates have dropped by between three and four percentage points’ [Sunday Times]

droplock bond

dual currency bond

dual listing

dual pricing

dry goods

dual resident

dual listing

droplock bond

dry goods

dual listing

dual pricing

dry goods

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dual pricing

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dual listing

dual pricing

The costs of the London office are a continual drain on our resources. ■ verb to remove something gradually ○ The expansion plan has drained all our profits. ○ The company’s capital resources have drained away.

draw
to draw money out of an account
draw


draw

draw

draw

draw

draw

( NOTE: drawing – drew – has drawn)

She paid the invoice with a credit agreement

drawee

the person or bank asked to make a payment by a drawer

The person who asks a chequer or a bill asking a drawer to pay money to a payee

drawings

money or trading stock taken by a partner from a partnership, or by a sole trader from his or her business

drawings account

draw

draw

draw

an account showing amounts drawn by partners in a partnership

drop

a sum due from a debtor to fall or become due to be ready for payment

many expect the US economic indicators for April, due out this Thursday, to show faster economic growth’ [Australian Financial Review]

due date

due

the date on which a debt is required to be paid

due diligence

the examination of a company’s accounts prior to a potential takeover by another organisation. This assessment is often undertaken by an independent third party.

dues

dumping

the act of getting rid of excess goods cheaply in an overseas market

The government has raised consumer prices by 1.6 per cent in urban areas during the period under review’ [Business Times (Lagos)]

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‘...since last summer American interest rates have dropped by between three and four percentage points’ [Sunday Times]

droplock bond

dual currency bond

dual listing

dual pricing

dry goods

dual resident

a person who is legally resident in two countries

dud

noun referring to a coin or banknote that is false or not good, or something that does not do what it is supposed to do (informal) ○ The $50 note was a dud.

dud cheque

a cheque which cannot be cashed because the person writing it does not have enough money in the account to pay it

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anti-dumping legislation. Duty-paid goods on the European market is banned. 

Dun & Bradstreet /dʌn ən ˈbredstrɪt/ noun an organisation which produces reports on the financial rating of companies, and also acts as a debt collection agency. Abbreviation D&B

duty /ˈdjuːti/ noun a tax that has to be paid

Traders are asking the government to take the duty off alcohol or to put a duty on cigarettes.

‘Canadian and European negotiators agreed to a deal under which Canada could lower its import duties on $150 million worth of European goods’ [Globe and Mail (Toronto)]

‘…the Department of Customs and Excise collected a total of N79m under the new advance duty payment scheme’ [Business Times (Lagos)]

duty-free /ˈdjuːti ˈfriː/ adjective, adverb sold with no duty to be paid

She bought duty-free perfume at the airport. He bought the watch duty-free.

duty-paid goods /ˈdjuːti ˈpɛrd ɡudz/ plural noun goods where the duty has been paid
e- /iː/ prefix referring to electronics or the Internet

EAA abbreviation European Accounting Association

e. & o.e. abbreviation errors and omissions excepted

early withdrawal /ˈeəli wɪðˈdrɔːsəl/ noun the act of withdrawing money from a deposit account before the due date ○ Early withdrawal usually incurs a penalty.

earmark /ˈɪərmɑrk/ verb to reserve for a special purpose ○ to earmark funds for a project ○ The grant is earmarked for computer systems development.

earn /ərn/ verb 1. to be paid money for working ○ to earn £100 a week ○ How much do you earn in your new job? 2. to produce interest or dividends ○ a building society account which earns interest at 10% ○ What level of dividend do these shares earn?

earned income /ˈɪŋkwɪnt/ noun income from wages, salaries, pensions, fees, rental income, etc., as opposed to 'unearned' income from investments

earnest /ˈɛərnɛst/ noun money paid as an initial payment by a buyer to a seller, to show commitment to the contract of sale

earning capacity /ˈɛərnɪŋ ˈkæpəsɪti/, earning power /ˈɛərnɪŋ ˈpaʊər/ noun the amount of money someone should be able to earn

earning potential /ˈɛərnɪŋ ˈpɒtənʃəl/ noun 1. the amount of money a person should be able to earn in his or her professional capacity 2. the amount of dividend which a share is capable of earning

earning power /ˈɛərnɪŋ ˈpaʊə/ noun the amount of money someone should be able to earn ○ She is such a fine designer that her earning power is very large.

earnings /ˈɛərnɪŋz/ plural noun 1. salary, wages, dividends or interest received ○ High earnings in top management reflect the heavy responsibilities involved. ○ The calculation is based on average earnings over three years. 2. the profit made by a company ○ the US now accounts for more than half of our world-wide sales. It has made a huge contribution to our earnings turn-round' [Duns Business Month] ○ '…last fiscal year the chain reported a 116% jump in earnings, to $6.4 million or $1.10 a share' [Barrons]

earnings before interest, taxes, depreciation and amortisation /ɪərnɪŋz ˈbɪərɪŋz ˈɪntərst ˈdɪpreʃən əˈmɔrtɪzəʃən/ plural noun the earnings generated by a business's fundamental operating performance, frequently used in accounting ratios for comparison with other companies. Interest on borrowings, tax payable on those profits, depreciation, and amortisation are excluded on the basis that they can distort the underlying performance. Abbreviation EBIT

earnings before interest and tax /ɪərnɪŋz ˈbɪərɪŋz əˈɪntərst əˈtenʃəl/ plural noun the earnings generated by a business before deducting rents and contributions to social security which rise as the employee's earnings rise earnings-related contributions /ɪərnɪŋz ˈrɛltərd ˈkɒntriˌbjuːʃən/ plural noun contributions to social security which rise as the employee's earnings rise earnings-related pension /ɪərnɪŋz ˈrɛltərd ˈpenʃən/ noun a pension which is linked to the size of a person's salary
<table>
<thead>
<tr>
<th>Term</th>
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<th>Page</th>
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<tr>
<td>earnings yield</td>
<td>noun the money earned in dividends per share as a percentage of the current market price of the share</td>
<td>79</td>
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<tr>
<td>ease</td>
<td>verb to fall a little ∠ The share index eased slightly today.</td>
<td></td>
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<tr>
<td>easy terms</td>
<td>plural noun financial terms which are not difficult to accept ∠ The shop is let on very easy terms.</td>
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<tr>
<td>EBIT</td>
<td>abbreviation earnings before interest, taxes, depreciation and amortisation</td>
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<tr>
<td>EBITDA</td>
<td>abbreviation earnings before interest, taxes, depreciation and amortisation</td>
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<tr>
<td>EBRD</td>
<td>abbreviation European Bank for Reconstruction and Development</td>
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<tr>
<td>E-business</td>
<td>noun a general term that refers to any type of business activity on the Internet, including marketing, branding and research ∠ E-business is a rising part of the economy.</td>
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<tr>
<td>ECB</td>
<td>abbreviation European Central Bank</td>
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<td>ECGD</td>
<td>abbreviation Export Credit Guarantee Department</td>
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<tr>
<td>e-commerce</td>
<td>noun a general term that is usually used to refer to the process of buying and selling goods over the Internet</td>
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<tr>
<td>econometrics</td>
<td>noun the study of the statistics of economics, using computers to analyse these statistics and make forecasts using mathematical models</td>
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<tr>
<td>economic</td>
<td>adjective providing enough money to make a profit ∠ The flat is let at an economic rent. ∠ It is hardly economic for the company to run its own warehouse. ∠ referring to the financial state of a country ∠ economic trends ∠ Economic planners are expecting a consumer-led boom. ∠ The economic situation is getting worse. ∠ The country’s economic system needs more regulation.</td>
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<tr>
<td>economical</td>
<td>adjective saving money or materials or being less expensive ∠ This car is very economical.</td>
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<tr>
<td>Economic and Monetary Union</td>
<td>synonym European Monetary Union</td>
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<tr>
<td>economic crisis</td>
<td>noun a situation where a country is in financial collapse ∠ The government has introduced import controls to solve the current economic crisis.</td>
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<tr>
<td>economic cycle</td>
<td>noun a period during which trade expands, then slows down and then expands again</td>
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<tr>
<td>economic development</td>
<td>noun improvements in the living standards and wealth of the citizens of a country ∠ The government has offered tax incentives to speed up the economic development of the region. ∠ Economic development has been relatively slow in the north, compared with the rest of the country.</td>
<td></td>
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<tr>
<td>economic forecaster</td>
<td>noun a person who says how he or she thinks a country’s economy will perform in the future</td>
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<tr>
<td>economic growth</td>
<td>noun the rate at which a country’s national income grows</td>
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<tr>
<td>economic life</td>
<td>noun the extent of trade and manufacturing in a country, regarded as a measure of its relative prosperity</td>
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<tr>
<td>economic model</td>
<td>noun a computerised plan of a country’s</td>
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</tr>
</tbody>
</table>
economic order quantity 80

economic order quantity /ɪˈkɒnɔmɪk ˈɔːrdə ˌkwɛntɪtɪ/ noun the quantity of stocks which a company should hold, calculated on the basis of the costs of warehousing, of lower unit costs because of higher quantities purchased, the rate at which stocks are used, and the time it takes for suppliers to deliver new orders. Abbreviation EOQ.

economic planning /ɪˈkɒnɔmɪk ˈplændɪŋ/ noun plans made by a government for the future financial state of a country.

economics /ˈɪkənɔmɪks/ noun the study of the production, distribution, selling and use of goods and services plural noun the study of financial structures to show how a product or service is costed and what returns it produces. I do not understand the economics of the coal industry. (NOTE: [all senses] takes a singular verb)

economic sanctions /ɪˈkɒnəmɪkˈsæŋkʃənz/ plural noun restrictions on trade that foreign governments impose with the aim of influencing the political situation of a country to impose economic sanctions on a country.

economic stagnation /ɪˈkɒnəmɪk stəˈneɪʃən/ noun a lack of expansion in the economy.

economic value added /ɪˈkɒnəmɪk ˈvælju əˈded/ noun a way of judging financial performance by measuring the amount by which the earnings of a project, an operation or a company exceed or fall short of the total amount of capital that was originally invested by its owners. Abbreviation EVA.

economies of scale /ˌɪkənəˈmɪz əˈskɛl/ plural noun the cost advantages of a company producing a product in larger quantities so that each unit costs less to make. Compare diseconomies of scale.

economies of scope /ˌɪkənəˈmɪz əˈskəʊp/ plural noun the cost advantages of a company producing a number of products or engaging in a number of profitable activities that use the same technology.

economist /ˈɪkənəmɪst/ noun a person who specialises in the study of economics. Government economists are forecasting a growth rate of 3% next year. An agricultural economist studies the economics of the agriculture industry.

economy /ˈɪkənəmɪ/ noun 1. an action which is intended to stop money or materials from being wasted, or the quality of being careful not to waste money or materials to introduce economies or economy measures into the system to start using methods to save money or materials 2. the financial state of a country, or the way in which a country makes and uses its money. The country’s economy is in ruins.

economy drive /ˈɪkənəmɪ drai/ noun a vigorous effort to save money or materials.

euro /ˈkjuːrəʊ,ˌ EU kəbrɪˈveɪʃən/ abbreviation European Currency Unit.

ED abbreviation exposure draft.

EDI abbreviation electronic data interchange.

EEA abbreviation European Economic Area.

effect /ɪˈfekt/ noun 1. a result 2. The effect of the pay increase was to raise productivity levels. 3. an operation terms of a contract which take effect or come into effect from January 1st terms which start to operate on January 1st 3. meaning a clause to the effect that a clause which means that to carry out.

effective /ɪˈfektɪv/ adjective 1. actual, as opposed to theoretical 2. a clause effective as from January 1st a clause which starts to be applied on January 1st 3. cost-effective.

effective annual rate /ɪˈfektɪv ənˈrɛt/ noun the average interest rate paid on a deposit for a period of a year. It is the total interest received over 12 months expressed as a percentage of the principal at the beginning of the period.

effective date /ɪˈfektɪv ˈdeɪt/ noun the date on which a rule or contract starts to be applied, or on which a transaction takes place.

effective demand /ɪˈfektɪv dɪˈmɑrənd/ noun demand for a product made by individuals and institutions with sufficient wealth to pay for it.

effective exchange rate /ɪˈfektɪv ɪˈʃeɡzənʃr/ noun a rate of exchange for a currency calculated against a basket of currencies.

effective price /ɪˈfektɪv ˈprɛs/ noun a share price which has been adjusted to allow for a rights issue.

effective rate /ɪˈfektɪv ˈreɪt/ noun the interest rate on a loan or deposit, i.e., the APR.
effective tax rate /ɪˈfektɪv ˈtɛks /ˈret/ noun the average tax rate applicable to a given transaction, whether it is income from work undertaken, the sale of an asset, or a gift, taking into account personal allowances and scales of tax. It is the amount of money generated by the transaction divided by the additional tax payable because of it.
effective yield /ɪˌfektɪv ˈjɪld/ noun actual yield shown as a percentage of the price paid after adjustments have been made
efficiency ratio /ɪˈfɪʃ(ə)ri/ˈreɪʃ(ə)n/ noun a measure of the efficiency of a business, expressed as expenditure divided by revenue.
efficiency variance /ɪˈfɪʃ(ə)ri/ˈveərəns/ noun the discrepancy between the actual cost of making a product and the standard cost
Efficient Market Hypothesis /ɪˌfɪʃ(ə)nt ˈmɑrkt ʰɑr,prəˈfɪsəs/, Efficient Markets Hypothesis /ɪˌfɪʃ(ə)nt ˈmɑrktɪz ʰɑr,prəˈfɪsəz/ noun the hypothesis that all relevant information is immediately reflected in the price of a security. Abbreviation EMH
EFT abbreviation electronic funds transfer
EFTA abbreviation European Free Trade Association
EFTPOS /ˈɛftpɒz/ abbreviation electronic funds transfer at point of sale
EIB abbreviation European Investment Bank
eighty/twenty law /ˈetɪ.twenti ˈrʌl/ noun the rule that a small percentage of customers may account for a large percentage of sales. {} Pareto’s Law
EIS abbreviation Enterprise Investment Scheme
elastic /ɪˈleɪstɪk/ adjective able to expand or contract easily because of small changes in price
elasticity /ɪˈleɪstɪsəti/ noun the ability to change easily in response to a change in circumstances
elder care /ˈɛldərkɛə/ noun assurance services sold to elderly people and their families
-elect /ˈɛlkət/ suffix referring to a person who has been elected but has not yet started the term of office
electronic banking /ˌɛlektrəˈnɪk ˈbɛŋkɪŋ/ noun the use of computers to carry out banking transactions such as withdrawals through cash dispensers or transfer of funds at point of sale
electronic data interchange /ˌɛlektrəˈnɪk ˈdɛtəˌɪntəˈʃɛndʒ/ noun a standard format used when business documents such as invoices and purchase orders are exchanged over electronic networks such as the Internet. Abbreviation EDI
electronic funds transfer /ˌɛlektrəˈnɪk fəndz, ˌtrænsfəz/ noun the system used by banking organisations for the movement of funds between accounts and for the provision of services to the customer. Abbreviation EFTPOS
electronic funds transfer at point of sale /ˌɛlektrəˈnɪk fəndz, ˌtrænsfəz ət ˈpɔint əv ˈsetl/ noun the payment for goods or services by a bank customer using a card that is swiped through an electronic reader on the till, thereby transferring the cash from the customer’s account to the retailer’s or service provider’s account. Abbreviation EFTPOS
Electronic Lodgement Service /ˌɛlektrəˈnɪk ‘lɒdʒmənt ˌsɜrvɪs/ noun a British system for filing your tax return electronically. Abbreviation ELS
electronic point of sale /ˌɛlektrəˈnɪk pɔɪnt əv ˈsetl/ noun a system where sales are charged automatically to a customer’s credit card and stock is controlled by the shop’s computer. Abbreviation EPOS
electronic version of the tax return /ˌɛlektrəˈnɪk ˌvɜːrəns əv doʊ ˈtɛks riˌtət/ noun a method of making an individual’s tax return using email. Abbreviation EVR
ELS abbreviation Electronic Lodgement Service
e-mail /ˈeməl/, e-mail /ˈeməl/ noun 1. a system of sending messages from one computer terminal to another, using a modem and telephone lines 2. You can contact me by phone or email if you want.
embargo /ɪmˈbɑrgəʊ/ noun 1. a government order which stops a type of trade to impose or put an embargo on trade with a country to say that trade with a country must not take place 2. The government has put an embargo on the export of computer equipment, a period of time during which specific information in a press release must not be published (NOTE: The plural is embargoes.) {} verb 1. to stop trade, or not to allow something to be traded 2. The government has embargoed trade with countries that are in breach of international agreements. 2. not to allow publication of
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embezzle /em bezl/ verb to use illegally money which is not yours, or which you are looking after for someone ○ He was sent to prison for six months for embezzling his clients’ money.

embezzlement /em bezl ment/ noun the act of embezzling ○ He was sent to prison for six months for embezzlement.

embezzler /em bezl / noun a person who embezzles

EMH abbreviation Efficient Market Hypothesis

employer's liability insurance /im pləzənt, ˈlɑːribɪləti im / noun insurance to cover accidents which may happen at work, and for which the company may be responsible

employment contract /im pləzənt 'kɒntrækt/ noun same as contract of employment

employment income /im pləzənt ,ɪm kəm/ noun money received from an employer, e.g. salary, fees, commission, bonus, fringe benefits

EMS abbreviation European Monetary System

EMU abbreviation 1. Economic and Monetary Union 2. European Monetary Union

cash /kæʃ/ verb to cash a cheque, to exchange a cheque for cash

cashable /kæʃəbəl/ adjective possible to cash

cashment /kæʃmənt/ noun an act of exchanging something for cash

cumbrance /kəmbrəns/ noun a liability which is attached usually to a property or land, e.g. a mortgage or charge

endorse /endəs/ verb to say that a product is good ○ to endorse a bill or cheque to sign a bill or cheque on the back to show that you accept it

endorsee /endəs 'siː/ noun a person whose name is written on a bill or cheque as having the right to cash it

endorsement /endərment/ noun 1. the act of endorsing 2. a signature on a document which endorses it 3. a note on an insurance policy which adds conditions to the policy

endorser /endəs 'sɛr/ noun a person who endorses a bill or cheque which is then paid to him or her

endowment /endəmənt/ noun the act of giving money to provide a regular income

endowment assurance /endəmənt ə ,endəmənt / noun an insurance policy where a sum of money is paid to the insured person on a specific date or to his heirs if he dies before that date

endowment mortgage /endəmənt ,mɔrˈdʒʊdʒ/ noun a mortgage in which the initial sum borrowed is repaid at the end of the loan term by the proceeds of an insurance policy linked to it

endowment policy /endəmənt ,polisi / noun same as endowment assurance

end product /end 'prɒdʌkt/ noun a manufactured product resulting from a production process

energy costs /e ner dʒi knəts/ plural noun costs of gas, electricity, etc., as shown in accounts

employer's contribution /im pləzənt / noun money paid by an employer towards an employee’s pension

employee share ownership plan /im pləzənt / noun a contribution paid by an employee towards his or her pension

employee share ownership programme /im pləzənt / noun a plan which allows employees to obtain shares in the company for which they work, though tax may be payable if the shares are sold to employees at a price which is lower than the current market price.

endowment

employee

employer

embezzle

information for a period of time ○ The news of the merger has been embargoed until next Wednesday.

employee share ownership plan

endowment

endowment

employee

employer

embezzle

information for a period of time ○ The news of the merger has been embargoed until next Wednesday.
enforce /ɪnˈfɔrs/ verb to make sure something is done or that a rule is obeyed ○ to enforce the terms of a contract
enforcement /ɪnˈfɔrment/ noun the act of making sure that something is obeyed ○ enforcement of the terms of a contract
engagement /ɪnˈɡɛdʒmənt/ noun an agreement to do something
engagement letter /ɪnˈɡɛdʒmənt ˈletər/ noun a letter, usually required by professional standards, sent by an accountant to a client setting out the work the accountant is to do and further administrative matters, such as any limit on the accountant’s liability
entail /ɪnˈteɪl/ noun a legal condition which passes ownership of a property only to some specific persons
enterprise /ɪnˈtɜːprər/ noun 1. a system of carrying on a business 2. a business
enterprise accounting /ɪnˈtɜːprər ˈkaʊntɪŋ/ noun accounts prepared for the whole of a business, not merely for a department or other subdivisions
Enterprise Investment Scheme /ɪnˈtɜːprər ɪnˈvestmənt ˈskɪtɪm/ noun a scheme which provides income and capital gains tax relief for people prepared to risk investing in a single unquoted or AIM-listed trading company. Abbreviation EIS
enterprise resource planning /ɪnˈtɜːprər ˈrɛsər ˈplænɪŋ/ noun a sophisticated computerised management system that connects multiple business operations, e.g. personnel, the financial accounting system, production and distribution, and can also connect the business with its suppliers and customers. Abbreviation ERP
enterprise zone /ɪnˈtɜːprər ˈzɔn/ noun an area of the country where businesses are encouraged to develop by offering special conditions such as easy planning permission for buildings or a reduction in the business rate
entertainment allowance /,entərtərnment ˈlɛnsən/ noun an amount of money set aside by a company for entertaining clients and visitors
entertainment expenses /,entərtərnment ɪk,spensəs/ plural noun money spent on giving meals to business visitors
entitle /ɪnˈtaɪtl/ verb to give the right to someone to have something ○ After one year’s service the employee is entitled to four weeks’ holiday.
entitlement /ɪnˌtaɪt(ə)ˈlɪmənt/ noun a person’s right to something
entity /ˈentəti/ noun a single separate body or organisation
entity accounting /ˈentəti ˈkaʊntɪŋ/ noun a form of accounting in which accounts are prepared for an entity which is smaller than or distinct from a company, e.g. for a branch or a particular activity
entrepreneur /ˌentrəprəˈrəʊz/ noun a person who is willing to take commercial risks by starting or financing commercial enterprises
entrepreneurial /ˌentrəprəˈnəriəl/ adjective taking commercial risks ○ an entrepreneurial decision
entry /ˈentri/ noun 1. an item of written information put in an accounts ledger (NOTE: The plural is entries). 2. an act of going in or the place where you can go in ○ to pass a customs entry point ○ entry of goods under bond
entry price /ˈentri ˈpraɪs/ noun the replacement cost of an asset recorded in an account
entry value /ˈentri ˈvælju/ noun replacement cost, the cost of replacing an asset already bought or a service already received and accounted for
environmental accounting /,envərənmənt ˈaʊt(ə)ˈrɪntɪŋ/ noun the practice of including the indirect costs and benefits of a product or activity, e.g. its environmental effects on health and the economy, along with its direct costs when making business decisions
environmental reporting /,envərənmənt ˈrɛpərɪŋ/ noun the process in which a UK company reports on its use of resources and its generation and disposal of waste to the Department for Environment, Food and Rural Affairs
EOQ abbreviation economic order quantity
epos /ˈɛpəʊs, ˈɛpɒs, ˈɛpɒs/ abbreviation electronic point of sale
EPS abbreviation earnings per share
equal /ɪkˈwɔːl/ adjective exactly the same ○ Male and female employees have equal pay. 2 verb to be the same as ○ Production this month has equalled our best month ever. (NOTE: equalising – equalised. The US spelling is equalizing – equalized.)
equalise /ɪkˈwɔːləs/, equalize verb to make equal ○ to equalise dividends
equally /ɪkˈwɔːli/ adverb so that each has or pays the same, or to the same degree ○ Costs will be shared equally between the two parties. ○ They were both equally responsible for the disastrous launch.
equate /ɪˈkwət/ verb to reduce to a standard value.
equation /ɪˈkwəʃ(ə)n/ noun a set of mathematical rules applied to solve a problem. The basic accounting equation is that assets equal liabilities plus equity.
equilibrium /ɪˈkwəlɪbrɪəm/ noun the state of balance in the economy where supply equals demand or a country’s balance of payments is neither in deficit nor in excess.
equitie /ɛkwəti/ plural noun ordinary shares.
...in the past three years commercial property has seriously underperformed equities and dropped out of favour as a result. [Investors Chronicle]
equity /ɪˈkwəti/ noun 1. the right to receive dividends from the profit of a company in which shares are owned. 2. the value of a company that is the property of its shareholders, calculated as the value of the company’s assets minus the value of its liabilities, not including the ordinary share capital. 3. the value of an asset minus any loans outstanding on it. 4. a fair system of laws, the system of British law which developed in parallel with the common law to make the common law fairer, summarised in the maxim ‘equity does not suffer a wrong to be without a remedy.’
equity accounting /ɪˈkwəti əˈkaʊntɪŋ/ noun a method of accounting which puts part of the profits of a subsidiary into the parent company’s books.
equity capital /ɪˈkwəti əˈkeɪp(ə)t/ noun the nominal value of the shares owned by the ordinary shareholders of a company. (NOTE: Preference shares are not equity capital. If the company were wound up, none of the equity capital would be distributed to preference shareholders.)
equity dividend cover /ɪˈkwəti ˈdɪvɪd(ə)nd ˌkeɪp(ə)t/ noun an accounting ratio, calculated by dividing the distributable profits during a given period by the actual dividend paid in that period, that indicates the likelihood of the dividend being maintained in future years.
...capital reserves
equity finance /ɪˈkwəti ˈfɛn(ə)ns/ noun finance for a company in the form of ordinary shares paid for by shareholders.
equity gearing /ɪˈkwəti ˈɡeərɪŋ/ noun the ratio between a company’s borrowings at interest and its ordinary share capital.
equity kicker /ɪˈkwəti ˈkɪkə/ noun US an incentive given to people to lend a company money, in the form of a warrant to share in future earnings. (NOTE: The UK term is equity sweetener.)
equity share capital /ɪˈkeɪtɪ ˈʃeər əˈkeɪp(ə)t/ noun a company’s issued share capital less capital which carries preferential rights. Equity share capital normally comprises ordinary shares.
equity sweetener /ɪˈkeɪtɪ ˌswiːtə(ʊ)r/ noun an incentive to encourage people to lend a company money, in the form of a warrant giving the right to buy shares at a later date and at an agreed price.
equivalence /ɪˈkwəvərəns/ noun the condition of having the same value or of being the same.
equivalent /ɪˈkwəvələnt/ noun a person who is the equal of someone else.
equivalent production /ɪˈkwəvələnt prəˈdʌkʃ(ə)n/ noun a way of measuring units produced by a company that combines parts of units produced into whole-unit equivalents.
equivalent taxable yield /ɪˈkwəvələnt ˈtæksiəbl ˈjɪld/ noun the level of taxable investment required to provide the same return as some other form of investment.
equivalent unit /ɪˈkwəvələnt ˈjuːɪnt/ noun a unit of unfinished production calculated for valuation purposes when work started during the period is not finished at the end of the period, or when work started during the previous period is finished during the current period.
ERP abbreviation enterprise resource planning.
errors and omissions excepted /ˈərəz ənd əˈmɪʃənz ɪkˈspekt/ phrase words written on an invoice to show that the company has no responsibility for mistakes in the invoice. Abbreviation e. & o. e.
ESC abbreviation European Social Charter.
escate /ˈeskəleɪt/ verb to increase steadily.
escator clause /ˈeskələtər klas/ clause.
escalation clause /ˈeskəleɪʃən kluːz/ noun a clause in a contract allowing for regular price increases because of increased costs, or regular wage increases because of the increased cost of living.
escape clause /ˈeskıəp kluːz/ noun a clause in a contract which allows one of the parties to avoid carrying out the terms of the contract under conditions.
escrow /ˈeskrəʊ/ noun US an agreement between two parties that something should be held by a third party until conditions are fulfilled.
escrow account /ˈeskraʊ əˌkaʊnt/ noun US an account where money is held in escrow until a contract is signed or until goods are delivered

ESOP abbreviation employee share ownership plan

establishment /ˈestəbliʃmənt/ noun 1. a commercial business ○ He runs an important printing establishment. 2. the number of people working in a company

establishment charges /ɪˈstɛrəbliʃmənt tʃɑrɪz/ plural noun the cost of people and property in a company’s accounts

estate /ˈestet/ noun property left by a dead person

estate accounting /ˈestet əˌkaʊntɪŋ/ noun the preparation of financial accounts by the person administering the estate of someone deceased

estate duty /ˈestet ˈdjʊtɪ/ noun a tax paid on the property left by a dead person (NOTE: now called inheritance tax)

estate tax /ˈestet tæks/ noun US a tax paid on the right to pass property on to heirs, based on the value of the property and paid before it is passed to the heirs

estimate noun /ˈestɪmeɪt/ 1. a calculation of the probable cost, size or time of something ○ Can you give me an estimate of how much time was spent on the job? 2. a calculation by a contractor or seller of a service of how much something is likely to cost, given to a client in advance of an order ○ You should ask for an estimate before committing yourselves. ○ Before we can give the grant we must have an estimate of the total costs involved. ○ Unfortunately the final bill was quite different from the estimate. ■ verb /ˈestɪmeɪt/ to calculate the probable cost, size, or time of something ○ to estimate that it will cost £1m or to estimate costs at £1m ○ We estimate current sales at only 60% of last year.

estimated /ˈestɪmeɪtɪd/ adjective calculated approximately ○ estimated sales ○ Costs were slightly more than the estimated figure.

estimated cost /ˈestɪmeɪtɪd ˈkɒst/ noun necessary future expenditure that the purchase of something entails, e.g. future running costs or future repairs

estimated liability /ˈestɪmeɪtɪd ˈlɪblɪtɪ/ noun a liability that exists but has a cost that can only be estimated as yet, as can any future tax liability

estimation /ɪˈstɪmeɪʃn/ noun an approximate calculation

estimator /ˈestɪmeɪtər/ noun a person whose job is to calculate estimates for carrying out work

EU abbreviation European Union ○ EU ministers met today in Brussels. ○ The US is increasing its trade with the EU.

euro /ˈjʊəroʊ/ noun a unit of currency adopted by several European countries for electronic payments in 1999 and then as legal tender from January 1st, 2002 ○ Many articles are priced in euros. ○ What’s the exchange rate for the euro? (NOTE: The plural is euro or euros. Written € before numbers: €250: say: ‘two hundred and fifty euros’.)

‘…cross-border mergers in the European Union have shot up since the introduction of the euro’ [Investors Chronicle]

Euro- /jʊəroʊ/ prefix referring to Europe or the European Union
euro account /ˈjʊəroʊ əˌkaʊnt/ noun a bank account in euros

Eurobond /ˈjʊəroʊbɒnd/ noun a long-term bearer bond issued by an international corporation or government outside its country of origin and sold to purchasers who pay in a Eurocurrency, sold on the Eurobond market

Eurocheque /ˈjʊəroʊtʃek/ noun a cheque which can be cashed in any European bank. The Eurocheque system is based in Brussels.

Eurocommercial /ˈjʊəroʊkəmɜːʃəl/ paper ○ Eurocheques ○ a form of short-term borrowing in Eurocurrencies. Abbreviation ECP
eurocredit /ˈjʊəroʊkredit/ noun a large bank loan in a Eurocurrency, usually provided by a group of banks to a large commercial undertaking

eurocurrency /ˈjʊəroʊkərənsi/ noun any currency used for trade within Europe but outside its country of origin, the Eurodollar being the most important ○ a Eurocurrency loan ○ the Eurocurrency market
eurodeposit /ˈjʊəroʊdɪpər/ noun a deposit of Eurodollars in a bank outside the US

Eurodollar /ˈjʊəroʊdɒlər/ noun a US dollar deposited in a bank outside the US, mainly for trade within Europe ○ a Eurodollar loan ○ the Eurodollar markets

euroequity /ˈjʊəroʊɪkwiəti/ noun a share in an international company traded on European stock markets outside its country of origin

Euroland /ˈjʊəroʊlænd/ noun same as Eurozone
Accounting for trade within Europe

euronote /juərəʊˈnəʊt/ noun a short-term Eurocurrency bearer note
euro-option /juərəʊ, pɒtʃən/ noun an option to buy European bonds at a later date
Europe /juərəʊ/ noun 1. the continent of Europe, the part of the world to the west of Asia, from Russia to Ireland. Most of the countries of Western Europe are members of the EU. Poland is in eastern Europe, and Greece, Spain and Portugal are in southern Europe. 2. the European Union, including the UK and Canadian exports to Europe have risen by 25%.
European /juərəʊˈpɪən/ adjective referring to Europe. They do business with several European countries.
European Accounting Association /juərəʊˈpeɪn təˈkaʊntɪŋ əˌsəʊsɪətʃən/ noun an organisation for teachers and researchers in accountancy, founded in 1977 and based in Brussels, that aims to be a forum for European research in the subject. Abbreviation EAA
European Bank for Reconstruction and Development /juərəʊˈpeɪn əˌrɛkɑːstrəkʃən ən dɪˈvəlpメント/ noun a bank, based in London, which channels aid from the EU to Eastern European and Central Asian countries. Abbreviation EBRD
European Central Bank /juərəʊˈpeɪn əsˌtɛntrəl ˈbɛŋk/ noun the central bank for most of the countries in the European Union, those which have accepted European Monetary Union and have the euro as their common currency. Abbreviation ECB
‘...the ECB begins with some $300 billion of foreign exchange reserves, far more than any other central bank’ [Investors Chronicle]
‘...any change in the European bank’s statutes must be agreed and ratified by all EU member nations’ [The Times]
European Currency Unit /juərəʊˈpeɪn kəˈroʊnəs jəntɪl/ noun the official monetary unit of the European Union from 1979 to 1999. Abbreviation ECU
European Economic Area /juərəʊˈpeɪn ɪˌkɒmənɪsk ˈeərə/ an area comprising the countries of the EU and the members of EFTA, formed by an agreement on trade between the two organisations. Abbreviation EEA
European Federation of Accountants /juərəʊˈpeɪn ɪˌfɛdərəʃən ən əˈkaʊntənts/ noun the representative organisation for the accountancy profession in Europe
European Free Trade Association /juərəʊˈpeɪn friː tɪəˌrɪd əˌsəʊsɪətʃən/ noun a group of countries (Iceland, Liechtenstein, Norway and Switzerland) formed to encourage freedom of trade between its members, and linked with the EU in the European Economic Area. Abbreviation EFTA
European Investment Bank /juərəʊˈpeɪn ɪnˈvestmənt ˈbɛŋk/ noun a financial institution whose main task is to facilitate regional development within the EU by financing capital projects, modernising or converting undertakings, and developing new activities. Abbreviation EIB
European Monetary System /juərəʊˈpeɪn əˌmʌnəstɪˈsɪstəm/ noun the first stage of economic and monetary union of the EU, which came into force in March 1979, giving stable, but adjustable, exchange rates. Abbreviation EMS
European Monetary Union /juərəʊˈpeɪn əˌmʌnəstɪˈjuːnɪn/ noun the process by which some of the member states of the EU joined together to adopt the euro as their common currency on 1st January 1999. The euro became legal tender for these member states from 2002. Abbreviation EMU
European Social Charter /juərəʊˈpeɪn ˌsoʊʃəl ˈʃɑrtər/ noun a charter for employees, drawn up by the EU in 1989, by which employees have the right to a fair wage, and to equal treatment for men and women, a safe work environment, training, freedom of association and collective bargaining, provision for disabled workers, freedom of movement from country to country, guaranteed standards of living both for the working population and for retired people. Abbreviation ESC. Also called Social Charter
European Union /juərəʊˈpeɪn əˌjuːnɪn/ noun a group of European countries linked together by the Treaty of Rome. Abbreviation EU
euroyen /juərəʊ,jɛn/ noun a Japanese yen deposited in a European bank and used for trade within Europe
Eurozone /juərəʊˈzoʊn/ noun the European countries which use the euro as a common currency, seen as a group. Also called Euroland
tax return

ing something

paying tax

process of calculating the value of an asset

thing

change.

had the exact sum, since the shop had no

of cost, performance, etc.)

ation available at that time on expected levels

mences, and is based on the best informa-

meaning 'before the event'. Compare

more or less than, what is stated

not varying in any way from, e.g. not any

exceptional items

exceptional items

exceed

ex ante

ex-all

ex post

required

exchange

exchange controls

because of their size or nature (Note: Such
items are shown separately in a note to the
company’s accounts but not on the face of the
P & L account unless they are profits or
losses on the sale or termination of an oper-
ation, or costs of a fundamental reorganisa-
tion or restructuring which have a material
effect on the nature and focus of the report-
ing entity’s operations, or profits or losses
on the disposal of fixed assets.)

2. items in a balance sheet which do not appear there
each year and which are included in the accounts before the pre-tax profit is calcu-
lated, as opposed to extraordinary items which are calculated after the pre-tax profit

exception report

n a report which flags discrepancies between a company’s actual and expected
performance, used to identify issues which then need investigating

excess

excess capacity

excess profit

excess profits tax

excess reserves

exchange /iks’tʃɛndʒ/ noun 1. the act of giving one thing for another 2. a market for
shares, commodities, futures, etc. 1 verb 1. 0 to exchange something (for something
else) to give one thing in place of something else 0 He exchanged his motorcycle for a
car. 0 Goods can be exchanged only on pro-
duction of the sales slip. 2. to change money of one country for money of another 0 to
exchange euros for pounds

...under the barter agreements, Nigeria
will export crude oil in exchange for
trucks, food, planes and chemicals [Wall
Street Journal]

exchangeable /iks’tʃɛndʒəb(ə)l/ adjective possible to exchange

exchange controls /iks’tʃɛndʒə kan
trəuls/ plural noun government restrictions
on changing the local currency into foreign currency. The government had to impose exchange controls to stop the rush to buy dollars. They say the government is going to lift exchange controls.

**exchange cross rates** /ɪks'tʃɛnərdʒɪz/ plural noun rates of exchange for two currencies, shown against each other, but in terms of a third currency, often the US dollar.

**exchange dealer** /ɪks'tʃɛndʒəl/ noun a person who buys and sells foreign currency.

**exchange dealings** /ɪks'tʃɛndlɪŋz/ plural noun the buying and selling of foreign currency.

**exchange gain** /ɪks'tʃɛŋdʒi:gn/ noun a gain or loss made from changes in the exchange rate which take place during the period of the transaction.

**exchange premium** /ɪks'tʃɛŋdʒɪpɹı/ noun an extra cost above the usual rate for buying a foreign currency.

**exchange rate** /ɪks'tʃɛŋdʒrɛt/ noun 1. a rate at which one currency is exchanged for another. Also called **rate of exchange.** 2. a figure that expresses how much a unit of one country’s currency is worth in terms of the currency of another country.

**exchange rate mechanism** /ɪks'tʃɛŋdʒrɛtmɛkznı(ʊ)m/ noun a former method of stabilising exchange rates within the European Monetary System, where currencies could only move up or down within a narrow band (usually 2.25%) either way, but for some currencies widened to 6% without involving a realignment of all the currencies in the system.

**exchange rate parity** /ɪks'tʃɛŋdʒrɛptəri/ noun the existence of uniform exchange rate levels between a group of countries, such that a basket of goods costs the same in the currencies of these countries.

**exchange transaction** /ɪks'tʃɛŋdʒtrænzkɛʃən/ noun a purchase or sale of foreign currency.

**Exchequer** /ɪks'tʃɛkər/ the Exchequer, 1. the fund of all money received by the government of the UK from taxes and other revenues.

**Exchequer stocks** /ɪks'tʃɛkər stɔks/ plural noun same as Treasury stocks.

**excise duty** /ɛksəs djuətɪ/ noun a tax on goods such as alcohol and petrol which are produced in the country.

**excise tax** /ɛksəs ˈteks/ noun US a tax levied for a particular purpose.

**exclude** /ɪkˈskljuːd/ verb to keep out, or not to include. The interest charges have been excluded from the document.

**damage by fire** is excluded from the policy.

**exclusive clause** /ɪkˈskluːziv əˈɡrɪmənt/ noun an agreement where a person is made sole agent for a product in a market.

**exclusive of tax** /ɪkˈskluːziv əˈteks/ adjective not including tax. All payments are exclusive of tax.

**exclusivity** /ɛksˈkluːzɪvı/ noun the exclusive right to market a product.

**ex coupon** /ɛksˈ kjuːpən/ adjective without the interest coupons or after interest has been paid.

**ex dividend** /ɛks ˈdɪvɪdend/ noun an order to cease paying dividends to a shareholder without including tax. All payments are exclusive of tax.

**execute** /ɪksˈkjuːdʒət/ verb to carry out an order. Failure to execute orders may lead to dismissal. There were many practical difficulties in executing the managing director’s instructions.

**execution** /ɪkˈskjuːʒən/ noun the carrying out of a commercial order or contract.

**exclusive agreement** /ɪkˈskluːziv əˈɡrɪmənt/ noun an agreement where a person is made sole agent for a product in a market.

**executive** /ɪksˈkjuːtɪv/ adjective putting decisions into action.

**executive director** /ɪkˈsɪkjʊtɪv dɪˈrektər/ noun 1. a director who works full-time in the company. Compare non-executive director, 2. a senior employee of an organisation who is usually in charge of one or other of its main functions, e.g. sales or human relations, and is usually, but not always, a member of the board of directors.

**executive power** /ɪkˈsɪkjʊtɪv ˈpɔʊər/ noun the right to act as director or to put decisions into action.

**executive share option scheme** /ɪkˈsɪkjʊtɪv ˈʃeər ˈɒpʃən ˈskɪm/ noun a scheme under which senior managers are given the opportunity to buy shares in their company at a preferential fixed price at a later date.
executor /ɪɡˈzɛkʃətər/ noun a person or firm that sees that the terms of a will are carried out ○ She was named executor of her brother’s will.
executrix /ɪɡˈzɛkʃtrɪks/ noun a female executor
exempt /ɪɡˈzɛmp t/ adjective not forced to do something, especially not forced to obey a particular law or rule, or not forced to pay something ○ Anyone over 65 is exempt from charges ○ exempt from tax not required to pay tax ○ As a non-profit-making organisation we are exempt from tax.
’t Companies with sales under $500,000 a year will be exempt from the minimum-wage requirements’ [Nation’s Business]
exempt assets /ɪɡˈzɛmp t ˈesəts plural noun/ assets such as cars which are not subject to capital gains tax when sold
exempt gift /ɪɡˈzɛmp t ‘gift/ noun a gift that is not subject to US gift tax
exempt investment fund /ɪɡˈzɛmp t ɪnˈvestmənt fʌnd/ noun in the United Kingdom, a collective investment, usually a unit trust, for investors who have certain tax privileges, e.g., charities or contributors to pension plans
exemption /ɪɡˈzɛmpʃ(ə)n/ noun the act of exempting something from a contract or from a tax ○ exemption from tax, tax exemption the fact of being free from having to pay tax ○ As a non-profit-making organisation you can claim tax exemption.
exempt supplies /ɪɡˈzɛmp t ˈspələrz plural noun/ products or services on which the supplier does not have to charge VAT, e.g., the purchase of, or rent on, property and financial services
exercise /ɛksˈsaːriz/ noun 1. the use of something 2. a financial year ○ during the current exercise ○ verb to use ○ The chairwoman exercised her veto to block the motion.
exercise date /ɛksˈsaːriz dɪst/ noun the date when an option can be put into effect
exercise price /ɛksˈsaːriz prɪs/ noun the price at which an option will be put into effect
ex gratia /ɪksˈgrɛʃə/ adjective as an act of favour, without obligation
exit /ˈekst/ noun the way in which an investor can realise their investment, e.g. by selling the company they have invested in
exit charge /ˈekst ˌtʃɑːdʒ/ noun a charge sometimes made by a trust when selling units in a unit trust or when selling out of an investment such as an ISA
exit price /ˈekst prɪs/ noun the price at which a firm sells up and leaves a market
exit value /ˈekst vəlju/ noun income that would be received if an asset or a business were sold
ex officio /eks əˈfɪʃəʊ/ adjective, adverb because of an office held ○ The treasurer is ex officio a member or an ex officio member of the finance committee.
expand /ɪkˈspænd/ verb to get bigger, or make something bigger ○ an expanding economy ○ The company is expanding fast. ○ We have had to expand our sales force.
expansion /ɪkˈspɛnʃən/ noun an increase in size ○ The expansion of the domestic market. ○ The company had difficulty in financing its current expansion programme.
’ve... inflation-adjusted GNP moved up at a 1.3% annual rate, its worst performance since the economic expansion began’ [Fortune]
’ve... the businesses we back range from start-up ventures to established businesses in need of further capital for expansion’ [Times]
’ve... the group is undergoing a period of rapid expansion and this has created an exciting opportunity for a qualified accountant’ [Financial Times]
ex parte /eksˈpɑːt/ phrase a Latin phrase meaning ‘on behalf of’
expected annual activity /ɪkˈspektɪd ənˈdʒuəl ət ˈkær tɪvɪtɪ/ noun a company’s anticipated level of activity or production for a given year
expected value /ɪkˈspektɪd vəlju/ noun the future value of a course of action, weighted according to the probability that the course of action will actually occur. If the possible course of action produces income of £10,000 and has a 10% chance of occurring, its expected value is 10% of £10,000 or £1,000.
expenditure /ɪkˈspændətʃər/ noun the amount of money spent
expense /ɪkˈspɛns/ noun money spent ○ The expense is too much for my bank balance. ○ The likely profits do not justify the expense of setting up the project.
expense account /ɪkˈspens ə ˈkaʊnt/ noun an allowance of money which a business pays for an employee to spend on travelling and entertaining clients in connection with that business ○ I’ll put this lunch on my expense account.
expenses

expenses /ɪkˈspɛnsɪz/ plural noun money paid to cover the costs incurred by someone when doing something ○ The salary offered is £10,000 plus expenses. ○ She has a high salary and all her travel expenses are paid by the company.

export system /ɪkˈspɔːt ˌsɪstəm/ noun software that applies the knowledge, advice and rules defined by experts in a particular field to a user’s data to help solve a problem

expiration /ɪkˈspɔːrəʃ(ə)n/ noun the act of coming to an end ○ The expiration of an insurance policy ○ to repay before the expiration of the stated period

expiration date /ɪkˈspɔːrəʃ(ə)n ˌdeɪt/ noun US same as expiry date

expiry /ɪkˈspærɪ/ verb to come to an end ○ The lease expires in 2010.

expiry /ɪkˈspærɪ/ noun the act of coming to an end ○ the expiry of an insurance policy

expiry date /ɪkˈspærɪ ˌdeɪt/ noun a date when something will end

exponent /ɪkˈspɔːnt/ noun a number or variable placed to the upper right of a number or mathematical expression that indicates the number of times the number or expression is to be multiplied by itself, as in 2³, which equals 8

exponential smoothing /ɪkˈspɔːnl ˌmenʃ(ə)l ˈsmɜːrɪŋ/ noun a technique for working out averages while allowing for recent changes in values by moving forward the period under consideration at regular intervals

export noun /ɪkˈspɔrt/ the practice or business of sending goods to foreign countries to be sold ○ 50% of the company’s profits come from the export trade or the export market. ○ exports ■ verb /ɪkˈspɔrt/ to send goods to foreign countries for sale ○ 50% of our production is exported. ○ The company imports raw materials and exports the finished products.

exportation /ɪkˈspɔrtəˈʃ(ə)n/ noun the act of sending goods to foreign countries for sale

Export Credit Guarantee Department /ɪkˈspɔrt ˌkredɪt ˈɡuərəntiː diˌpɑːmənt/ noun a British government department which insures sellers of exports sold on credit against the possibility of non-payment by the purchasers. Abbreviation ECGD

export department /ɪkˈspɔrt diˌpɑːmənt/ noun the section of a company which deals in sales to foreign countries

export duty /ɪkˈspɔrt ˈduːti/ noun a tax paid on goods sent out of a country for sale

exporter /ɪkˈspɔrtər/ noun a person, company, or country that sells goods in foreign countries ○ a major furniture exporter ○ Canada is an important exporter of oil or an important oil exporter.

export house /ɪkˈspɔrt ˌhauz/ noun a company which specialises in the export of goods manufactured by other companies

export licence /ɪkˈspɔrt ˌlɛsns/ noun a government permit allowing something to be exported ○ The government has refused an export licence for computer parts.

export manager /ɪkˈspɔrt ˌmeɪndʒər/ noun the person in charge of an export department in a company ○ The export manager planned to set up a sales force in Southern Europe.

exports /ɪkˈspɔrts/ plural noun goods sent to a foreign country to be sold ○ Exports to Africa have increased by 25%. ○ export (NOTE: Usually used in the plural, but the singular form is used before a noun.)

ex post /ɪkˈspɔst/ adverb a Latin phrase meaning ‘after the event’. Compare ex ante (NOTE: An ex post budget, or standard, is set after the end of a period of activity, when it can represent the optimum achievable level of performance in the conditions which were experienced. Thus the budget can be flexed, and standards can reflect factors such as unanticipated changes in technology and in price levels.)

exposure /ɪkˈspɔrəs/ noun 1. publicity given to an organisation or product ○ Our company has achieved more exposure since we decided to advertise nationally. 2. the amount of risk which a lender or investor runs ○ He is trying to limit his exposure in the property market.

...it attributed the poor result to the bank’s high exposure to residential mortgages, which showed a significant slowdown in the past few months’ [South China Morning Post]

exposure draft /ɪkˈspɔrəs dræft/ noun a document produced by a body before a new authoritative pronouncement is published. It invites accountants and other interested parties to comment on matters raised by the draft. Abbreviation ED

expressly /ɪkˈspresli/ adverb clearly in words ○ The contract expressly forbids sales to the United States.
extraordinary item

external auditing /ɪkˈstɜːrniŋ/ noun an action of auditing a set of accounts by an external auditor

external auditor /ɪkˈstɜːrədər/ noun an independent person who audits the company’s accounts

external debt /ɪkˈstɜːrniŋ/ ˈdɛt/ noun money which a company has borrowed from outside sources such as a bank, as opposed to money raised from shareholders. Also called external funds

external failure costs /ɪkˈstɜːrniŋ/ ˈfɛɪlər kɔsts/ plural noun costs incurred as a result of products proving faulty, e.g. the cost of replacements and lost sales

external funds /ɪkˈstɜːrniŋ/ ˈfʌndz/ plural noun same as external debt

external growth /ɪkˈstɜːrniŋ/ ˈɡroʊθ/ noun the growth of a firm by buying other companies, rather than by expanding existing sales or products. Opposite internal growth

external liabilities /ɪkˈstɜːrniŋ/ ˈlaɪəbəlɪtiz/ plural noun money owed to lenders and other creditors outside a company

external auditor /ɪkˈstɜːrniŋ/ ˈdɛdʒi/ noun an independent person who audits the set of accounts

external audit /ɪkˈstɜːrniŋ/ ˈaudɪt/ noun 1. an audit carried out by an independent auditor who is not employed by the company 2. an evaluation of the effectiveness of a company’s public relations carried out by an outside agency

extended credit /ɪkˈstɛndt/ ˈkredɪt/ noun 1. credit allowing the borrower a very long time to pay 2. We sell to Australia on extended credit 2. US an extra long credit used by commercial banks borrowing from the Federal Reserve

extensible business reporting language /ˈɛksˈtɛnsəbl bɪzˈnɪs rɪˈpɔːrtɪŋ/ noun full form of XBRL

extension /ɪkˈstɛndʃən/ noun an additional period of time allowed for something, e.g. the repayment of a debt

extensive /ɪkˈstɛnsv/ adjective very large or covering a wide area 1. an extensive network of sales outlets 2. an extensive recruitment drive

extreme /ɪkˈstrim/ adjective referring to the farthest position on a scale or the most extreme form of something

extraordinary item /ɪkˈstrɔːrdənəri ˈaɪtəm/ noun a large item of income or expenditure entered into accounts that is unusual in nature and also occurs very infrequently

ex-rights /ɛksˈraɪts/ adjective referring to a share price where the share is sold without a recent rights issue. Abbreviation xr
face value /ˈfeɪs ˈvɛljuː/ noun the value written on a coin, banknote or share certificate

...travellers' cheques cost 1% of their face value – some banks charge more for small amounts' [Sunday Times]

facility /ˈfæsɪləti/ noun the total amount of credit which a lender will allow a borrower

facility fee /ˈfæsɪləti fɪ/ noun a charge made to a borrower by a bank for arranging credit facilities

facility-sustaining activities /ˈfæsɪləti səˌstenɪŋ əˈkɪvɪˈtɪvɪzɪ/ plural noun activities undertaken to support the organisation as a whole, which cannot be logically linked to individual units of output. Accounting is a facility-sustaining activity. 0 hierarchy of activities

factor /ˈfæktə/ noun 1. something which is important, or which is taken into account when making a decision 0 The drop in sales is an important factor in the company’s lower profits. 0 Motivation was an important factor in drawing up the new pay scheme. 2. a number used in multiplication to produce another number 0 by a factor of ten ten times 3. a person or company which is responsible for collecting debts for companies, by buying debts at a discount on their face value 4. a person who sells for a business or another person and earns a commission 0 verb to buy debts from a company at a discount

...‘...factors ‘buy’ invoices from a company, which then gets an immediate cash advance representing most of their value. The balance is paid when the debt is met. The client company is charged a fee as well as interest on the cash advanced’ [Times]

factorial /ˈfæktərɪəl/ noun the product of all the numbers below a number © example: 4 factorial = 1x2x3x4 = 24 (NOTE: 4 factorial is written 4!)

FAE abbreviation Final Admitting Exam fail: /fɛl/ verb to be unsuccessful © The prototype failed its first test.

failure /ˈfeɪlər/ noun an act of breaking down or stopping © the failure of the negotiations

failure costs /ˈfeɪlər kɒstz/ plural noun costs that include external failure costs as well as associated costs, e.g. the cost of running a complaints department

fair /fɛr/ adjective reasonable, with equal treatment

fair dealing /ˈfeər ˈdiːlɪŋ/ noun the legal buying and selling of shares

fair market value /ˈfeər ˈmɑrkt ˈvɛljuː/ noun same as fair value

fair price /ˈfeər ˈprɑːs/ noun a good price for both buyer and seller

fair trade /ˈfeər ˈtreɪd/ noun an international business system where countries agree not to charge import duties on some items imported from their trading partners

fair value /ˈfeər ˈvɛljuː/ noun 1. a price paid by a buyer who knows the value of what he or she is buying, to a seller who also knows the value of what is being sold, i.e.,...
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neither is cheating the other. 2. a method of valuing the assets and liabilities of a business based on the amount for which they could be sold to independent parties at the time of valuation.

fair wear and tear /ˈfeə weər ən /ˈteə/ noun acceptable damage caused by normal use ○ The insurance policy covers most damage but not fair wear and tear to the machine.

fall /fɔ/ noun a sudden reduction or loss of value ○ a fall in the exchange rate ○ a fall in the price of gold ○ a fall in the Stock Exchange ○ Profits showed a 10% fall. ■ verb 1. to be reduced suddenly to a lower price or value ○ Shares fell on the market today. ○ Gold shares fell 10% or fell 45 cents on the Stock Exchange. ○ The price of gold fell for the second day running. ○ The pound fell against the euro. 2. to happen or to take place ○ The public holiday falls on a Tuesday.

...market analysts described the falls in the second half of last week as a technical correction to the market’ [Australian Financial Review]

...for the first time since mortgage rates began falling in March a financial institution has raised charges on homeowner loans’ [Globe and Mail (Toronto)]

...interest rates were still falling as late as June, and underlying inflation remains below the government’s target of 2.5 per cent’ [Financial Times]

fall behind phrasal verb to be late in doing something ○ They fell behind with their mortgage repayments.

falling /ˈfɔːlɪŋ/ adjective becoming smaller or dropping in price

...falling profitability means falling share prices’ [Investors Chronicle]

false /fɔls/ adjective not true or not correct ○ to make a false claim for a product ○ to make a false entry in the balance sheet

false accounting /ˈfeɪls əˈkʌntɪŋ/ noun the criminal offence of changing, destroying, or hiding accounting records for a dishonest purpose

false market /ˈfeɪls ˈmɑːkɪt/ noun a market in shares caused by persons or companies conspiring to buy or sell and so influence the share price to their advantage

falsification /ˈfɔlsɪfɪkʃən/ noun the act of making false entries in accounts

falsify /ˈfɔlsɪfaɪ/ verb to change something to make it wrong ○ They were accused of falsifying the accounts.

Family company /ˈfæməli, kəmpəri/ noun a company in which most of the shares are owned by members of a family

FASB abbreviation Financial Accounting Standards Board

favourable trade balance /ˌfeɪvərəbl træd ˈbæləns/ noun a situation where a country exports more than it imports ○ The country has had an adverse balance of trade for the second month running.

favourable variance /ˌfeɪvərəbl ˈvɛərəns/ noun variance which shows that the actual result is better than expected

fax /fæks/ noun a system for sending the exact copy of a document via telephone lines ○ Can you confirm the booking by fax?” ■ verb to send a message by fax ○ The details of the offer were faxed to the brokers this morning. ○ I’ve faxed the documents to our New York office.

FCA abbreviation Fellow of the Institute of Chartered Accountants in England and Wales

FCCA abbreviation Fellow of the Association of Chartered Certified Accountants

FCR abbreviation full cost recovery

FD abbreviation financial director

feasibility study /ˈfeɪzəbɪləti ˈstɪdɪ/ noun the careful investigation of a project to see whether it is worth undertaking ○ We will carry out a feasibility study to decide whether it is worth setting up an agency in North America.

federal /ˈfɛdərəl/ adjective 1. referring to a system of government where a group of states are linked together in a federation 2. referring to the central government of the United States ○ Most federal offices are in Washington.

...federal examiners will determine which of the privately-insured savings and loans qualify for federal insurance’ [Wall Street Journal]

...since 1978 America has freed many of its industries from federal rules that set prices and controlled the entry of new companies’ [Economist]

Federal Funds /fedərəl ˈfændz/ plural noun deposits by commercial banks with the Federal Reserve Banks, which can be used for short-term loans to other banks.

Federal Reserve /fedərəl ˈrezvər/ Federal Reserve System /fedərəl ˈrezvər ˈsɪstəm/ noun the system of federal government control of the US banks, where the Federal Reserve Board regulates money
Federal Reserve Bank

supply, prints money, fixes the discount rate and issues government bonds.

Federal Reserve Bank /ˌfedəˈraɪzl/ noun any one of the twelve federally-owned regional banks in the US, which are directed by the Federal Reserve Board. Abbreviation FRB

Federal Reserve Board /ˌfedəˈraɪzl/ noun a government organisation which runs the central banks in the US. Abbreviation FRB

‘…pressure on the Federal Reserve Board to ease monetary policy mounted yesterday with the release of a set of pessimistic economic statistics’ [Financial Times]

federation /ˌfedəˈreɪʃən/ noun a group of societies, companies or organisations which have a central organisation which represents them and looks after their common interests a federation of trades unions the employers’ federation

Fédération des Experts-Comptables Européens noun same as European Federation of Accountants

Fed Funds /ˈfed fændz/ plural noun US same as Federal Funds (informal)

fed funds rate /ˌfed fænds rɪt/ noun the rate charged by banks for lending money deposited with the Federal Reserve to other banks

fee /fiː/ noun money paid for work carried out by a professional person such as an accountant, a doctor or a lawyer ○ We charge a small fee for our services. ○ The consultant’s fee was much higher than we expected.

fee work /ˈfiː wɜːrk/ noun any work on a project carried out by independent workers or contractors, rather than by the organisation’s employees

fellow /ˈfɛloʊ/ noun a title given to senior members of a professional association. Junior members are usually called ‘associates’.

flat money /ˈflæt ˈmʌni/ noun coins or notes which are not worth much as paper or metal, but are said by the government to have a value and are recognised as legal tender

fictitious assets /ˈfɪktʃɪʃəs ˈæsarz/ plural noun assets which do not really exist, but are entered as assets to balance the accounts

fiddle /ˈfɪdl/ (informal) noun an act of cheating ○ It’s all a fiddle. ■ verb to cheat ○ He tried to fiddle his tax returns. ○ The salesman was caught fiddling his expense account.

fiduciary /ˈfɪdʒəri/ noun, adjective (a person) in a position of trust ○ Directors have fiduciary duty to act in the best interests of the company.

fiduciary deposits /ˈfɪdʒɪəri dɪˈpɔːstz/ plural noun bank deposits which are managed for the depositor by the bank

FIFO /ˈfaɪəʊ/ abbreviation first in first out fifty-fifty /ˈfɪfti ˈfɪfti/ adjective, adverb half

figure /ˈfɪɡər/ noun 1. a number, or a cost written in numbers ○ The figure in the accounts for heating is very high. 2. his income runs into six figures he has a six-figure income his income is more than £100,000

figures /ˈfɪgərz/ plural noun 1. written numbers 2. the results for a company ○ the figures for last year or last year’s figures

file /ˈfæl/ noun 1. documents kept for reference 2. a section of data on a computer, e.g. payroll, address list, customer accounts ○ How can we protect our computer files? ■ verb 1. to make an official request 2. to register something officially ○ to file an application for a patent ○ to file a return to the tax office

file copy /ˈfæl kənpi/ noun a copy of a document which is kept for reference in an office

filing date /ˈfælɪŋ dɛt/ noun the date by which income tax return must be filed with the Inland Revenue

final accounts /ˈfɛnəl ˈəʊnts/ plural noun the accounts produced at the end of an accounting period, including the balance sheet and profit and loss account.

Final Admitting Exam /ˈfɛnəl ədˈmitɪŋ ɛkˈsməl/ noun a final examination set by the ICAEW to admit student accountants as chartered accountants. Abbreviation FAE

final closing date /ˈfɛnəl ˈklaʊzɪŋ dɛt/ noun the last date for acceptance of a takeover bid, when the bidder has to announce how many shareholders have accepted his or her offer

final demand /ˈfɛnəl dəmənd/ noun a last reminder that payment of a debt is due, after which a supplier normally sues for payment

final discharge /ˈfɛnəl dɪˈʃɜːr/ noun a final payment which completes the repayment of a debt

final dividend /ˈfɛnəl ˈdɪvɪndənd/ noun a dividend paid at the end of a year’s trading, which has to be approved by the shareholders at an AGM.
finalise /'fɛnaɪz(ə)lz/, finalize verb to agree final details. We hope to finalise the agreement tomorrow.

final settlement /'fɛnəməl sɛtə(ə)lmənt/ noun the last payment which settles a debt.

finance /'fɛnəns/ noun 1. money used by a company, provided by the shareholders or by loans. 2. Where will they get the necessary finance for the project? (Note. The US term is financing; 2, money (used by a club, local authority, etc.).) 3. She is the secretary of the local authority finance committee.

verb to provide money to pay for something.

They plan to finance the operation with short-term loans.

‘...an official said that the company began to experience a sharp increase in demand for long-term mortgages at a time when the flow of money used to finance these loans diminished’ [Globe and Mail].

Finance Act /'fɛnəns ək(ə)/ noun an annual Act of Parliament which gives the government the power to obtain money from taxes as proposed in the Budget.

Finance and Tax Tribunals /'fɛnəns ənd tæx trɪ'bjuːnəlz/ plural noun a collective name for four tribunals established in 2006 to hear appeals against decisions of HM Customs and Excise and the Inland Revenue and to adjudicate on matters relating to certain decisions of the Financial Services Authority and the Pensions Regulator.

Finance Bill /'fɛnəns bɪl/ noun 1. a bill that lists the proposals in a Chancellor’s budget and that is debated before being voted into law as the Finance Act 2. US a short-term bill of exchange which provides credit for a corporation so that it can continue trading.

finance controller /'fɛnəns kən'trəʊlə/ noun an accountant whose main task is to manage the company’s monetary resources.

finance lease /'fɛnəns lisəz/ noun a lease which requires the lessee company to show the asset acquired under the lease in its balance sheet and to depreciate it in the usual way.

finance leasing /'fɛnəns ˌlɪstɪŋ/ noun leasing a property under a finance lease.

finance market /'fɛnəns, mɑːkɪt/ noun a place where large sums of money can be lent or borrowed.

finances /'fɛnənsəz/ plural noun money or cash which is available.

The bad state of the company’s finances.

financial /'fɛnənʃ(ə)l/ adjective relating to money.

Financial Accountant /'fɛnənʃ(ə)l ˈɑːkəntənt/ noun a qualified accountant, a member of the Institute of Financial Accountants, who advises on accounting matters or who works as the financial director of a company.

financial accounting /'fɛnənʃ(ə)l əkˈɛntərɪŋ/ noun the form of accounting in which financial reports are produced to provide investors or other external parties with information on a company’s financial status. Compare management accounting 2, the process of classifying and recording a company’s transactions and presenting them in the form of income and loss accounts, balance sheets and cash flow statements for a given accounting period.

Financial Accounting Standards Board /'fɛnənʃ(ə)l ˈæktər(ə)ntz 'stændədz, bɔːrd/ noun the body which regulates accounting standards in the USA. Abbreviation FASB.

financial adviser /'fɛnənʃ(ə)l əˈdɛvərə/ noun a person or company that gives financial advice to clients for a fee.

financial aid /'fɛnənʃ(ə)l ˈeɪd/ noun monetary assistance given to an individual, organisation or nation. International financial aid, that is from one country to another, is often used to fund educational, health-related or other humanitarian activities.

financial analysis software /'fɛnənʃ(ə)l əˈnæləsɪs ˌsɒftwɛr/ noun software that can produce information on trends and calculate ratios using information from an online database.

financial assistance /'fɛnənʃ(ə)l əˈstɑːns/ noun help in the form of money.

financial calendar /'fɛnənʃ(ə)l ˈkælɪndər/ noun a list of significant events and dates in a company’s financial reporting year.

financial correspondent /'fɛnənʃ(ə)l ˈkɔːrəspəndənt/ noun a journalist who writes articles on money matters for a newspaper.

financial director /'fɛnənʃ(ə)l ˈdaiəˈriətə/ noun the member of a board of directors who is responsible for a company’s financial operations. Abbreviation FD.

financial engineering /'fɛnənʃ(ə)l ɪˈnɜːnədʒɪnɪrɪŋ/ noun the act of converting one type of financial instrument into another.

financial futures /'fɛnənʃ(ə)l ˈfjuːtərɪz/ noun a financial futures contract /'fɛnənʃ(ə)l ˈfjuːtərɪkəntrakt/.
financial futures market /fɪnˌɛnʃəl ˈfjuərɪzɪz ˈmɑrtk/ noun a contract for the purchase of gilt-edged securities for delivery at a date in the future. Also called financials

financial futures market /fɪnˌɛnʃəl ˈfjuərɪzɪz ˈmɑrtk/ noun the market in gilt-edged securities for delivery at a date in the future

financial information system /fɪnˌɛnʃəl ɪnˌfərəmˈʃən sɪstəm/ noun a computer-based system that analyses and gathers financial information for use in running a business

financial institution /fɪnˌɛnʃəl ɪnˈstɪtʃən/ noun a bank, investment trust or insurance company whose work involves lending or investing large sums of money

financial instrument /fɪnˌɛnʃəl ɪnˈstrɪmənt/ noun 1. a document showing that money has been lent or borrowed, invested or passed from one account to another, e.g. a bill of exchange, share certificate, certificate of deposit or IOU 2. any form of investment in the stock market or in other financial markets, e.g. shares, government stocks, certificates of deposit or bills of exchange

financial intermediary /fɪnˌɛnʃəl ɪnˈmedɪətri/ noun an institution which takes deposits or loans from individuals and lends money to clients

financial leverage /fɪnˌɛnʃəl ˈlevərdʒ/ noun gearing

financially /fɪnˌɛnʃəli/ adverb regarding money □ a company which is financially sound a company which is profitable and has strong assets

financial management /fɪnˌɛnʃəl ˈmænɪɡmənt/ noun the management of the acquisition and use of long- and short-term capital by a business

financial position /fɪnˌɛnʃəl ˈpɔzɪʃən/ noun the state of a person’s or company’s bank balance in terms of assets and debts

financial projection /fɪnˌɛnʃəl ˈprədʒɛkʃən/ noun business planning that deals with budgets and estimates of future financing needs

financial report /fɪnˌɛnʃəl ˈrɪpɔrt/ noun a document which gives the financial position of a company or of a club, etc.

Financial Reporting Council /fɪnˌɛnʃəl ˈrɪpɔrtɪŋ ˈkəʊnsəl/ noun the UK’s independent regulator for corporate reporting and governance

Financial Reporting Review Panel /fɪnˌɛnʃəl ˈrɪpɔrtɪŋ ˈrɪvjuː ˈpənl/ noun a UK body that receives and investigates complaints about the annual accounts of companies in which it is claimed that the accounting requirements of the Companies Act have not been fulfilled. Abbreviation FRRP


financial resources /fɪnˌɛnʃəl ˈrɪsəs/ plural noun the supply of money for something □ a company with strong financial resources

financial review /fɪnˌɛnʃəl ˈrɪvjuː/ noun an examination of an organisation’s finances

financial risk /fɪnˌɛnʃəl ˈrɪsk/ noun the possibility of losing money □ The company is taking a considerable financial risk in manufacturing 25 million units without doing any market research. □ There is always some financial risk in selling on credit.

financials /fɪnˌɛnʃəlz/ plural noun same as financial futures

financial services /fɪnˌɛnʃəl ˈsɜrvɪsɪz/ plural noun services such as banking and insurance the main business of which is the management and transfer of money

Financial Services Act /fɪnˌɛnʃəl ˈsɜrvɪsɪz ˈ ækt/ noun an Act of the British Parliament which regulates the offering of financial services to the general public and to private investors

Financial Services Authority /fɪnˌɛnʃəl ˈsɜrvɪsɪz əˈθɔrəti/ noun an independent non-governmental body formed in 1997 as a result of reforms in the regulation of financial services in the United Kingdom. The Securities and Investments Board (SIB) became responsible for the supervision of banking and investment services and changed its name to become the Financial Services Authority. The FSA’s four statutory objectives were specified by the Financial Services and Markets Act 2000: maintaining market confidence; increasing public knowledge of the financial system; ensuring appropriate protection for consumers; and reducing financial crime. Abbreviation FSA

financial statement /fɪnˌɛnʃəl ˈstɛrmənt/ noun a document which shows the financial situation of a company □ The
accounts department has prepared a financial statement for the shareholders.

**financial statement analysis** /fɛnəstəmənt/ noun any of various methods used for evaluating the past, current and projected performance of a company

**financial supermarket** /fɛnəskəmpərətər/ noun a company which offers a range of financial services, e.g. a bank offering loans, mortgages, pensions and insurance as well as the usual personal banking services

*Financial Times* /fɛnəflənts/ noun an important British financial daily newspaper (printed on pink paper). Abbreviation FT

**financial year** /fɛnəsiər/ noun the twelve-month period for which a company produces accounts. A financial year is not necessarily the same as a calendar year.

**financier** /fɛnənjuər/ noun a person who lends large amounts of money to companies or who buys shares in companies as an investment

**financing** /fɛnənsin/ noun the act of providing money for a project. The financing of the project was done by two international banks.

**finder’s fee** /fændərz fi/ noun a fee paid to a person who finds a client for another, e.g. someone who introduces a client to a stockbroking firm

**fine** /fain/ noun money paid because of something wrong which has been done. She was asked to pay a £25,000 fine. We had to pay a £50 parking fine.

**fine-tuning** /fain tuin/ noun the act of making of small adjustments in areas such as interest rates, tax bands or the money supply, to improve a nation’s economy

**finished goods** /fɛnɪʃd/ noun manufactured goods which are ready to be sold

**fire insurance** /faiər inʃərəns/ noun insurance against damage by fire

**firm** /fɜːrm/ noun a company, business or partnership. A manufacturing firm or an important publishing firm. She is a partner in a law firm. ■ adjective 1. unchangeable to make a firm offer for something to place a firm order for two aircraft. 2. not dropping in price and possibly going to rise. Sterling was firmer on the foreign exchange markets.

Shares remained firm. ■ verb to remain at a price and seem likely to rise. The shares firm at £1.50.

'...some profit-taking was noted, but underlying sentiment remained firm.' [Financial Times]

**firm up** phrasal verb to agree on the final details of something. We expect to firm up the deal at the next trade fair.

**firmness** /fɜːrnəs/ noun the fact of being steady at a particular price, or likely to rise. The firmness of the dollar on foreign exchanges 'Toronto failed to mirror New York’s firmness as a drop in gold shares on a falling bullion price left the market closing on a mixed note.' [Financial Times]

**firm sale** /fɜːrm sɛl/ noun a sale which does not allow the purchaser to return the goods

**first in first out** /fɜːrst in /fɜːrst ‘aʊt/ phrase an accounting policy in which it is assumed that stocks in hand were purchased last, and that stocks sold during the period were purchased first. Abbreviation FIFO. Compare last in first out

**first option** /fɜːrst ‘ɒpʃən/ noun allowing someone to be the first to have the possibility of deciding something

**first quarter** /fɜːrst kwɔrət/ noun the period of three months from January to the end of March. The first quarter’s rent is payable in advance.

**first year allowance** /fɜːrst jɪər ə ləʊəns/ noun an allowance which can be claimed on capital expenditure by a business or self-employed person during the year in which the purchase was made. After the first year, the written-down allowance (WDA) applies. Abbreviation FYA

**fiscal** /fɪskəl/ adjective referring to tax or to government revenues

**fiscal drag** /fɪskəl ‘dɹɑːɡ/ noun 1. the effect of inflation on a government’s tax revenues. As inflation increases so do prices and wages, and tax revenues rise proportionately. Even if inflation is low, increased earnings will give the government increased revenues anyway. 2. the negative effect of higher personal taxation on an individual’s work performance

**fiscal measures** /fɪskəl ‘mɛʒərz/ plural noun tax changes made by a government to improve the working of the economy

**fiscal year** /fɪskəl ‘jɪər/ noun a twelve-month period on which taxes are calculated. In the UK this is April 6th to April 5th.
fixed-interest securities /ˈfɪkstˌɪntrəst ˈsɜːkjʊrətiz/ plural noun securities such as government bonds which produce a level of interest which does not change

fixed-price /ˈfɪkst ˈpraɪs/ adjective having a price which cannot be changed

fixed-price agreement /ˈfɪkst ˈpraɪs əˈgrɪmenteɪnt/ an agreement where a company provides a service or a product at a price which stays the same for the whole period of the agreement

fixed rate /ˈfɪkst ˈrɛt/ noun a rate, e.g. an exchange rate, which does not change

fixed rate loan /ˈfɪkst ret ˈlaʊn/ noun a loan on which the rate of interest stays the same for the duration of the loan

fixed scale of charges /ˈfɪkst skeləv ˈtʃɜːkʃənz/ a set of charges that do not vary according to individual circumstances but are applied consistently in all cases of a particular kind

fixed yield /ˈfɪkst ˈjɪld/ noun a percentage return which does not change

fixtures /ˈfɪkstəz/ plural noun items in a property which are permanently attached to it, e.g. sinks and lavatories

fixtures and fittings /ˈfɪkstəs ənd ˈfɪkstʃərɪz/ plural noun objects in a property

fixed-deposit agreement /ˈfɪkst ˈdɛpəzɪt əˈɡrɪmenteɪnt/ a deposit which pays a stated interest over a set period

fixed exchange rate /ˈfɪkst ɛkˈsɛns ɛt/ noun a rate of exchange of one currency against another which cannot fluctuate, and can only be changed by devaluation or revaluation

fixed expenses /ˈfɪkst ɪkˈspɛnsəz/ plural noun expenses which do not vary with different levels of production, e.g. rent, staff salaries and insurance

fixed income /ˈfɪkst ˈɪnkwəm/ noun income which does not change from year to year, as from an annuity

fixed-interest /ˈfɪkst ˈɪntrəst/ adjective having an interest rate which does not vary

fixed-interest investments /ˈfɪkst ɪnˈtrəst ɪnˈvestmənts/ plural noun investments producing a level of interest which does not change
flat yield /ˈflæt ˈjϊld/ noun an interest rate as a percentage of the price paid for fixed-interest stock
flex /ˈfleks/ verb to adjust figures in order to reflect changes in circumstances since the original figures were produced ○ flexing a budget
flexibility /ˈfleksəˈbɪlɪtɪ/ noun the ability to be easily changed ○ There is no flexibility in the company’s pricing policy.
...they calculate interest on their ‘flexible’ mortgage on an annual basis rather than daily. Charging annual interest makes a nonsense of the whole idea of flexibility which is supposed to help you pay off your mortgage more quickly [Financial Times]
flexible /ˈfleksəbəl/ adjective possible to alter or change ○ We try to be flexible where the advertising budget is concerned. ○ The company has adopted a flexible pricing policy.
flexible budget /ˈfleksəbəl ˈbʌdət/ noun a budget which changes in response to changes in sales turnover or output
flight of capital /ˈflɪt ɔv ˈkeiptəl/ noun a rapid movement of capital out of one country because of lack of confidence in that country’s economic future
flight to quality /ˈflɪt tu ˈkwɒlɪtI/ noun a tendency of investors to buy safe blue-chip securities when the economic outlook is uncertain
float /fləʊt/ noun 1. cash taken from a central supply and used for running expenses ○ The sales reps have a float of £100 each. 2. the process of starting a new company by selling shares in it on the Stock Exchange ○ The float of the new company was a complete failure. 3. the process of allowing a currency to settle at its own exchange rate, without any government intervention 4. the period between the presentation of a cheque as payment and the actual payment to the payee, or the financial advantage provided by this period to the drawer of a cheque ○ verb to let a currency settle at its own exchange rate on the international markets and not be fixed ○ The government has let sterling float. ○ The government has decided to float the pound.
floating /ˈflɔtɪŋ/ adjective not fixed ○ floating exchange rates ○ the floating pound ○ ...in a world of floating exchange rates the dollar is strong because of capital inflows rather than weak because of the nation’s trade deficit [Duns Business Month]
forecast /fɔrˈkast/ noun a description or calculation of what will probably happen in

floating capital /ˈflɔtɪŋ ˈkeiptəl/ noun the portion of capital invested in current assets, as distinct from that invested in fixed assets or capital assets
floating charge /ˈflɔtɪŋ tʃɑrdʒ/ noun a charge linked to any of the company’s assets in a category, but not to any specific item
floating rate /ˈflɔtɪŋ rɛt/ noun 1, same as variable rate 2, an exchange rate for a currency, which can vary according to market demand, and is not fixed by the government
floating-rate notes /ˈflɔtɪŋ ˈreɪt ˈnəʊts/ plural noun Eurocurrency loans arranged by a bank which are not at a fixed rate of interest. Abbreviation FRNs
floor /flɔːr/ noun the bottom level of something, e.g. the lowest exchange rate which a government will accept for its currency or the lower limit imposed on an interest rate ○ The government will impose a floor on wages to protect the poor.
floor price /flɔːrpriːs/ noun the lowest price, a price which cannot go any lower
floor space /flɔːrspeɪs/ noun an area of floor in an office or warehouse ○ We have 3,500 square metres of floor space to let.
flot /flɔt/ noun a failure, or something which has not been successful ○ The new model was a flop.
flow chart /ˈflɔʊ tʃɑrt/ noun a chart which shows the arrangement of work processes in a series
flow diagram /ˈflɔʊdiəˈɡreɪm/ noun a chart which shows the arrangement of work processes in a series
fluctuate /ˈflʌktjueɪt/ verb to move up and down ○ Prices fluctuated between £1.10 and £1.25. ○ The pound fluctuated all day on the foreign exchange markets.
fluctuation /ˈflʌktʃuəʃən/ noun an up and down movement ○ the fluctuations of the yen ○ the fluctuations of the exchange rate
FOB, f.o.b. abbreviation free on board
follis /ˈfɔliəs/ noun a page with a number, especially two facing pages in an account book which have the same number ○ verb to put a number on a page
forced sale /ˈfɔrdzdəs/ noun a sale which takes place because a court orders it or because it is the only way to avoid a financial crisis
force majeure /fɔːs maˈʒɔːr/ noun something which happens which is out of the control of the parties who have signed a contract, e.g. a strike, war, or storm
forecast /ˈfɔrˌkast/ noun a description or calculation of what will probably happen in
forecast dividend 100

the future ○ The chairman did not believe the sales director’s forecast of higher turnover.

forecast dividend /fɔrzˈkɑːst ˈdvɪndən/ noun a dividend which a company expects to pay at the end of the current year. Also called prospective dividend

forecaster /ˈfɔkəstər/ noun a person who says what he or she thinks will happen in the future

forecasting /fɔrkɑːstɪŋ/ noun the process of calculating what will probably happen in the future ○ Manpower planning will depend on forecasting the future levels of production.

foreclose /fɔrˈkləʊz/ verb to sell a property because the owner cannot repay money which he or she has borrowed, using the property as security ○ to foreclose on a mortgaged property

foreclosure /fɔrˈklɔʊʒər/ noun an act of foreclosing

foreign banks /fərˈten bæŋks/ plural noun banks from other countries which have branches in a country

foreign branch /fərˈten bræntʃ/ noun a branch of a company in another country. The accounts of foreign branches may cause problems because of varying exchange rates.

foreign company /fərˈten kəmənpi/ noun a company that is registered in a foreign country

foreign currency /fərˈten kərənsi/ noun money of another country

foreign currency account /fərˈten kərənsi əˈkaʊnt/ noun a bank account in the currency of another country, e.g. a dollar account in a UK bank

foreign currency reserves /fərˈten kərənsi ˈriːzɜːrvz/ plural noun foreign money held by a government to support its own currency and pay its debts. Also called foreign exchange reserves, international reserves ○ ...the treasury says it needs the cash to rebuild its foreign reserves which have fallen from $19 billion when the government took office to $7 billion in August’ [Economist]

foreign earnings /fərˈten əˈnɛrɪŋz/ plural noun earnings received from employment in a foreign country

foreign entity /fərˈten ˈɛntəti/ noun a person or incorporated company based in a foreign country

foreign exchange /fərˈten ɪksˈtʃeindʒər/ noun 1. the business of exchanging the money of one country for that of another 2. foreign currencies ○ ‘...the dollar recovered a little lost ground on the foreign exchanges yesterday’ [Financial Times]

foreign exchange broker /fərˈten ɪksˈtʃeindʒər ˈbrəʊkər/ noun a person who deals on the foreign exchange market

foreign exchange dealing /fərˈten ɪksˈtʃeindʒər ˈdiːlɪŋ/ noun the business of buying and selling foreign currencies

foreign exchange market /fərˈten ɪksˈtʃeindʒər ˈmɑːkt/ noun 1. a market where people buy and sell foreign currencies ○ She trades on the foreign exchange market. 2. dealings in foreign currencies ○ Foreign exchange markets were very active after the dollar devalued.

foreign exchange reserves /fərˈten ɪksˈtʃeindʒər ˈriːzɜːrvz/ plural noun same as foreign currency reserves

foreign exchange transfer /fərˈten ɪksˈtʃeindʒər ˈtrænsfɜːr/ noun the sending of money from one country to another

foreign income /fərˈten ˈɪnkəm/ noun income derived from sources in a foreign country

foreign investments /fərˈten ɪnˈvestmənts/ plural noun money invested in other countries

foreign money order /fərˈten ˈməʊni ˈɔrdr/ noun a money order in a foreign currency which is payable to someone living in a foreign country

foreign tax credit /fərˈten ˈteks ˈkredɪt/ noun a tax advantage that applies in the case of taxes paid to or in another country

foreign trade /fərˈten ˈtrɛd/ noun a trade with other countries

forensic /fɔrˈɛnsɪk/ adjective referring to the courts or to the law in general

forensic accounting /fɔrˈɛnsɪk əˈkɔntəniŋ/ noun the scrutiny of an entity’s past financial activities in order to discover whether illegal practices have been used at any time

forensic partner /fɔrˈɛnsɪk ˈpɑrtnər/ noun a partner in an accountancy firm who deals with litigation

foreseeable loss /fɔrˈsɪbəbl ˈlɒs/ noun a loss which is expected to occur during a long-term contract

forfaiting /fɔrˈfætɪŋ/ noun the action of providing finance for exporters, where an agent or forfaiter accepts a bill of exchange
from an overseas customer; he or she buys the full at a discount, and collects the payments from the customer in due course

forfeit /'fɔːfɪt/ verb to have something taken away as a punishment to forfeit shares to be forced to give back shares if money called up is not paid on time

forfeit clause /'fɔːfɪt klaʊz/ noun a clause in a contract which says that goods or a deposit will be taken away if the contract is not obeyed

forfeiture /'fɔːftʃər/ noun the act of forfeiting a property

disclosure /dɪskləˈzɪər/ noun 1. disclosure of words correctly laid out for a legal document 2. an official printed paper with blank spaces which have to be filled in with information a pad of order forms you have to fill in form A20. Each passenger was given a customs declaration form. A pad of order forms

formality /fɔːˈmæltɪ/ noun something which has to be done to obey the law

form letter /fɔːm ,letər/ noun a letter which can be sent without any change to several correspondents, e.g. a letter chasing payment

forward /'fɔːwərd/ adjective in advance or to be paid at a later date

forward accounting /'fɔːwərd ,kəʊntərɪŋ/ noun the practice of using accounting procedures to forecast a business’s future performance

forwardation /'fɔːwərdətʃən/ noun a situation in which the cash price is lower than the forward price (NOTE: The opposite is backwardation.)

forward contract /'fɔːwərd kəntrəkt/ noun an arrangement to buy currency, shares or commodities for delivery at a later date at a specific price

forward cover /'fɔːwərd kəvər/ noun an arrangement to cover the risks on a forward contract

forward delivery /'fɔːwərd dɪliˈvəri/ noun a delivery at some date in the future which has been agreed between the buyer and seller

forward exchange rate /fɔːwərd iːkˈsɛns ər/ noun a rate for purchase of foreign currency at a fixed price for delivery at a later date. Also called forward rate

forward financial statement /fɔːwərd fəˈnɪnəl sˈtɛmtmənt/ noun an estimate of a company’s future financial position

forwarding /fɔːwərdɪŋ/ noun 1. a person or company which arranges shipping and customs documents

forward accounting /fɔːwərd əˈkəʊntɪŋ/ noun forward accounting is the activity of buying or selling commodities for delivery at a later date

founder /fəʊndər/ noun a person who starts a company

401(k) plan /ˈfɔː.əʊ ˈweɪn kəˈpi plən/ noun US a personal pension plan arranged by an employer for a member of staff, invested in bonds, mutual funds or stock (the employee contributes a proportion of salary, on which tax is deferred; the employer can also make contributions)

fraction /ˈfrækʃən/ noun a very small amount. Only a fraction of the new share issue was subscribed.
fractional

fractional 

fractional certificate 

frac 

franc noun 1. a former unit of currency in France and Belgium ○ French francs or Belgian francs 2. a unit of currency in Switzerland and several other currencies ○ It costs twenty-five Swiss francs.

franchise noun 1. a licence to trade using a brand name and paying a royalty for it ○ He’s bought a printing franchise or a pizza franchise. ■ verb to sell licences for people to trade using a brand name and paying a royalty ○ His sandwich bar was so successful that he decided to franchise it.

‘…many new types of franchised businesses will join the ranks of the giant chains of fast-food restaurants, hotels and motels and rental car agencies’ [Franchising Opportunities]

franchising noun 1. the act of selling a licence to trade as a franchise ○ She runs her sandwich chain as a franchising operation.

franco noun 1. free

franked adjective on which tax has already been paid

fraud noun 1. the act of making money by making people believe something which is not true ○ He got possession of the property by fraud. ○ She was accused of frauds relating to foreign currency.

fraudulent adjective not honest, or aiming to cheat people ○ a fraudulent transaction

fraudulently adverb not honestly ○ goods imported fraudulently

fraudulent misrepresentation noun 1. the act of making a false statement with the intention of tricking a customer

fraudulent trading noun the process of carrying on the business of a company, knowing that the company is insolvent

FRB abbreviation 1. Federal Reserve Bank 2. Federal Reserve Board

free adjective, adverb 1. not costing any money ○ I have been given a free ticket to the exhibition. ○ The price includes free delivery. ○ All goods in the store are delivered free. ○ A catalogue will be sent free on request. 2. with no restrictions ○ free of tax with no tax having to be paid ○ Interest is paid free of tax. ○ free of duty with no duty to be paid ○ to import wine free of duty ■ verb to make something available or easy ○ The government’s decision has freed millions of pounds for investment.

‘American business as a whole is increasingly free from heavy dependence on manufacturing’ [Sunday Times]

free cash flow noun the level of cash flow after the deduction of interest payments, tax payments, dividends and ongoing capital expenditure

free competition noun 1. the fact of being free to compete without government interference

free currency noun a currency which is allowed by the government to be bought and sold without restriction

free enterprise noun a system of business free from government interference

freeholder noun a person who owns a freehold property

freehold property noun property which the owner holds for ever and on which no rent is paid

free issue noun same as bonus issue

free market noun a market in which there is no government control of supply and demand, and the rights of individuals and organisations to physical and intellectual property are upheld

free market economy noun an economic system where the government does not interfere in business activity in any way

free on board adverb 1. including in the price all the seller’s costs until the goods are on the ship for transportation. Abbreviation f.o.b. 2. including in the price all the seller’s costs until the goods are delivered to a place

free reserves plural noun the part of a bank’s reserves which are above the statutory level and so can be used for various purposes as the bank wishes

free-standing additional voluntary contribution noun a payment made by an individual into an independent pension fund to supplement an occupational pension scheme. The anticipated benefits from the two schemes together must be less than the maximum
fringe benefit /frɪndʒ, bɛndɪt/ noun an extra item given by a company to employees in addition to a salary, e.g. company cars or private health insurance. The fringe benefits make up for the poor pay.

FRNs abbreviation floating-rate notes

front /frʌnt/ noun money up front payment in advance. They are asking for £10,000 up front before they will consider the deal. He had to put money up front before he could clinch the deal.

front-end /frʌnt 'end/ adjective referring to the start of an investment or insurance front-end loaded /frʌnt end 'ləʊdɪd/ adjective used to describe an insurance or investment scheme in which most of the management charges are incurred in the first year of the investment or insurance, and are not spread out over the whole period. Compare back-end loaded

front-end loading /frʌnt end 'ləʊdɪŋ/ noun the practice of deducting commission and administrative costs relating to an investment or insurance plan from the early payments the customer makes

frozen /'frəʊzən/ adjective not allowed to be changed or used. Wages have been frozen at last year’s rates.

frozen account /'frəʊzən əˈkaʊnt/ noun a bank account where the money cannot be moved or used because of a court order

frozen assets /'frəʊzən əˈsetz plural noun a company’s assets which by law cannot be sold because someone has a claim against them

frozen credits /'frəʊzən ə'kredɪts plural noun credits in an account which cannot be moved

FRPP abbreviation Financial Reporting Review Panel

FRSs abbreviation Financial Reporting Standards

frustrate /frəstrət/ verb to prevent something, especially the terms of a contract, being fulfilled

FSA abbreviation Financial Services Authority

FSAVC abbreviation free-standing additional voluntary contribution

FT abbreviation Financial Times

FTASI abbreviation FTSE Actuaries Share Indices

FTSE 100 /'fʌtsi ˌwʌn 'hændrəd/ noun an index based on the prices of one hundred leading companies (this is the main London index)

...the benchmark FTSE 100 index ended the session up 94.3 points. [Times]

FTSE Actuaries Share Indices /'fʌtsi ˌeuktjoʊərɪz 'jeɪəəˌdɪzɪz plural noun several indices based on prices on the London Stock Exchange, which are calculated by and published in the Financial Times in conjunction with the Actuaries Investment Research Committee. Abbreviation FTASI.

FRRP abbreviation Financial Reporting Review Panel

full /fʊl/ adjective 1. with as much inside it as possible. The train was full of commuters. 2. Is the container full yet? We sent a lorry full of spare parts to our warehouse.

When the disk is full, don’t forget to make a backup copy. 2. complete, including everything

...a tax-free lump sum can be taken partly in lieu of a full pension' [Investors Chronicle]
full cost recovery

full cost recovery /ˌfʊlˈkɒst rɪˈkɑːvəri/ noun the practice by which organisations such as charities seek enough funding to cover all their costs, including overheads. Abbreviation FCR

full cover /ˌfʊlˈkɑːvər/ noun insurance cover against a wide range of risks

full employment /ˌfʊl ɪˈmplɔɪmənt/ noun a situation where all the people who can work have jobs

full price /ˌfʊl ˈprɑːs/ noun a price with no discount ○ She bought a full-price ticket.

full production costs /ˌfʊl prəˈdʌskɪzn/ plural noun all the costs of manufacturing a product, including both fixed and variable costs.

full rate /ˌfʊl ˈreɪt/ noun the standard charge for a service, with no special discounts applied

full repairing lease /ˌfʊl ˈriːpərɪŋ ˈlɪstiz/ noun a lease where the tenant has to pay for all repairs to the property

full-service banking /ˌfʊl ˌsɛrvɪs ˈbæŋkɪŋ/ noun banking that offers a whole range of services including mortgages, loans, pensions, etc.

full-time /ˌfʊl tɜːm/ adjective, adverb working all the usual working time, i.e. about eight hours a day, five days a week ○ She’s in full-time work or She works full-time or She’s in full-time employment. ○ He is one of our full-time staff.

fully diluted earnings per share /ˌfʊli ˈdʌlitid ˈɛnərzbɪ ˈpɜːersh/ noun earnings per share calculated over the whole number of shares assuming that convertible shares have been converted to ordinary shares.

fully paid-up capital /ˌfɔli ˈpɛd up ˈkæpɪtəl/ noun all money paid for the issued capital shares

function /ˈfʌŋkʃən/ noun a mathematical formula, where a result is dependent upon several other numbers

functional accounting /ˈfʌŋkʃənəl əˈkɑːntɪŋ/ noun a form of accounting that classifies accountancy items according to the function they perform in an organisation

functional budget /ˈfʌŋkʃənl ˈbɪdʒɪt/ noun a budget relating to a specific function such as marketing or personnel

functional reporting of expenses /ˈfʌŋkʃənl ˈrɪpɔːrtɪŋ əv ɪkˈspensɪz/ noun the element of functional accounting that deals with expenses

function cost /ˈfʌŋkʃən ˈkɒst/ noun the category of item for which costs are incurred

fund /fʌnd/ noun 1. money set aside for a special purpose 2. money invested in an investment trust as part of a unit trust, or given to a financial adviser to invest on behalf of a client. ○ funds n verb to provide money for a purpose ○ The company does not have enough resources to fund its expansion programme.

fund accounting /fʌnd əˈkɑːntɪŋ/ noun the preparation of financial statements for an entity such as a non-profit-making organisation, in order to show how money has been spent rather than how much profit has been made

fundamental analysis /ˈfʌndəmənt(ə)l əˈneɪləsɪs/ noun an assessment of how the external and internal influences on a company’s activities should affect investment decisions

fundamental assumptions /ˈfʌndəmənt(ə)l əˈsemp(ə)zənz/ plural noun the basic assumptions on which the preparation of accounts depends (NOTE: These assumptions are that the company is a going concern, that the principles on which the accounts are prepared do not change from year to year, that revenues and costs are accrued (i.e., they are written into the accounts when they occur, not when they are received or paid).)

fundamental issues /ˈfʌndəmənt(ə)l əˈjaːts/ noun basic realities of a stock market or of a company, e.g. its assets, profitability and dividends

fundamental research /ˈfʌndəmənt(ə)l ɪˈriːsərʃ/ noun an examination of the basic factors which affect a market

fundamentals /ˈfʌndəmənt(ə)lzə ˈplɔːriz/ plural noun the basic realities of a stock market or of a company, e.g. its assets, profitability and dividends

funded /ˈfʌndid/ adjective backed by long-term loans ○ long-term funded capital

funded scheme /ˈfʌndid ˈskɪm/ noun a pension scheme where money is invested in securities to create a fund from which the pension is later paid

funding /ˈfʌndɪŋ/ noun 1. money for spending ○ The bank is providing the funding for the new product launch. 2. the act of changing a short-term debt into a long-term
loan ○ The capital expenditure programme requires long-term funding.

fund management /ˈfʌndˌmænɪdʒmənt/ noun the business of dealing with the investment of sums of money on behalf of clients

funds /fʌndz/ plural noun 1. money which is available for spending ○ The company has no funds to pay for the research programme.

non-sufficient funds ○ to convert funds to your own use ○ to use someone else’s money for yourself

Funds ○ small innovative companies have been hampered for lack of funds’ [Sunday Times]

…the company was set up with funds totalling NorKr 145m’ [Lloyd’s List]

funds flow /ˈfʌndz flɔː/ noun ○ budgeted funds flow statement a plan of anticipated incoming funds and the use to which they will be put ○ funds flow method of budgeting preparing a budget of funds flow, as opposed to a budget of expenditure ○ funds flow statement a statement which shows the amount of funds (cash and working capital) which have come into a business during the last financial period, the sources of these funds, and the use made of the funds (see FRS1, formerly SSAP10)

fungibility /ˈfʌndʒəbɪlɪti/ noun a measure of how easily an asset can be exchanged for something similar

fungible /ˈfʌndʒəbl/ adjective referring to a security which can be exchanged for another of the same type

funny money /ˈfʌniˌmʌni/ noun an unusual type of financial instrument created by a company

future delivery /ˈfjuːtʃəri dlɪv(ə)rɪ/ noun delivery at a later date

futures /ˈfjuːtʃəz/ plural noun shares, currency or commodities that are bought or sold for now for delivery at a later date ○ Gold rose 5% on the commodity futures market yesterday.

‘…cocoa futures plummeted in November to their lowest levels in seven years’ [Business in Africa]

futures contract /ˈfjuːtʃəs kəntrəkts/ noun a contract for the purchase of commodities for delivery at a date in the future

futures exchange /ˈfjuːtʃəz ɪks/ noun a commodity market which only deals in futures

future value /ˈfjuːtʃər vəljuː/ noun the value to which a sum of money will increase if invested for a certain period of time at some rate of interest. Abbreviation FV

FV abbreviation future value

FYA abbreviation first year allowance
GAAP abbreviation Generally Accepted Accounting Principles
gain /ɡeɪn/ noun 1. an increase, or the act of becoming larger or an increase in profit, price, or value 2. Oil shares showed gains on the Stock Exchange. 3. Property shares put on gains of 10%-15%. 4. money made by a company which is not from the company’s usual trading. Verb 1. to get or to obtain. She gained some useful experience working in a bank. 2. to gain control of a business to buy more than 50% of the shares so that you can direct the business. 3. to produce more money than the interest paid.
general audit /ˈdʒenərəl ˈɔːdɪt/ noun the process of examining all the books and accounts of a company.
general average /ˈdʒenərəl ˈeɪvərij/ noun a process by which the cost of lost goods is shared by all parties to an insurance policy, such as in cases where some goods have been lost in an attempt to save the rest of the cargo.
general balance sheet /ˈdʒenərəl ˈbælsəʃiːt/ noun the standard form of balance sheet used by non-commercial organisations such as charities and government departments.
General Commissioners /ˈdʒenərəl ˈkɒmɪʃənərz/ plural noun a body of unpaid individuals appointed by the Lord Chancellor in England, Wales and Northern Ireland, and the Secretary of State for Scotland in Scotland, to hear appeals on tax matters.
general damages /ˈdʒenərəl ˈdeɪmədʒɪz/ plural noun damages awarded by court to compensate for a loss which cannot be calculated, such as an injury.
general expenses /ˈdʒenərəl ɛksˈpɛnsɪz/ plural noun minor expenses of various kinds incurred in the running of a business.
general fund /ˈdʒenərəl ˈfʌnd/ noun a unit trust with investments in a variety of stocks.
general insurance /ˈdʒenərəl ɪnˈʃərəns/ noun insurance relating to various potential losses, e.g. theft or damage, but excluding life insurance.
general ledger /ˈdʒenərəl ˈlɛdʒər/ noun a book which records a company’s income and expenditure in general.
general lien /ˈdʒenərəl ˈlɪzn/ noun 1. a right to hold goods or property until a debt has been paid. 2. a lien against the personal possessions of a borrower, but not against his or her house or land. 

banker’s lien
Generally Accepted Accounting Principles (GAAP) are the guidelines that are designed to inform the work of auditors and set out the auditor’s responsibilities.

general manager noun a manager in charge of the administration of a company

general meeting noun a meeting of all the shareholders of a company or of all the members of a society

general partner noun a partner in a business whose responsibility for its debts is not limited and, therefore, whose personal assets may be at risk if the company’s assets are not sufficient to discharge its debts

general partnership noun the relationship of a general partner to his or her company

general undertaking noun an undertaking signed by the directors of a company applying for a Stock Exchange listing, promising to work by the directors of a company applying for a Stock Exchange listing, promising to work for a period of five years, and to offer to work for a period of five years, and to offer to make the company a going concern.

gift aid noun payment above some limit made to a registered charity, meaning that the charity is able to reclaim the basic rate tax which you have paid on the gift.

gift inter vivos noun a gift given to another living person. Abbreviation GIV

gift tax noun a tax on gifts. Only gifts between husband and wife are exempt.

gilt-edged adjective used to describe an investment which is very safe

gilt-edged securities plural noun investments in British government stock.

golden handcuffs noun a contractual arrangement to make sure that a valued employee of a company is not able to leave the company and start a new business, or to work for a competitor, without paying a penalty.

golden handshake noun generous monetary compensation if his or her job is lost as a result of a merger or acquisition.

golden parachute agreement noun a contract that gives a senior manager very generous monetary compensation if his or her job is lost as a result of a merger or acquisition.

golden share noun a share in a privatised company which is retained by the government and carries special privileges such as the right to veto foreign takeover bids.

goldmine noun a mine which produces gold.

gold point noun an amount by which a currency which is linked to gold can vary in price.

gold reserves plural noun the country’s store of gold kept to pay international debts.
goods /gʊdz/ plural noun items which can be moved and are for sale goods received goods which have been sent by a seller and received by a purchaser during an accounting period goods received note an internal note within a company which shows the date when goods were received, by whom and in what quantities

...profit margins are lower in the industries most exposed to foreign competition – machinery, transportation equipment and electrical goods’ [Sunday Times]

...the minister wants people buying goods ranging from washing machines to houses to demand facts on energy costs’ [Times]

goods and chattels /gʊdz ənd ˈʃætəlz/ plural noun movable personal possessions

Goods and Services Tax /ˈɡɔːdz ənd ˈsezvənz ˈtæks/ noun a Canadian tax on the sale of goods or the provision of services, similar to VAT. Abbreviation GST
goodwill /'ɡʊdˌwɪl/ noun the good reputation of a business, which can be calculated as part of a company’s asset value, though separate from its tangible asset value. [He paid £10,000 for the goodwill of the shop and £4,000 for the stock. (Note: The goodwill can include the trading reputation, the patents, the trade names used, the value of a ‘good site’, etc., and is very difficult to establish accurately.)
go private /ˈɡɔːv ˈprɒvət/ verb to become a private company again, by concentrating all its shares in the hands of one or a few shareholders and removing its stock exchange listing
go public /ˈɡɔːv ˈpʌblɪk/ phrasal verb to become a public company by placing some of its shares for sale on the stock market so that anyone can buy them
govern /ˈɡɔːvən/ verb to rule a country. The country is governed by a group of military leaders.
governance /ˈɡɔːvənəns/ noun the process of managing a company, especially with respect to the soundness or otherwise of its management

...the chairman has committed the cardinal sin in corporate governance – he acted against the wishes and interests of the shareholders’ [Investors Chronicle]

...in two significant decisions, the Securities and Exchange Board of India today allowed trading of shares through the Internet and set a deadline for companies to conform to norms for good corporate governance’ [The Hindu]

Government Accountancy Service /ˈɡɔːvəmənt ˈɛkˌkwɪntənənt ˈsɛvəns/ noun part of HM Treasury, a service whose remit is to ensure that best accounting practice is observed and conducted across the whole of the Civil Service. Abbreviation GAS

governmental /ˈɡɔːvəmənt(ə)l/ adjective referring to a government
government-backed /ˈɡɔːvəmənt(ə)ˈbæktd/ adjective backed by the government
government bonds /ˈɡɔːvəmənt bɔnds/ plural noun bonds or other securities issued by the government on a regular basis as a method of borrowing money for government expenditure
government contractor /ˈɡɔːvəmənt ˈkɒntraktər/ noun a company which supplies the government with goods by contract
government-controlled /ˈɡɔːvəmənt ˈkɒntrəld/ adjective under the direct control of the government

Advertisements cannot be placed in the government-controlled newspapers.
government economic indicators /ˈɡɔːvəmənt ɪˌkɪənənm ˈɪndɪkətəriz/ plural noun statistics which show how the country’s economy is going to perform in the short or long term
government grant /ˈɡɔːvəmənt ˈɡrænt/ noun a grant of money or assets given by a central government, a local government or a government agency. The laboratory has a government grant to cover the cost of the development programme
government loan /ˈɡɔːvəmənt ˈlaʊn/ noun money lent by the government
government-regulated /ˈɡɔːvəmənt ˌrɛɡjʊleɪtɪd/ adjective of which the affairs are subject to government regulation
government sector /ˈɡɔːvəmənt ˈsɛktər/ noun same as public sector
government securities /ˈɡɔːvəmənt ˈsɜːkjuərətiz/ plural noun same as government bonds
government-sponsored /ˈɡɔːvəmənt ˈspɔnzd/ adjective encouraged by the government and backed by government money. She is working in a government-sponsored scheme to help small businesses.
government stock /ˈɡɔːvəmənt ˈstɒk/ noun same as government bonds
government support /ˈɡɔːvəmənt ˈsəpərt/ noun a financial help given by the government. The aircraft industry relies on government support.
governor /ˈgʌvənər/ noun 1. a person in charge of an important institution 2. US one of the members of the Federal Reserve Board

grace /ɡreɪs/ noun a favour shown by granting a delay ○ to give a creditor a period of grace or two weeks’ grace

graduate /ɡrədʒuət/ noun a person who has obtained a degree

graduated /ˈɡrædʒʊətd/ adjective changing in small regular stages

graduated income tax /ˈɡrædʒʊətd/ ‘inkam tax’ noun a tax which rises in steps, with those having the highest income paying the highest percentage of tax

graduated pension scheme /ˈɡrædʒʊətd/ ‘penʃən skəm’ noun a pension scheme where the benefit is calculated as a percentage of the salary of each person in the scheme

graduated taxation /ˈɡrædʒʊətd/ tæk ‘ʃəfəl’ noun same as progressive taxation

grand /ɡrænd/ noun one thousand pounds or dollars (informal) ○ They offered him fifty grand for the information. ○ She’s earning fifty grand plus car and expenses.

grand total /ˈɡrænd/ ‘təutəl/ noun the final total made by adding several subtotals

grant /ɡrænt/ noun money given by the government to help pay for something ○ The laboratory has a government grant to cover the cost of the development programme. ○ The government has allocated grants towards the costs of the scheme. ■ verb to agree to give someone something ○ to grant someone a loan or a subsidy ○ to grant someone three weeks’ leave of absence ○ The local authority granted the company an interest-free loan to start up the new factory.

‘…the budget grants a tax exemption for $500,000 in capital gains’ [Toronto Star]

grantor /ˈɡræntər/ noun a person who grants a property to another

graph /ɡrɑːf/ noun a diagram which shows the relationship between two sets of quantities or values, each of which is represented on an axis ○ A graph was used to show salary increases in relation to increases in output. ○ According to the graph, as average salaries have risen so has absenteeism.

gratis /ˈɡrætɪs/ adverb free or not costing anything ○ We got into the exhibition gratis.

greenback /ˈɡrɛnbaɪk/ noun US a dollar bill (informal)

government /ˌɡrɛvəmənt/ noun the practice of making a profit by buying a large number of shares in a company, threatening to take the company over, and then selling the shares back to the company at a higher price ○ ‘…he proposes that there should be a limit on greenmail, perhaps permitting payment of a 20% premium on a maximum of 8% of the stock.’ [Duns Business Month]

Green Paper /ˈɡrɛn/ ‘peɪpər noun a report from the British government on proposals for a new law to be discussed in Parliament. Compare White Paper

green pound /ˈɡrɛn/ ‘pʌnd/ noun a value for the British pound used in calculating agricultural prices and subsidies in the EU

green report /ˈɡrɛn/ ‘rəpɔːt/ noun a part of a company’s annual report dealing with ecological matters

green market /ˈɡrɛn/ ‘marəkt/ noun an unofficial market run by dealers, where new issues of shares are bought and sold before they officially become available for trading on the Stock Exchange even before the share allocations are known

gross /ɡrɔːs/ noun twelve dozen (144) ○ He ordered four gross of pens. (NOTE: no plural) ■ adjective total, with no deductions ■ adverb with no deductions ○ My salary is paid gross.

‘…car wool receipts for the selling season to end June appear likely to top $2 billion’ [Australian Financial Review]

gross domestic product /ˈɡrɔːs ˈdəʊməstɪk/ ‘prədəkt/ noun the annual value of goods sold and services paid for inside a country. Abbreviations GDP

gross earnings /ˈɡrɔːs ‘ɛinzərŋz/ plural noun total earnings before tax and other deductions

gross income /ˈɡrɔːs ˈɪŋkəm/ noun a salary before tax is deducted
gross interest /ˈgrɔːs ˈɪntərst/ noun the interest earned on a deposit or security before the deduction of tax. ∅ net interest
gross margin /ˈgrɔːs ˈmærʤən/ noun the percentage difference between the received price and the unit manufacturing cost or purchase price of goods for resale. Abbreviation GM
gross margin pricing /ˈgrɔːs ˈmærʤən ˈpraɪsɪŋ/ noun pricing that takes into account the total production costs of a product
gross margin ratio /ˈgrɔːs ˈmærʤən ˈrɪʃərɪəʊ/ noun same as gross profit margin
gross national product /ˈgrɔːs ˈnæʃənl ˈprɒdʌkt/ noun the annual value of goods and services in a country including income from other countries. Abbreviation GNP
gross profit /ˈgrɔːs ˈprɒfɪt/ noun a profit calculated as sales income less the cost of the goods sold, i.e. without deducting any other expenses
gross profit analysis /ˈgrɔːs ˈprɒfɪt əˈnæləsɪs/ noun analysis of the discrepancy between actual profit and budgeted profit or previous year’s profit
gross profit margin /ˈgrɔːs ˈprɒfɪt ˈmærʤən/ noun the percentage of each pound of income from sales that remains after goods sold have been paid for by the producer or retailer
gross profit method /ˈgrɔːs ˈprɒfɪt ˈmɛθəd/ noun a method of estimating inventory at the point of preparing an interim report
gross receipts /ˈgrɔːs ˈrɛsɪts/ plural noun the total amount of money received before expenses are deducted
gross salary /ˈgrɔːs ˈsælərɪ/ noun same as gross income
gross sales /ˈgrɔːs ˈsɛlz/ plural noun money received from sales before deductions for goods returned, special discounts, etc. ∅ Gross sales are impressive since many buyers seem to be ordering more than they will eventually need
gross turnover /ˈgrɔːs ˈtɜːrnəvə/ noun the total turnover including VAT and discounts
gross yield /ˈgrɔːs ˈjɪld/ noun a profit from investments before tax is deducted
ground landlord /ˈɡraʊnd ˈlandlərd/ noun a person or company that owns the freehold of a property which is then let and sublet ∅ Our ground landlord is an insurance company.
ground rent /ˈɡraʊnd ˈrent/ noun a rent paid by the main tenant to the ground landlord
group /ɡrʊp/ noun 1. several things or people together ∅ A group of managers has sent a memo to the chairman complaining about noise in the office. ∅ The respondents were interviewed in groups of three or four, and then singly. 2. several companies linked together in the same organisation ∅ the group chairman or the chairman of the group ∅ group turnover or turnover for the group ∅ the Granada Group
group accounts /ˈɡrʊp əˈkəʊntz/ plural noun accounts for a holding company and its subsidiaries
group balance sheet /ˈɡrʊp ˈbæləns ʃiːt/ noun same as consolidated balance sheet
group depreciation /ˈɡrʊp diˈprɪfɪ ˈteɪʃən/ noun a way of calculating depreciation for multiple assets that are similar in nature and have a similar useful life
group financial statement /ˈɡrʊp ˈfi-nərɪ ˈstɛtmtnt/ noun same as consolidated financial statement
group results /ˈɡrʊp ˈrɪzəltz/ plural noun the end-of-year financial statements and accounts of a group of companies
growth /ɡrʊθ/ noun the fact of becoming larger or increasing ‘…a general price freeze succeeded in slowing the growth in consumer prices’ [Financial Times]

growth index /ˈɡrʊθ ɪndəks/ noun an index showing the growth in a company’s revenues, earnings, dividends or other figures
growth prospects /ˈɡrʊθ ˈprɔspektz/ plural noun potential for growth in a share
growth rate /ˈɡrʊθ ˈrɛt/ noun the speed at which something grows

…because the GST is applied only to fees for brokerage and appraisal services, the new tax does not appreciably increase the price of a resale home’ [Toronto Globe & Mail]
guarantee /ˌɡærənti/ noun 1. a legal document in which the producer agrees to compensate the buyer if the product is faulty or becomes faulty before a specific date after
guarantor  

purchase  ○ a certificate of guarantee or a guarantee certificate ○ The guarantee lasts for two years. ○ It is sold with a twelve-month guarantee. 2. a promise that someone will pay another person’s debts ○ company limited by guarantee company where each member stated in the memorandum of association how much money he will contribute to the company if it becomes insolvent (as opposed to a company limited by shares) 3. something given as a security ○ to leave share certificates as a guarantee ■ verb to give a promise that something will happen

guaranteed bond  /ˌɡærəntid ,bɔnd/ noun in the United States, a bond or stock on which the principal and interest are guaranteed by a company that is not the issuing company

guaranteed wage  /ˌɡærəntid ˈwerdʒ/ noun a wage which a company promises will not fall below a specific figure

guarantor  /ˌɡærəntɔr/ noun a person who promises to pay another person’s debts if he or she should fail to ○ She stood guarantor for her brother.
half-year /ˈhɑːfl-ˈjaːr/ noun six months of an accounting period
half-yearly /ˈhɑːfl-ˈjɛri/ adjective happening every six months, or referring to a period of six months ○ half-yearly accounts ○ half-yearly payment ○ half-yearly statement ○ a half-yearly meeting ▶ adverb every six months ○ We pay the account half-yearly.

handling charge /ˈhændlɪŋ ˈʃærdʒ/ noun money to be paid for packing, invoicing and dealing with goods which are being shipped

hard cash /ˈhɑrd ˈkæʃ/ noun money in notes and coins, as opposed to cheques or credit cards

hard currency /ˈhɑrd ˈkærənsi/ noun the currency of a country which has a strong economy, and which can be changed into other currencies easily ○ to pay for imports in hard currency ○ to sell raw materials to earn hard currency Also called scarce currency

hardening /ˈhɑrd(ə)nɪŋ/ adjective (of a market) slowly moving upwards

hard landing /ˈhɑrd ˈlændɪŋ/ noun a change in economic strategy to counteract inflation which has serious results for the population such as high unemployment, rising interest rates, etc.

head and shoulders /ˈhed ənd ˈʃəʊldəz/ noun a term used by chartists showing a share price which rises to a peak, then falls slightly, then rises to a much higher peak, then falls sharply and rises to a lower peak before falling again, looking similar to a person’s head and shoulders when shown on a graph

headlease /ˈhɛdlɪs/ noun a lease from the freehold owner to a tenant

headline inflation rate /ˈhedˈlaɪn ɪnˈflɛʃn rɑt/ noun a British inflation figure which includes items such as mortgage interest and local taxes, which are not included in the inflation figures for other countries. Compare underlying inflation rate

head office /ˈhed ˈɒfɪs/ noun an office building where the board of directors works and meets

headquarters /ˈhedˈkwɔːrətəz/ plural noun the main office, where the board of directors meets and works ○ The company’s headquarters are in New York.

heads of agreement /ˈhedz əv ə ˈɡreɪmənts/ plural noun 1. a draft agreement with not all the details complete 2. the most important parts of a commercial agreement

health insurance /ˈhɛlθ ɪnˌʃʊrəns/ noun insurance which pays the cost of treatment for illness, especially when travelling abroad

healthy /ˈheliθi/ adjective a healthy balance sheet a balance sheet which shows a good profit

heavy industry /ˈhevi ˈɪndəstri/ noun an industry which deals in heavy raw materials such as coal or makes large products such as ships or engines

hedge /ˈhedʒ/ noun a protection against a possible loss, which involves taking an action which is the opposite of an action taken earlier; ▶ verb to protect against the risk of a loss ▶ to hedge your bets to make investments in several areas so as to be protected against loss in one of them ▶ to hedge against inflation to buy investments which will rise in value faster than the increase in the rate of inflation

…during the 1970s commercial property was regarded by investors as an alternative to equities, with many of the same inflation-hedge qualities’ [Investors Chronicle]

‘…the move saved it from having to pay its creditors an estimated $270 million owed in connection with hedge contracts which began working against the company when the price of gold rose unexpectedly during September’ [Business in Africa]

hedge fund /ˈhedʒ ˈfʌnd/ noun a partnership open to a small number of rich investors, which invests in equities, currency
futures and derivatives and may produce high returns but carries a very high risk

‘...much of what was described as near hysteria was the hedge funds trying to liquidate bonds to repay bank debts after losing multi-million dollar bets on speculations that the yen would fall against the dollar’ [Times]

‘...hedge funds generally have in common an ability to sell short (that is, sell stocks you do not own), and to increase growth prospects – and risk – by borrowing to enhance the fund’s assets’ [Money Observer]

‘...the stock is a hedge fund – limited by the Securities and Exchange Commission to only wealthy individuals and qualified institutions’ [Smart Money]

hedging /hedʒɪŋ/ noun the act of buying investments at a fixed price for delivery later, so as to protect against possible loss

hereditament /ˌhɛrɪˈdɪment/ noun a property, including land and buildings

hidden asset /ˈhɪdn əˈset/ noun an asset which is valued much less in the company’s accounts than its true market value

hidden economy /ˈhɪdn əˈkɒnəmi/ noun same as black economy

hidden reserves /ˈhɪdn əˈrezvəs/ plural noun 1. reserves which are not easy to identify in the company’s balance sheet. Reserves which are illegally kept hidden are called ‘secret reserves’, 2. illegal reserves which are not declared in the company’s balance sheet

hidden tax /ˈhɪdn ətæk/ noun a tax that is not immediately apparent. For example, while a consumer may be aware of a tax on retail purchases, a tax imposed at the wholesale level, which consequently increases the cost of items to the retailer, will not be apparent.

hierarchy of activities /ˌhɪərəˈræksi/ noun a diagrammatic representation of the relative importance of activities undertaken in the running of a business

high /hæɪ/ adjective large, not low ○ High overhead costs increase the unit price. ○ They are budgeting for a high level of expenditure. ○ High interest rates are crippling small businesses. ■ noun a point where prices or sales are very large ○ Prices have dropped by 10% since the high of January 2nd.

‘American interest rates remain exceptionally high in relation to likely inflation rates’ [Sunday Times]
historical cost depreciation

A method of setting prices for a good or service that is based on prices previously set. Sometimes revised prices may take into account the effects of inflation.

1. The shipment has been held up during the tourist season.
2. The receiver will hold an auction of the company's assets.
3. The new managing director hived off the bottom part of a large company to form a smaller subsidiary.

HM Revenue & Customs: a UK government department which deals with taxes and stores goods in case of need.

HM Treasury: the department is run on a day-to-day basis by the Chancellor of the Exchequer.

HMRC: a group of shares owned by the Chancellor of the Exchequer.

holding company: a company which owns more than 50% of the shares in another company.

subsidiary company: a company which exists only or mainly to own shares in subsidiary companies.

holding cost: the cost of keeping items of stock including warehousing and handling costs, insurance, losses through deterioration, wastage, theft, etc. and the cost of capital used to acquire the stock measured in terms of the interest lost on the money which was spent on purchasing the stock in the first place or the interest paid on the loans which were needed to finance the purchase of the stock.

home banking: a system of banking using a personal computer in your own home to carry out various transactions at any time.

You should hold these shares — they look likely to rise. ‘…as of last night, the bank’s shareholders no longer hold any rights to the bank’s shares’ [South China Morning Post]

hold harmless letter: a letter issued by parties to a business deal to reporting accountants stating that the accountants will not be held responsible for any losses suffered on the deal.

holders of record: the owners of a company's shares.

holders of stock or of shares in a company: the holders of record.

holders of government bonds: bondholders.

holders of government bonds or bondholders: the holders of record.

holders of record of shares in a company: the owners of the company's shares.

HMRC: the UK government department responsible for managing the country's public revenues. The department is run on a day-to-day basis by the Chancellor of the Exchequer.

holding: a group of shares owned by the Chancellor of the Exchequer.

holding company: a company which owns more than 50% of the shares in another company.

subsidiary company: a company which exists only or mainly to own shares in subsidiary companies.
financial transactions such as paying invoices or checking your bank account

**home loan** /ˈhəʊm ˈlɔn/ noun a loan by a bank or building society to help someone buy a house

**home trade** /ˈhəʊm ˈtreid/ noun trade in the country where a company is based

**honorarium** /ˌhɒnərəri/ noun money paid to a professional person such as an accountant or a lawyer when a specific fee has not been requested (NOTE: The plural is *honoraria*.)

**honor** /ˈhɒnər/ adjective not paid a salary for the work done for an organisation ○ He is honorary president of the translators’ association.

**honor secretary** /ˌhɒnər ˈsɛkrərəri/ noun a person who keeps the minutes and official documents of a committee or club, but is not paid a salary

**honor treasurer** /ˌhəʊnər ˈtре̱ʒərər/ noun a treasurer who does not receive any fee

**honour** /ˈhɒnər/ verb to pay something because it is owed and is correct ○ *to honour a bill* (NOTE: The US spelling is *honor.*)

**horizontal integration** /ˈhɔːrɪzənt(ə)l/ noun the process of joining similar companies or taking over a company in the same line of business as yourself

**hostile bid** /ˈhɒstɪl ˈbɪd/ noun same as contested takeover

**hot money** /ˈhɒt ˈmʌni/ noun 1. money which is moved from country to country to get the best returns 2. money that has been obtained by dishonest means. ○ *money laundering*

**hour** /ˈhɔːr/ noun 1. a period of time lasting sixty minutes 2. sixty minutes of work ○ *She earns £14 an hour.* ○ *We pay £16 an hour.*

**house** /həʊs/ noun 1. a company ○ *the largest London finance house.* ○ *a brokerage house.* ○ *a publishing house*

**household goods** /ˌhəʊʃəʊld ˈɡʊdz/ plural noun items which are used in the home

**human capital accounting** /ˌhjuːmən ˈkeɪpɪt(ə)l ˈkeɪntiŋ/ noun an attempt to place a financial value on the knowledge and skills possessed by the employees of an organisation. Also called *human asset accounting, human resource accounting*

**hurdle rate** /ˈhɜːrd(ə)l ˈreɪt/ noun a minimum rate of return needed by a bank to fund a loan, the rate below which a loan is not profitable for the bank

**hybrid** /ˈhɪbrɪd/ noun a combination of financial instruments, e.g., a bond with warrants attached, or a range of cash and derivative instruments designed to mirror the performance of a financial market

**hyperinflation** /ˌhɪpərɪnˈfleɪʃən/ noun inflation which is at such a high percentage rate that it is almost impossible to reduce

**hypothecation** /ˌhæpəθəˈkeɪʃən/ noun an arrangement in which property such as securities is used as collateral for a loan but without transferring legal ownership to the lender, as opposed to a mortgage, where the lender holds the title to the property. ○ *An action of earmarking money derived from specific sources for related expenditure, as when investing taxes from private cars or petrol sales solely on public transport*
idle time in January was

Workers were laid off to avoid excessive idle time.

death of a company is less than the par value

*impossible to move*

The new design has made little impact on the buying public.

impact statement

Workers were laid off to avoid excessive idle time.

impact

*illegal* /ˈɪlɪgəl/ adjective not legal or against the law

illegally /ˈɪlɪgəli/ adverb against the law

He was accused of illegally laundering money.

immoveable /ɪˈmuːvəbəl/ adjective impossible to move

immovable property /ˌɪ,muːvəbəl/propəˈti noun houses and other buildings on land

impact /ɪmˈpækt/ noun a shock or strong effect

impact statement /ˌɪmpæktstəˈment/ noun a written statement outlining the effects of something on an individual or company

impairment of capital /ɪmˌpeəmənt əv ˈkæpɪt(ə)l/ noun the extent to which the value of a company is less than the par value of its shares
The importation of arms is forbidden.

imposition /ɪmˈpəʊz/ noun the act of imposing something

improve /ɪmˈpruːv/ verb to take something away and keep it until a tax is paid

import ban /ɪmˈpɔːt bæn/ noun a government order forbidding imports of a particular kind or from a particular country. The government has imposed an import ban on arms.

import duty /ɪmˈpɔːt ˈdʒuːti/ noun a tax on goods imported into a country

importer /ɪmˈpɔːtə/ noun a person or company that imports goods. The company is a big importer of foreign cars.

import-export /ɪmˈpɔːt ˈɛkspɔːrt/ adjective, noun referring to business which deals with both bringing foreign goods into a country and sending locally made goods abroad. Rotterdam is an important centre for the import-export trade.

import duty /ɪmˈpɔːt ˈdʒuːti/ noun a tax on imports, especially in the EU. The tax on imports of farm produce from outside the EU.

import quota /ɪmˈpɔːt ˈkwɔːtə/ noun a fixed quantity of a particular type of goods which the government allows to be imported. The government has imposed a import quota on cars.

import restrictions /ɪmˈpɔːt ˈrɪstrɪkʃən/ plural noun actions taken by a government to reduce the level of imports by imposing quotas, duties, etc.

import /ɪmˈpɔːt/ verb to bring goods from abroad into a country for sale. The company is a big importer of a cigar.

import system /ɪmˈpɔːt ˈsɪstəm/ noun a system of controlling petty cash, where cash is paid out against a written receipt and the receipt is used to get more cash to bring the float to the original level.

import surcharge /ɪmˈpɔːt sərˈtʃər/ noun the extra duty charged on imported goods, to try to stop them from being imported and to encourage local manufacture.

impose /ɪmˈpəʊz/ verb to give orders for something regarded as unpleasant or unwanted, such as a tax or a ban. They tried to impose a ban on smoking.

imposition /ɪmˈpəʊzʃən/ noun the act of imposing something

impound /ɪmˈpaʊnd/ verb to take something away and keep it until a tax is paid

impress account /ɪmˈprɛs əˈkaʊnt/ noun a UK term for a record of the transactions of a type of petty cash system. An employee is given an advance of money, an imprest, for incidental expenses and when most of it has been spent, he or she presents receipts for the expenses to the accounts department and is then reimbursed with cash to bring the float to the original level.

improved offer /ɪmˈpruːv əˈofiər/ noun an offer which is larger or has better terms than the previous offer

imputation system /ɪmˈpjuːʃən ˈsɪstəm/ noun a former system of taxation of dividends, where the company paid Advance Corporation Tax on the dividends it paid to its shareholders, and the shareholders paid no tax on the dividends received, assuming that they paid tax at the standard rate.

inactive account /ɪnˈæktrɪv əˈkaʊnt/ noun a bank account which is not used over a period of time

inactive market /ɪnˈæktrɪv əˈmɑːkɪt/ noun a stock market with few buyers or sellers

incentive /ɪnˈsentɪv/ noun something which encourages a customer to buy, or employees to work better...some further profit-taking was seen yesterday as investors continued to lack...
incentive bonus

‘fresh incentives to renew buying activity’ [Financial Times]

‘...a well-designed plan can help companies retain talented employees and offer enticing performance incentives – all at an affordable cost’ [Fortune]

‘...the right incentives can work when used strategically’ [Management Today]

‘...an additional incentive is that the Japanese are prepared to give rewards where they are due’ [Management Today]

incentive bonus /ɪnˈsentɪv bəˈnʌns/, incentive payment /ɪnˈsentɪv pəˈmɛnt/ noun an extra payment offered to employees to make them work better

incentive scheme /ɪnˈsentɪv skɪːm/ noun a plan to encourage better work by paying higher commission or bonuses. Incentive schemes are boosting production.

incentive stock option /ɪnˈsentɪv stɒk ˈɒpʃən/ noun (in the United States) a plan that gives each qualifying employee the right to purchase a specific number of the corporation’s shares at a set price during a specific time period (NOTE: Tax is only payable when the shares are sold.)

inchoate /ɪnˈkəʊət/ adjective referring to an instrument which is incomplete

incidence of tax /ɪnˈsɪdəns əv ˈtæks/ noun the point at which a tax is ultimately paid. For example, although a retailer pays any sales tax to the tax collecting authority, the tax itself is ultimately paid by the customer.

incidental expenses /ɪnˈsɪdəntl ɪkˈspɛnзɪz/ plural noun small amounts of money spent at various times in addition to larger amounts

include /ɪnˈkljuː/ verb to count something along with other things. ○ The charge includes VAT. ○ The total is £140 not including insurance and freight. ○ The account covers services up to and including the month of June.

inclusive /ɪnˈkljuːsɪv/ adjective counting something in with other things. ○ inclusive of tax ○ not inclusive of VAT

income /ˈɪnkəm/ noun 1. money which a person receives as salary or dividends ○ lower income bracket, upper income bracket the groups of people who earn low or high salaries considered for tax purposes 2. money which an organisation receives as gifts or from investments ○ The hospital has a large income from gifts.

...there is no risk-free way of taking regular income from your money much higher than the rate of inflation’ [Guardian]

income account /ˈɪnkəm əˈkaʊnt/ noun an account that lists revenue and expenses, as distinct from a balance sheet account.

income bond /ˈɪnkəm bənd/ noun a bond that pays a rate of return in proportion to the issuer’s income

income distribution /ˈɪnkəm ˌdɪstrɪˈbjuːʃən/ noun the UK term for the payment to investors of the income generated by a collective investment, less management charges, tax and expenses. It is distributed in proportion to the number of units or shares held by each investor.

income gearing /ˈɪnkəm ˈdʒɛərɪŋ/ noun the ratio of the interest a company pays on its borrowing shown as a percentage of its pre-tax profits before the interest is paid.

income per head /ˈɪnkəm pə ˈhed/ income per capita noun same as per capita income

income recognition /ˈɪnkəm ˌrekəɡˈnɪʃən/ noun the policy under which income is shown in an account

income shares /ˈɪnkəm ʃeəz/ plural noun shares in an investment trust that receive income from the investments, but do not benefit from any rise in capital value of the investments

income smoothing /ˈɪnkəm ˈsmʊðəŋ/ noun a UK term for a form of creative accounting that involves the manipulation of a company’s financial statements to show steady annual profits rather than large fluctuations

income summary /ˈɪnkəm ˌsaˈməri/ noun a summary showing a company’s net profit or net loss for the year

income support /ˈɪnkəm səˈpɔːt/ noun a government benefit paid to low-income earners who are working less than 16 hours per week, provided they can show that they are actively looking for jobs. Abbreviation IS

income tax /ˈɪnkəm tæks/ noun 1. the tax on a person’s income, both earned and unearned 2. the tax on the profits of a corporation

income tax form /ˈɪnkəm tæks ˈfɔːm/ noun a form to be completed which declares all income to the tax office

income tax return /ˈɪnkəm tæks ˈrɛtərn/ a completed tax form, with details of income and allowances. Also called declaration of income, tax return

income units /ˈɪnkəm ˌjuːnɪts/ plural noun units in a unit trust, from which the
incomplete records  /nˈkɒmplɪt/ plural noun an accounting system which is not double-entry bookkeeping. Various degrees of incompleteness can occur, e.g., single-entry bookkeeping, in which usually only a cash book is maintained.
inconvertible /ˌɪkənˈvɜːtəb(ə)r/ adjective referring to currency which cannot be easily converted into other currencies
incorporate /ɪnˈkɒpəreɪt/ verb 1. to bring something in to form part of a main group 2. to form a registered company a company incorporated in the US an incorporated company J. Doe Incorporated
incorporation /ɪnˈkɒpərəʃ(ə)n/ noun an act of incorporating a company
increase noun /ˈɪnkrɪs/ 1. an act of becoming larger 2. There have been several increases in tax or tax increases in the last few years. 3. There is an automatic 5% increase in price or price increase on January 1st. 4. Profits showed a 10% increase or an increase of 10% on last year. 5. She had two increases last year her salary went up twice. 6. to increase in pay or pay increase The government hopes to hold salary increases to 3%. 7. she had two increases last year her salary went up twice 8. to increase in size or value to become larger or more valuable 2. to make something bigger or higher the company increased her salary to £50,000 the company gave her a rise in salary to £50,000 9. she had two increases last year her salary went up twice 10. to increase in size or value to become larger or more valuable 2. to make something bigger or higher 11. the company increased her salary to £50,000 the company gave her a rise in salary to £50,000
...turnover has the potential to be increased to over 1 million dollars with energetic management and very little capital [Australian Financial Review]
...competition is steadily increasing and could affect profit margins as the company tries to retain its market share [Citizen (Ottawa)]
increment /ɪnˈkrɪmənt/ noun a regular automatic increase in salary an annual increment a salary which rises in annual increments of £1000 each year the salary is increased by £1000
incremental /ɪnˈkrɪm(ə)nt(ə)/ adjective rising automatically in stages incremental analysis /ɪnˈkrɪm(ə)ntəl/ noun a method of setting budgets in which the prior period budget is used as a base for the current budget, which is set by adjusting the prior period budget to take account of any anticipated changes
incremental cost /ɪnˈkrɪm(ə)nt(ə)l ˈkɒst/ noun the cost of making extra units above the number already planned. This may then include further fixed costs.
incremental increase /ɪnˈkrɪm(ə)nt(ə)l ˈɪnkrɪs/ noun an increase in salary according to an agreed annual increment
incremental scale /ɪnˈkrɪm(ə)nt(ə)l ˈskɛl/ noun a salary scale with regular annual salary increases
income /ˈɪnkuːm/ noun 1. earnings which are regularly received 2. income for the year 3. the income of a company 4. a person who gives impartial advice on financial matters, who is not connected with any financial institution. Abbreviation IFA independent variable /ɪndɪˈpɛndənt ˈvɛəriəb(ə)l/ noun a factor whose value, when it changes, influences one or more other variables called ‘dependent variables’ in this model personal income is the independent variable and expenditure the dependent variable.

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index

/index/ /ˈɪndeks/ noun 1. a list of items classified into groups or put in alphabetical order 2. a regular statistical report which shows rises and falls in prices, values, or levels 3. a figure based on the current market price of shares on a stock exchange (NOTE: [all noun senses] The plural is indexes or indices.) ■ verb to link a payment to an index ○ salaries indexed to the cost of living ’…index of industrial production sank 0.2 per cent for the latest month after rising 0.3 per cent in March’ [Financial Times] ’…an analysis of the consumer price index for the first half of the year shows that the rate of inflation went down by 12.9 per cent’ [Business Times (Lagos)]

indexation /ˌɪndeksəˈʃɛn/ noun the linking of something to an index

indexed portfolio /ˈɪndeksst poʊtˈfɔliəʊ/ noun a portfolio of shares in all the companies which form the basis of a stock exchange index

index fund /ˈɪndeks fænd/ noun an investment fund consisting of shares in all the companies which are used to calculate a Stock Exchange index

index-linked /ˌɪndeks ˈlɪŋkt/ adjective rising automatically by the percentage increase in the cost of living ○ index-linked government bonds ○ Inflation did not affect her as she has an index-linked pension. ’…two-year index-linked savings certificates now pay 3 per cent a year tax free, in addition to index-linking’ [Financial Times]

index number /ˈɪndeks ˈnʌmbər/ noun a number showing the percentage rise of something over a period

index tracker /ˈɪndeks ˈtrækər/ noun an investor or fund manager who tracks an index

index-tracking /ˈɪndeks ˈtræktɪŋ/ adjective adjusted to follow changes in a particular index, e.g. the Bank of England’s base rate

indicator /ˈɪndɪkstər/ noun a factor of a situation that gives an indication of a general trend ’…it reduces this month’s growth in the key M3 indicator from about 19% to 12%’ [Sunday Times] ’…we may expect the US leading economic indicators for April to show faster economic growth’ [Australian Financial Review] ’…other indicators, such as high real interest rates, suggest that monetary conditions are extremely tight’ [Economist]

indirect costs /ˌɪndərekst ˈkɒsts/ indirect expenses /ˌɪndərekst ɪˌspensz/ plural noun costs which are not directly related to the making of a product, e.g. cleaning, rent or administration

indirect labour costs /ˌɪndərekst ˈlɜəbər ˌkɒsts/ plural noun the cost of paying employees not directly involved in making a product, such as cleaners or administrative staff. Such costs cannot be allocated to a cost centre.

indirect liability /ˌɪndərekst ˈlaɪə Biləri/ noun an obligation that may arise in future, as, e.g., if a lawsuit is brought against the company

indirect material cost /ˌɪndərekst məˈtɪəriəl ˈkɒst/ indirect materials cost /ˌɪndərekst məˈtɪəriəlz ˈkɒst/ noun the cost of materials which cannot be allocated to the production of a particular product

indirect tax /ˌɪndərekst ˈteks/ noun a tax such as VAT paid to someone who then pays it to the government

indirect taxation /ˌɪndərekst ˈtektənʃən/ noun taxes which are not paid direct to the government, e.g. sales tax ○ The government raises more money by indirect taxation than by direct.

Individual Retirement Account /ˌɪndɪvɪduəl ˈrɪtəraɪmənt əˈkaʊnt/ noun US a tax-deferred pension scheme, that allows individuals to make contributions to a personal retirement fund. Abbreviation IRA

Individual Savings Account /ˌɪndɪvɪduəl ˈsɛrvɪnz əˈkaʊnt/ noun a British scheme by which individuals can invest by putting a limited amount of money each year in a tax-free account. Abbreviation ISA

Individual Voluntary Arrangement /ˌɪndɪvɪduəl ˈvɒləntəri əˈreɪndʒmənt/ noun a legally binding arrangement between a debtor and creditors by which the debtor offers the creditors the best deal he or she can afford by realising his assets, and so the expense of bankruptcy proceedings is avoided. Abbreviation IVA

inducement /ˌɪndjuˈsɛmənt/ n noun something which helps to persuade someone to do something ○ They offered her a company car as an inducement to stay.

industrial arbitration tribunal /ˌɪndəstriəl əˈreɪndʒmənt ˈtrɪbjuːnl/ noun a court which decides in industrial disputes

industrial tribunal /ˌɪndəstriəl ˈtrɪbjuːnl/ noun a court which can decide in disputes about employment
'ACAS has a legal obligation to try and solve industrial grievances before they reach industrial tribunals.' [Personnel Today]

inflation /ɪnˈflɛʃn/ noun a greater increase in the supply of money or credit than in the production of goods and services, resulting in higher prices and a fall in the purchasing power of money ☞ to take measures to reduce inflation ☞ High interest rates tend to increase inflation. ☞ we have 3% inflation or inflation is running at 3% prices are 3% higher than at the same time last year.

inflation accounting /ɪnˈflɛʃnəʊn/ noun an accounting system in which inflation is taken into account when calculating the value of assets and the preparation of accounts.

inflationary /ɪnˈflɛʃnəri/ adjective tending to increase inflation ☞ inflationary trends in the economy

...inflationary expectations fell somewhat this month, but remained a long way above the actual inflation rate, according to figures released yesterday. The annual rate of inflation measured by the consumer price index has been below 2 per cent for over 18 months' [Australian Financial Review]

inflation-proof /ɪnˈflɛʃnprəʊft/ adjective referring to a pension, etc. which is index-linked, so that its value is preserved in times of inflation.

inflow /ˈɪnfləʊ/ noun the act of coming in or being brought in

...the dollar is strong because of capital inflows rather than weak because of the trade deficit' [Duns Business Month]

influx /ˈɪnflʌks/ noun an inflow, especially one where people or things come in in large quantities ☞ an influx of foreign currency into the country ☞ an influx of cheap labour into the cities.

...the retail sector will also benefit from the expected influx of tourists' [Australian Financial Review]

inherit /ɪnˈhɛrɪt/ verb to get something from a person who has died ☞ When her father died she inherited the shop. ☞ He inherited £10,000 from his grandfather.

inheritance /ɪnˈhɛrɪtəns/ noun property which is received from a dead person.

inheritance tax /ɪnˈhɛrɪtəns tæks/ noun tax payable on wealth or property worth above a certain amount and inherited after the death of someone. The current threshold is £285,000, and the estate is liable for 40% tax on the excess amount. Abbreviation IHT. Also called death duty.

in-house /ˌɪn ˈhɔʊs/ adjective done by someone employed by a company on their premises, not by an outside contractor ☞ the in-house staff ☞ We do all our data processing in-house.

initial capital /ˈɪnʃɔrəl kæpɪt(ə)l/ noun capital which is used to start a business.

initial public offering /ɪnʃɔrəl ˈpʌblɪk ˈɔfrinaɪŋ/ noun US the process of offering shares in a corporation for sale to the public for the first time. Abbreviation IPO (NOTE: The UK term is offer for sale.)

initial sales /ɪnʃɔrəl ˈseɪlz/ plural noun the first sales of a new product.

initial yield /ˈɪnʃɔrəl jɪʊld/ noun the estimated yield of an investment fund at the time it is launched.

initiate /ɪnˈʃɪteɪt/ verb to start ☞ to initiate discussions.

injection /ɪnˈdʒekʃn/ noun a capital injection of £100,000 or an injection of £100,000 capital putting £100,000 into an existing business.

injunction /ɪnˈdʒʌŋkʃn/ noun a court order telling someone not to do something ☞ He got an injunction preventing the company from selling his car.

inland /ˈɪnlaʊnd/ adjective inside a country.

inland freight charges /ˈɪnlaʊnd ˈfրɛt/ plural noun charges for carrying goods from one part of the country to another.

inland postage /ˈɪnlaʊnd ˈpəʊstɪdʒ/ noun postage for a letter to another part of the same country.

Inland Revenue /ˈɪnland ˈrɪvənjuː/ noun a former UK government department which dealt with taxes such as income tax, corporation tax, capital gains tax and inheritance tax, but not duties such as Value Added Tax. It merged with the Customs and Excise to form HM Revenue & Customs in 2005. ☞ He received a letter from the Inland Revenue. (NOTE: The US term is Internal Revenue Service or IRS.)

Inland Revenue Commissioner /ˌɪnland ˈrɪvənjuː ˈkærɪədʒən/ noun a person appointed officially to supervise the collection of taxes, including income tax, capital gains tax and corporation tax, but not VAT. Abbreviation IRC

input cost /ˈɪnput ˈkɒst/ noun the cost of overhead items such as labour and material used in the production of goods or services.
inputs

inputs /ˈɪnpʊts/ plural noun goods or services bought by a company and which may be liable to VAT

input tax /ˈɪnpʊt ˈtæks/ noun VAT which is paid by a company on goods or services bought

insider /ˈɪnˌsaɪdər/ noun a person who works in an organisation and therefore knows its secrets

insider dealing /ˈɪnˌsaɪdər ˈdiːliŋ/ noun the illegal buying or selling of shares by staff of a company or other persons who have secret information about the company’s plans

insolvency /ˈɪnˌsaɪlvənsi/ noun the fact of not being able to pay debts. Opposite solvency [Note: A company is insolvent when its liabilities are higher than its assets: if this happens it must cease trading. Note that insolvency is a general term, but is usually applied to companies; individuals or partners are usually described as bankrupt once they have been declared so by a court.]

‘...hundreds of thrifts found themselves on the brink of insolvency after a deregulation programme prompted them to enter dangerous financial waters’ [Times]

insolvency practitioner /ˈɪnˌsaɪlvənsi ˈpræktɪsər/ noun a person who advises insolvent companies

insolvent /ˈɪnˌsaɪlvənt/ adjective not able to pay debts. Opposite solvent. [Note: see note at insolvency]

inspect /ɪnˈspekt/ verb to examine in detail or to inspect a machine or an installation. [Note: Officials from the DTI have come to inspect the accounts.

inspection /ɪnˈspekʃən/ noun the close examination of something to make an inspection or to carry out an inspection of a machine or an installation

inspector /ɪnˈspektər/ noun an official who inspects or The inspectors will soon be round to make sure the building is safe.

inspectorate /ɪnˈspektərət/ noun an authority to which inspectors are responsible

inspector of taxes /ɪnˈspektər əv ˈtæksɪz/ noun in the United Kingdom, an official who reports to HM Revenue & Customs and is responsible for issuing tax returns and assessments, agreeing tax liabilities and conducting appeals on matters of tax

inspector of weights and measures /ɪnˈspektər əv ˈweɪts ən ˈmeʒəz/ noun a government official who inspects weighing machines and goods sold in shops to see if the quantities and weights are correct

instalment /ɪnˈstælmənt/ noun a part of a payment which is paid regularly until the total amount is paid. [Note: The first instalment is payable on signature of the agreement. (Note: The US spelling is installment.) to pay £25 down and monthly instalments of £20 to pay a first payment of £25 and the rest in payments of £20 each month

Institute /ɪnˈstɪtʃuːt/ noun a society or organisation which represents a particular profession or activity. [Note: the Institute of Chartered Accountants in Scotland]

Institute of Chartered Accountants in England and Wales /ɪnˈstɪtʃuːt əv ˈtʃærənts in ˈɛŋɡəld ən ˈweɪts/ noun the largest professional accountancy body in Europe, providing qualification by examinations, ensuring high standards of education and training, and supervising professional conduct. Abbreviation ICAEW

Institute of Chartered Accountants in Ireland /ɪnˈstɪtʃuːt əv ˈtʃærənts in ɪˈrəld/ noun the oldest and largest professional body for accountants in Ireland, founded in 1888 with the aims of in promoting best practice in chartered accountancy and maintaining high standards of professionalism among its members. Abbreviation ICAS

Institute of Chartered Accountants in New Zealand /ɪnˈstɪtʃuːt əv ˈtʃærənts in ˈnjuː ˈziːlənd/ noun the only professional accounting body in New Zealand, representing over 26,000 members in that country and abroad. Abbreviation ICANZ

Institute of Financial Accountants /ɪnˈstɪtʃuːt əv ˈfiːnənʃl əˈkɔʊntənts/ noun a professional body, established in 1916, which aims to set technical and ethical standards in UK financial accountancy. Abbreviation IFA

institution /ɪnˈstɪtʃuːʃn/ noun an organisation or society set up for a particular purpose. [Note: financial institution institutional /ɪnˈstɪtʃuːʃnəl/ adjective relating to an institution, especially a financial institution.
...during the 1970s commercial property was regarded by big institutional investors as an alternative to equities" [Investors Chronicle]

institutional investor /ɪnˌstɪtjjuərənəl ɪnˈvestər/ noun 1. a financial institution which invests money in securities 2. an organisation (such as a pension fund or insurance company) with large sums of money to invest

instruction /ɪnˈstrækʃən/ noun an order which tells what should be done or how something is to be used  0 She gave instructions to his stockbroker to sell the shares immediately.

instrument /ɪnˈstrəmjənt/ noun 1. a tool or piece of equipment  0 The technician brought instruments to measure the output of electricity.  2. a legal document

insufficient funds /ˌɪnsəfɪʃnt/ plural noun US same as non-sufficient funds

insurable /ɪnˈʃʊərəb(ə)l/ adjective possible to insure

insurable interest /ɪnˈʃʊərəb(ə)l ɪnˈtɜːrəst/ noun the value of the thing insured which is attributed to the person who is taking out the insurance

insurance /ɪnˈʃʊərəns/ noun an agreement that in return for regular payments called 'premiums', a company will pay compensation for loss, damage, injury or death  0 to take out insurance  0 Repairs will be paid for by the insurance.

insurance adjuster /ɪnˈʃʊərəns əˌdʒes’tər/ noun US same as loss adjuster

insurance agent /ɪnˈʃʊərəns əˈdʒent, ɪnʃuərəs əˈdʒent/; insurance broker /ɪnˈʃʊərəns ˈbrəʊkər/ noun a person who arranges insurance for clients

insurance claim /ɪnˈʃʊərəns klem/ noun a request to an insurance company to pay compensation for damage or loss

insurance company /ɪnˈʃʊərəns ˈkʌmpəni/ noun a company whose business is insurance

insurance contract /ɪnˈʃʊərəns ˈkɒntrakt/ noun an agreement by an insurance company to insure

insurance cover /ɪnˈʃʊərəns ˈkʌvər/ noun protection guaranteed by an insurance policy

insurance policy /ɪnˈʃʊərəns ˈpɒlɪsɪ/ noun a document which shows the conditions of an insurance contract

insurance premium /ɪnˈʃʊərəns ˌprɪmɪəm/ noun an annual payment made by a person or a company to an insurance company

insurance premium tax /ɪnˈʃʊərəns ˌprɪmɪəm ˌtɑːks/ noun a tax on household, motor vehicle, travel and other general insurance

insurance rates /ɪnˈʃʊərəns ˈreɪts/ plural noun the amount of premium which has to be paid per £1000 of insurance

insurance /ɪnˈʃʊərəns/ verb to have a contract with a company whereby, if regular small payments are made, the company will pay compensation for loss, damage, injury or death  0 to insure a house against fire  0 to insure someone's life  0 to insure against loss of earnings  0 She was insured for £100 000.

insurer /ɪnˈʃʊərər/ noun a company which insures  0 (NOTE: For life insurance, UK English prefers to use assurer.)

intangible /ɪnˈtændʒəbl/ adjective not possible to touch

intangible assets /ɪnˈtændʒəbl əˈsetz/; intangible fixed assets /ɪnˈtændʒəbl ˈfɪksd əˈsetz/; intangibles /ɪnˈtændʒəblz/ plural noun assets that have a value but which cannot be seen, e.g. goodwill or a trademark

intangible value /ɪnˈtændʒəbl əˈvælju/ noun a value of an organisation equal to its total value minus the value of its tangible assets

integrate /ˈɪntəɡrɪteɪ/ verb to link things together to form one whole group

integrated accounts /ˌɪntɪɡreɪtɪd əˈkəʊntz/ plural noun accounting records that show both financial and cost accounts

integration /ɪnˈtɪɡrəʃən/ noun the act of bringing several businesses together under a central control

inter-bank /ˈɪntə ˈbæŋk/ adjective between banks

inter-bank loan /ˈɪntə ˈbæŋk ˈloʊn/ noun a loan from one bank to another

intercompany account /ˌɪntəkəʊənt/ noun an account that records transactions between companies that are affiliated to each other

inter-company dealings /ˌɪntəˈkəʊənaŋt/ plural noun dealings or transactions between two companies in the same group

intercompany profit /ˌɪntəˌkəʊənt/ noun the profit on services provided to a related company
interest /ˈɪntərst/ noun 1. payment made by a borrower for the use of money, calculated as a percentage of the capital borrowed.
2. high interest, low interest interest at a high or low percentage.
3. time interest paid on a deposit over a period of time is the same as the original.
4. interest at 5% deposit which yields or gives or produces or bears 5% interest account which earns interest at 10% or which earns 10% interest. The bank pays 10% interest on deposits. The loan pays 5% interest.
5. a part of the ownership of something, e.g. if you invest money in a company you acquire a financial share or interest in it.

interest-bearing deposits /ˌɪntrəst ,bærɪŋ dɪˈpoʊzɪts/ plural noun a deposit of money with a financial institution that pays interest on the deposit.

interest charges /ˈɪntrəst ,tʃɜːdʒz/ plural noun money paid as interest on a loan.

interest coupon /ˈɪntrəst ,koʊmpən/ noun a slip of paper attached to a government bond certificate which can be cashed to provide the annual interest.

interest cover /ˈɪntrəst ,kʌvər/ noun the ability to pay interest payments on a loan.

interested party /ɪnˈtɜːrstɪd ˈpærti/ noun a person or company with a financial interest in a company.

interest expense /ˈɪntrəst ɪkˈspens/ noun the cost of the interest payments on borrowed money.

interest-free credit /ˌɪntrəst ˈfriː kredit/ noun a credit or loan where no interest is paid by the borrower.

The company gives its staff interest-free loans.

interest rate /ˈɪntrəst ˈreɪt/ noun a figure which shows the percentage of the capital sum borrowed or deposited which is to be paid as interest. Also called rate of interest.

interest rate margin /ˈɪntrəst ˈmærjɪn/ noun the difference between the interest a bank pays on deposits and the interest it charges on loans.

interest rate swap /ˈɪntrəst ˈreɪt ˈswɑːp/ noun an agreement between two companies to exchange borrowings. A company with fixed-interest borrowings might swap them for variable interest borrowings of another company. Also called plain vanilla swap.

interest sensitive /ˈɪntrəst ˈsɛnsɪtɪv/ adjective used to describe assets, generally purchased with credit, that are in demand when interest rates fall but considered less attractive when interest rates rise.

interest yield /ˈɪntrəst jɪld/ noun a yield on a fixed-interest investment.

interim /ˈɪntərm/ adjective made, measured or happening in the middle of a period, such as the financial year, and before the final result for the period is available.

Interim audit /ˈɪntərm ˌɔːdɪt/ noun an audit carried out for a period within a full accounting year, often for a half year.

Interim dividend /ˈɪntərm ˈdɪvɪndendent/ noun a dividend paid at the end of a half-year.

interim financial statement /ˌɪntərm faɪnənˈʃənl ˈstɛtmənt/ noun a financial statement that covers a period other than a full financial year. Although UK companies are not legally obliged to publish interim financial statements, those listed on the London Stock Exchange are obliged to publish a half-yearly report of their activities and a profit and loss account which may either be sent to shareholders or published in a national newspaper. In the United States, the practice is to issue quarterly financial statements.

Interim payment /ˈɪntərm ˈpɛmənt/ noun a payment of part of a dividend.

Interim receiver /ˈɪntərm rɪˈsɪvər/ noun a receiver appointed to deal with a person’s affairs until a bankruptcy order is made.

Intermediate debt /ˌɪntəˈmeɪdɪət det/ noun a form of debt which has to be repaid between four and ten years’ time.

Internal /ˌɪntərˈnɔːl/ adjective 1. inside a company.

Internal audit /ˌɪntərˈnɔːl əˈdʒʊt/ noun an audit carried out by a department inside the company.

Internal auditor /ˌɪntərˈnɔːl əˈdʒʊtə/ noun a member of staff who audits a company’s accounts.

Internal control /ˌɪntərˈnɔːl ˈkɑːntroʊl/ noun a system set up by the management of a company to monitor and control the company’s activities.

Internal growth /ˌɪntərˈnɔːl ˈɡrʊəʊθ/ noun the development of a company by growing its existing business with its own finances, as opposed to acquiring other businesses. Also called organic growth.

Internal rate of return /ˌɪntərˈnɔːl ˈreɪt ər ˈrɪtən/ noun an average annual yield of an investment, where the interest earned over a period of time is the same as the origi-
nal cost of the investment. Abbreviation IRR.

**internal reporting** /ɪnˌtɜːrnəl ˈrɪpərtɪŋ/ noun financial information gathered and communicated within a company.

**Internal Revenue Service** /ɪnˌtɜːrnəl ˈrɪvərəns/ noun the branch of the federal government charged with collecting the majority of federal taxes. Abbreviation IRS.

**internal trade** /ɪnˌtɜːrnəl ˈtrɛd/ noun trade between various parts of a country.

Opposite external trade.

**International Accounting Standards** /ɪntənˈteɪʃənəl ˈkiːnəntɪŋ ˈstændədz/ plural noun standards of accounting procedure set and monitored, since 2001, by the International Accounting Standards Board.

**International Accounting Standards Board** /ɪntənˈteɪʃənəl ˈkiːnəntɪŋ ˈstændədz ˈbɔːrd/ noun a London-based independent organisation established to set international standards for accounting procedures. Abbreviation IASB.

**International Accounting Standards Committee** /ɪntənˈteɪʃənəl ˈkiːnəntɪŋ ˈstændədz ˈkwɔːntɪent/ noun formerly, an organisation based in London that worked towards achieving global agreement on accounting standards. It was made part of the International Accounting Standards Board in 2001. Abbreviation IASC.

**International Bank for Reconstruction and Development** /ɪntənˈteɪʃənəl ˈbæŋk ˌfɔː ˈrɪkstrəstræktʃən ˌɔn dɪˈvɛlpəmənt/ noun the official name of the World Bank. Abbreviation IBRD.

**International Centre for Settlement of Investment Disputes** /ɪntənˈteɪʃənəl ˈsɛntəs ˈsetəlˌɪmənt əv ɪnˈvɛstment ˈdɪˌspɜrtʃəz/ noun one of the five institutions that comprises the World Bank Group. It was established in 1966 to undertake the role previously undertaken in a personal capacity by the President of the World Bank in assisting in mediation or conciliation of investment disputes between governments and private foreign investors. The overriding consideration in its establishment was that a specialist institution could help to promote increased flows of international investment. Although ICSID has close links to the World Bank, it is an autonomous organisation. Abbreviation ICSID.

**International Federation of Accountants** /ɪntənˈteɪʃənəl ˈfɛdərətʃən əv ˈkiːnəntɪnts əv ˈkjʊntənts/ noun a global organisation for the accounting profession that seeks to protect the public interest by encouraging high quality practices by the world’s accountants.

**International Financial Reporting Standards** /ɪntənˈteɪʃənəl ˈfiŋənʃəl ˈreɪpərtɪŋ ˈstændədz/ noun an internationally agreed set of high-quality, understandable and enforceable global standards for financial reporting.

**International Monetary Fund** /ɪntənˈteɪʃənəl ˈmʌnəntɪˈfʊnd/ noun a type of bank which is part of the United Nations and helps member states in financial difficulties, gives financial advice to members and encourages world trade. Abbreviation IMF.

**international money markets** /ɪntənˈteɪʃənəl ˈmiːni ˈmɑːkəts/ plural noun markets such as the Euromarkets, the international market for lending or borrowing in Eurocurrencies.

**international reserves** /ɪntənˈteɪʃənəl ˈrɛzərvz/ plural noun same as foreign currency reserves.

**international trade** /ɪntənˈteɪʃənəl ˈtrɛd/ noun trade between different countries.

**Internet** /ɪntənˈteɪt/ noun an international network linking thousands of computers using telephone, cable and satellite links. He searched the Internet for information on cheap tickets to the US. Much of our business is done on the Internet.

...they predict a tenfold increase in sales via internet or TV between 1999 and 2004. [Investors Chronicle]

...in two significant decisions, the Securities and Exchange Board of India today allowed trading of shares through the Internet and set a deadline for companies to conform to norms for good corporate governance. [The Hindu]

**Internet banking** /ɪntənˈteɪt ˈbæŋkɪŋ/ noun the operation of a bank account over the Internet.

**interpolation** /ˌɪntərˈpɔːləʃən/ noun a method of estimating a value between two established values.

**intervene** /ɪntəˈvɪn/ verb to try to make a change in a situation in which you have not been involved before.

**intervention** /ɪntəˈvɛnʃən/ noun the act of becoming involved in a situation in order to change it or the central bank's intervention in the banking crisis.
intervention mechanism

intervention mechanism /ɪntəˈvɛnʃənˌmechənɪzm/ noun the method used by central banks in maintaining exchange rate parities, e.g., buying or selling foreign currency.

inter vivos /ˌɪntəˈvɪvəʊz/ a Latin phrase, ‘between living people’

inter vivos trust /ˌɪntəˈvɪvəʊz trʌst/ noun a trust set up by one person for another living person.

intestacy (ɪnˈtestəsɪ) noun the state of having died without having made a will.

intestate (ɪnˈtestət) adjective to die without having made a will.

intrinsic value /ɪnˌtrɪskvəl/ noun the material value of something.

invalid (ɪnˈvælɪd) adjective not valid or not legal. ○ This permit is invalid. ○ The claim has been declared invalid.

invalidate (ɪnˌvælɪdeɪt) verb to make something invalid. ○ Because the company has been taken over, the contract has been invalidated.

invalidation (ɪnˌvælɪdeɪʃən) noun the act of making invalid.

invalidity (ɪnˌvælɪdətɪ) noun the fact of being invalid. ○ The invalidity of the contract.

inventory /ˈɪnvɛntəri/ noun 1. especially US all the stock or goods in a warehouse or shop. ○ to carry a high inventory. ○ to aim to reduce inventory. Also called stock.

stock 2. a list of the contents of a building such as a house for sale or an office for rent. ○ to draw up an inventory of fixtures and fittings.

inventory control /ˈɪnvɛntəri kənˈtroʊl/ noun US same as stock control.

inventory financing /ˈɪnvɛntəri ˌfɪnənsiŋ/ noun especially US the use of money from working capital to purchase stock for resale.

inventory turnover /ˈɪnvɛntəri ˈtɜrnəvə/ noun especially US the total value of stock sold during a year, divided by the value of the goods remaining in stock.

invest (ɪnˈvest) verb 1. to put money into shares, bonds, a building society, etc., hoping that it will produce interest and increase in value. ○ He invested all his money in unit trusts. ○ She was advised to invest in real estate or in government bonds. 2. to spend money on something which you believe will be useful or to invest money in new machinery. ○ to invest capital in a new factory. ‘…we have substantial venture capital to invest in good projects’ [Times]

investment /ɪnˈvestmənt/ noun 1. the placing of money so that it will produce interest and increase in value. ○ They called for more government investment in new industries. ○ She was advised to make investments in oil companies. 2. a share, bond or piece of property bought in the hope that it will produce more money than was used to buy it.

‘…investment trusts, like unit trusts, consist of portfolios of shares and therefore provide a spread of investments’ [Investors Chronicle]

‘…investment companies took the view that prices had reached rock bottom and could only go up’ [Lloyd’s List]

investment analyst /ɪnˈvestmənt əˈnælist/ noun a person working for a stockbroking firm, who analyses the performance of companies in a sector of the market, or the performance of a market sector as a whole, or economic trends in general.

investment appraisal /ɪnˈvestmənt əˈpreʃəl/ noun the analysis of the future profitability of capital purchases as an aid to good management.

investment bank /ɪnˈvestmənt barnk/ noun US a bank which deals with the underwriting of new issues, and advises corporations on their financial affairs. (Note: The UK term is issuing house.)

investment company /ɪnˈvestmənt kəmpəni/ noun company whose shares can be bought on the Stock Exchange, and whose business is to make money by buying and selling stocks and shares.

investment grant /ɪnˈvestmənt ɡrænt/ noun a government grant to a company to help it to invest in new machinery.

investment income /ɪnˈvestmənt ˈɪnkəm/ noun income from investments, e.g., interest and dividends. Compare earned income.

Investment Management Association /ɪnˈvestmənt ˈmænɪdʒmənt əˌsoʊsiˈeɪʃən/ noun the trade body for the UK investment industry, formed in February.
2002 following the merger of the Association of Unit Trusts and Investment Funds (AUTIF) and the Fund Manager’s Association. Abbreviation IMA

investment property /nvestment prop/ noun property which is held for letting

investment revaluation reserve /nvestment reval/noun the capital reserve where changes in the value of a business’s investment properties are disclosed when they are revalued

investment trust /nvestment trust/ noun a company whose shares can be bought on the Stock Exchange and whose business is to make money by buying and selling stocks and shares

investment turnover /nvestment turnover/ noun income earned on capital invested in a business

investor /nvestor/ noun a person who invests money

investor protection /nvestor protection/ noun legislation to protect small investors from unscrupulous investment brokers and advisers

Investors in Industry /nvestors in industry/ plural noun a finance group partly owned by the big British High Street banks, providing finance especially to smaller companies. Abbreviation 3i

invisible assets /n invisible assets/ plural noun US same as intangible assets

invisible earnings /n invisible earnings/ plural noun foreign currency earned by a country by providing services, receiving interests or dividends, but not by selling goods

invisible exports /n invisible exports/ plural noun services, e.g. banking, insurance and tourism, that are provided to customers overseas and paid for in foreign currency. Opposite visible exports

invisible imports /n invisible imports/ plural noun services that overseas companies provide to domestic customers who pay for them in local currency. Opposite visible imports

invisibles /n invisible/ plural noun invisible imports and exports

invisible trade /n invisible trade/ trade involving invisible imports and exports. Opposite visible trade

invoice /n invoice/ noun a note asking for payment for goods or services supplied, your invoice dated November 10th to make out an invoice for £250 to settle or to pay an invoice © They sent in their invoice six weeks late. © send to send an invoice to someone © to invoice a customer

invoice discounting /n invoice discounting/ noun a method of obtaining early payment of invoices by selling them at a discount to a company which will receive payment of the invoices when they are paid. The debtor is not informed of this arrangement, as opposed to factoring, where the debtor is informed.

invoice price /n invoice price/ noun the price as given on an invoice, including any discount and VAT

invoice register /n invoice register/ noun a list of purchase invoices recording the date of receipt of the invoice, the supplier, the invoice value and the person to whom the invoice has been passed to ensure that all invoices are processed by the accounting system

 invoicing /n invoicing/ the work of sending invoices © All our invoicing is done by computer.

invoking department /n invoking department/ noun the department in a company which deals with preparing and sending invoices

 involuntary bankruptcy /n involuntary bankruptcy/ noun US an application by creditors to have a person or corporation made bankrupt (note: The UK term is compulsory winding up)

inward /n inward/ adjective towards the home country

inward bill /n inward bill/ noun a bill of landing for goods arriving in a country

IOU /n IOU/ noun 'I owe you', a signed document promising that you will pay back money borrowed © to pay a pile of IOUs © I have a pile of IOUs which need paying

IPO abbreviation initial public offering

IRA /n IRA/ abbreviation US Individual Retirement Account

IRC abbreviation Inland Revenue Commissioner

IRR abbreviation internal rate of return

irrecoverable debt /n irrecoverable debt/ noun a debt which will never be paid

irredeemable bond /n irredeemable bond/ 'bond/ noun a government bond which has no date of maturity and which therefore provides interest but can never be redeemed at full value

irrevocable /n irrevocable/ adjective unchangeable
irrevocable letter of credit 128

irrevocable letter of credit /ɪrɪvəkəbəl lɪtər əv 'kredɪt/ noun a letter of credit which cannot be cancelled or changed, except if agreed between the two parties involved.

IRS abbreviation US Internal Revenue Service

IS abbreviation income support

ISA /'aɪsə/ abbreviation Individual Savings Account

issue /'ɪʃu/ noun an act of offering new shares for sale

‘...the company said that its recent issue of 10.5 per cent convertible preference shares at A$8.50 a share has been oversubscribed’ [Financial Times]

issued capital /'ɪʃud 'keptɪl/ noun an amount of capital which is given out as shares to shareholders

issued price /'ɪʃud prəs/ issue price /'ɪʃu prəs/ noun the price of shares in a new company when they are offered for sale for the first time

issuer /'ɪʃuə/ noun a financial institution that issues credit and debit cards and maintains the systems for billing and payment

issuing /'ɪʃuɪŋ/ adjective organising an issue of shares

itemise /'aɪtəmaɪz/ itemize verb to make a detailed list of things ○ Itemising the sales figures will take about two days.

IVA abbreviation Individual Voluntary Arrangement
J curve  /dʒər/ 'kzu/ noun a line on a graph shaped like a letter 'J', with an initial short fall, followed by a longer rise, used to describe the effect of a falling exchange rate on a country's balance of trade

JIT abbreviation just-in-time

job card /dʒəb kɑrd/ noun a record card relating to a job and giving details of the time taken to do a piece of work and the materials used. This is used to allocate direct labour and materials costs.

job costing /dʒəb 'kɒstɪŋ/ noun the process of calculating the cost of a single job or batch of work. Also called specific order costing

job order /dʒəb ˈɔrdr/ noun an authorised order for the production of goods or services

job order costing /dʒəb ˈɔrdr ˈkɒstɪŋ/ noun the accumulation of costs incurred by fulfilling specific orders for goods or services

joint /dʒɔɪnt/ adjective 1. carried out or produced together with others ○ a joint undertaking 2. one of two or more people who work together or who are linked ○ They are joint beneficiaries of the will. ○ The two countries are joint signatories of the treaty.

joint account /dʒɔɪnt ˈækaʊnt/ noun a bank or building society account shared by two people ○ Many married couples have joint accounts so that they can pay for household expenses.

joint and several liability /dʒɔɪnt ənd ˈsɛv(ə)rəl ˈlaɪələti/ noun a situation where someone who has a claim against a group of people can sue them separately or together as a group

joint cost /dʒɔɪnt ˈkɒst/ noun the cost of which can be allocated to more than one product, project or service

joint-life annuity /dʒɔɪnt ˈlaɪf ə nˈjuːəti/ noun an annuity that continues until both parties have died. They are attractive to married couples as they ensure that the survivor has an income for the rest of his or her life.

jointly /dʒɔɪntli/ adverb together with one or more other people ○ to own a property jointly ○ to manage a company jointly ○ They are jointly liable for damages.

joint management /dʒɔɪnt ˈmænɪdʒmənt/ noun management done by two or more people

joint ownership /dʒɔɪnt ˈəʊəruːntʃɪp/ noun the owning of a property by several owners

joint products /dʒɔɪnt ˈprɒdʌktz/ plural noun two or more products that are produced as a unit but are sold separately and each have a saleable value high enough for them to be regarded as a main product

joint return /dʒɔɪnt ˈrɪtn/ noun a tax return that is filed jointly by a husband and wife

joint-stock bank /dʒɔɪnt ˈstɒk ˈbæŋk/ noun a bank which is a public company quoted on the Stock Exchange

joint-stock company /dʒɔɪnt ˈstɒk ˈkʌmpəni/ noun formerly, a public company in the UK whose shares were owned by very many people. Now called a Public Limited Company or Plc.

joint venture /dʒɔɪnt ˈventʃə/ noun a situation where two or more companies join together for one specific large business project

journal /dʒɔɪnəl/ noun a book with the account of sales and purchases made each day

journal entry /dʒɔɪnəl ˈɛntrɪ/ noun a record of the accounting information for a business transaction, made at first in a journal and later transferred to a ledger

judgment /dʒuˈdʒmənt/, judgement noun a legal decision or official decision of a court ○ to pronounce judgment, to give your judgment on something ○ to give an official or legal decision about something

judgment creditor /dʒuˈdʒmənt ˈkredɪtər/ noun a person who has been given a court order making a debtor pay him a debt
judgment debtor noun a debtor who has been ordered by a court to pay a debt

junior capital noun capital in the form of shareholders’ equity, which is repaid only after secured loans called ‘senior capital’ have been paid if the firm goes into liquidation

junior mortgage noun a second mortgage

junior partner noun a person who has a small part of the shares in a partnership

junior security noun a security which is repaid after other securities

just-in-time noun a system in which goods are made or purchased just before they are needed, so as to avoid carrying high levels of stock. Abbreviation JIT
K abbreviation  one thousand  ‘salary: £20K+’ salary more than £20,000 per annum
Keogh plan /'ki:uo plan/ noun US a private pension plan allowing self-employed businesspeople and professionals to set up pension and retirement plans for themselves
key-person insurance /'ki: p21s(ə)n in/ noun an insurance policy taken out to cover the costs of replacing an employee who is particularly important to an organisation if he or she dies or is ill for a long time
key rate /'ki: ret/ noun an interest rate which gives the basic rate on which other rates are calculated, e.g. the former bank base rate in the UK, or the Federal Reserve’s discount rate in the USA
kickback /'kikbæk/ noun an illegal commission paid to someone, especially a government official, who helps in a business deal
kicker /'kิกə/ noun a special inducement to buy a bond, e.g. making it convertible to shares at a preferential rate (informal)
kite /kai/ verb 1. US to write cheques on one account which may not be able to honour them and deposit them in another, withdrawing money from the second account before the cheques are cleared 2. to use stolen credit cards or cheque books
kitty /'kiti/ noun money which has been collected by a group of people to be used later, such as for an office party ☞ We each put £5 into the kitty.
Know How Fund /'n2u hau ,fand/ noun formerly, a fund created by the UK government to provide technical training and advice to countries of Eastern Europe. This function is now carried out by the Department for International Development
knowledge management /'nəuldʒ ,menidʒmənt/ noun the task of co-ordinating the specialist knowledge possessed by employees so that it can be exploited to create benefits and competitive advantage for the organisation
labour /ˈleɪbruː/ noun 1. heavy work (NOTE: The US spelling is labor.) 2. workers, the workforce. We will need to employ more labour if production is to be increased. The costs of labour are rising in line with inflation. (NOTE: The US spelling is labor.)

‘...the possibility that British goods will price themselves back into world markets is doubtful as long as sterling labour costs continue to rise faster than in competitor countries’ [Sunday Times]

labour costs /ˈleɪbruː kəstz/ plural noun the cost of the employees employed to make a product, not including materials or overheads.

labour efficiency variance /ˈleɪbruː ɪˌfɪʃənsi ˈveərɪəns/ noun the discrepancy between the usual or expected labour time used to produce something and the actual time used.

labour force /ˈleɪbruː fɔrs/ noun all the employees in a company or in an area. The management has made an increased offer to the labour force. We are opening a new factory in the Far East because of the cheap local labour force.

‘70 per cent of Australia’s labour force is employed in service activity’ [Australian Financial Review]

labour market /ˈleɪbruː ˈmaːrkt/ noun the number of people who are available for work. 25,000 school-leavers have just come on to the labour market.

labour rate (price) variance /ˈleɪbruː ˈreɪt ˌprɑːs ˌveərɪəns/ noun any change to the normal hourly rate paid to workers.

labour relations /ˈleɪbruː ˈreɪʃənz/ plural noun relations between management and employees. The company has a history of bad labour relations.

labour turnover /ˈleɪbruː ˈtɜːnərəv/ noun the movement of employees with some leaving their jobs and others joining. Also called turnover of labour.

labour variance /ˈleɪbruː ˈveərɪəns/ noun any discrepancy between the actual cost of labour in an organisation and the standard industry cost.

Laffer curve /ˈlæfr ˈkærvi/ noun a chart showing that cuts in tax rates increase output in the economy. Alternatively, increases in tax rates initially produce more revenue and then less as the economy slows down.

lag /læg/ verb to be behind or to be slower than something.

lagging indicator /ˈlægɪŋ ˌɪndɪkətər/ noun an indicator which shows a change in economic trends later than other indicators, e.g. the gross national product. Opposite leading indicator.

landlord /ˈlændlɔrd/ noun a person or company which owns a property which is let.

land register /ˈlænd ˈredʒɪstr/ noun a list of pieces of land, showing who owns each and what buildings are on it.

Land Registry /ˈlænd ˈredʒɪstrɪ/ noun a government office where details of land ownership and sales are kept.

land tax /ˈlænd tæks/ noun a tax on the amount of land owned.

lapse /læps/ verb to stop being valid, or to stop being active. The guarantee has lapsed.

lapsed option /ˈlæpsd ˈɒpʃən/ noun an option which has not been taken up, and now has expired.

last in first out /lɑst in ˈfaɪrst ˈaut/ phrase an accounting method where stock is valued at the price of the earliest purchases. Abbreviation LIFO. Compare first in first out.

last quarter /lɑst ˈkwɔrət/ noun a period of three months at the end of the financial year.

last will and testament /lɑst ˈwiːl ənd ˈtestəmənt/ noun a will, a document by
which a person says what he or she wants to happen to their property when they die.

laundry /ˈlaundri/ verb to pass illegal profits, money from selling drugs, money which has not been taxed, etc., into the banking system ○ to launder money through an offshore bank.

‘…it has since emerged that the bank was being used to launder drug money and some of its executives have been given lengthy jail sentences’ [Times]

LAUTRO /ˈlɔːtroʊ/ abbreviation Life Assurance and Unit Trust Regulatory Organisation

law /lɔː/ noun 1. ● laws 2. ○ inside or within the law obeying the laws of a country ○ against or outside the law not according to the laws of a country ○ The company is possibly operating outside the law. ○ to break the law to do something which is not allowed by law ○ He is breaking the law by trading without a licence. 3. a rule governing some aspect of human activity made and enforced by the state

lawful /ˈlɔːfl/ adjective acting within the law

law of supply and demand /ˈlɔːv ˈsəv ˈdemənd/ noun a general rule that the amount of a product which is available is related to the needs of potential customers ○ to plural noun rules by which a country is governed and the activities of people and organisations controlled

lay out phrasal verb to spend money ○ We had to lay out half our cash budget on equipping the new factory.

LBO abbreviation leveraged buyout

L/C abbreviation letter of credit

LCM abbreviation lower of cost or market

LDT abbreviation licensed deposit-taker

lead bank /ˈliːd ˈliːnd/ noun the main bank in a loan syndicate

leading indicator /ˈliːdɪŋ ˈɪndɪkˈteɪə/ noun an indicator such as manufacturing order books which shows a change in economic trends earlier than other indicators. Opposite lagging indicator

lead manager /ˈliːd ˈmænɪdʒə/ noun a person who organises a syndicate of underwriters for a new issue of securities

leads and lags /ˈliːdz ən ˈleɪdz/ plural noun in businesses that deal in foreign currencies, the practice of speeding up the receipt of payments (leads) if a currency is going to weaken, and slowing down the payment of costs (lags) if a currency is thought to be about to strengthen, in order to maximise gains and reduce losses

lead time /ˈliːtd tiːm/ noun the time between deciding to place an order and receiving the product ○ The lead time on this item is more than six weeks.

lead underwriter /ˈliːd ˈəndərwaɪtə/ noun an underwriting firm which organises the underwriting of a share issue (note: The US term is managing underwriter.)

learning curve /ˈlɜːnɪŋ ˈkɜːv/ noun 1. a process of learning something that starts slowly and then becomes faster 2. a line on a graph which shows the relationship between experience in doing something and competence at carrying it out ○ 3. a rule governing some aspect of human activity made and enforced by the state

lead /ˈliːd/ verb to be about to strengthen, in order to maximise gains and reduce losses

lawful /ˈlɔːfl/ adjective acting within the law

law /ˈlɔː/ noun a rule by which a person says what he or she wants to happen to their property when they die.

laws /ˈlɔːz/ plural noun rules by which a country is governed and the activities of people and organisations controlled

leaves /liːz/ plural noun a period of time when a person is not at work in order to rest or recuperate.

lease /liːz/ noun a written contract for letting or renting a building, a piece of land or a piece of equipment for a period against payment of a fee ○ to rent office space on a twenty-year lease ○ the lease expires next year ○ the lease runs out next year (note: The lease comes to an end next year) 1. verb 1. to let or rent offices, land or machinery for a period ○ to lease offices to small firms ○ to lease equipment 2. to use an office, land or machinery for a time and pay a fee ○ to lease an office from an insurance company ○ all our company cars are leased.

lease back phrasal verb to sell a property or machinery to a company and then take it back on a lease ○ They sold the office building to raise cash, and then leased it back on a twenty-five year lease.

leasehold /ˈliːʃəuld/ noun, adjective possessing property on a lease, for a fixed time ○ to buy a property leasehold ○ We are currently occupying a leasehold property ○ The company has some valuable leaseholds. 1. noun a property held on a lease from a freeholder ○ The company has some valuable leaseholds.
leaseholder /ˈliːʃəʊldər/ noun a person who holds a property on a lease

leasing /ˈliːsɪŋ/ noun the use of a lease or of equipment under a lease ○ an equipment-leasing company ○ The company has branched out into car leasing. ○ lessee

leasing agreement /ˈliːsɪŋ əˈɡreɪmənt/ noun a contract between an owner and a lessee, by which the lessee has the exclusive use of a piece of equipment for a period of time, against payment of a fee

ledger /ˈledʒər/ noun a book in which accounts are written

legacy /ˈleɡəsi/ noun a piece of property given by someone to someone else in a will

legal /ˈliːgl/ adjective 1. according to the law or allowed by the law ○ The company’s action in sacking the accountant was completely legal. 2. referring to the law

legal capital /ˈliːgl kəˈpəlt/ noun the amount of shareholders’ equity in a company that is not reduced when dividends are paid

legal charge /ˈliːgl ˈkɑrsɪ/ noun a legal document held by the Land Registry showing who has a claim on a property

legal claim /ˈliːgl klem/ noun a statement that someone owns something legally ○ He has no legal claim to the property.

legal costs /ˈliːgl ˈkɒsts/ noun costs legal of an action, transaction, or other activity that is lawful

legal expenses /ˈliːgl ˈeksplənsiz/ plural noun money spent on fees to lawyers ○ The clerk could not afford the legal expenses involved in suing her boss.

legal currency /ˈliːgl ˈkəraʃəri/ noun money which is legally used in a country

legal tender /ˈliːgl ˈtendr/ noun coins or notes which can be legally used to pay a debt

legatee /ˈlegəti/ noun a person who receives property from someone who has died

lend /lend/ verb to allow someone to use something for a period ○ to lend something to someone ○ to lend someone something ○ to lend money against security ○ He lent the company money or He lent money to the company. ○ The bank lent her £50,000 to start her business. (NOTE: lending – lent)

lender /ˈlendər/ noun a person who lends money

lender of the last resort /ˈlendər əv də ˈlɛst rəˈstoːt/ noun a central bank which lends money to commercial banks

lending limit /ˈlendɪŋ ˈlɪmɪt/ noun a restriction on the amount of money a bank can lend

lending margin /ˈlendɪŋ ˈmɑrɪdʒmən/ noun an agreed spread for lending, based on the LIBOR

less /les/ adjective smaller than, of a smaller size or of a smaller value ○ We do not grant credit for sums of less than £100. ○ He sold it for less than he had paid for it.

leasing agreement /ˈliːsɪŋ əˈɡreɪmənt/ noun a contract between an owner and a lessee, by which the lessee has the exclusive use of a piece of equipment for a period of time, against payment of a fee

lessor /ˈlesərz/ noun a person who grants a lease on a property

let /let/ verb to allow the use of a house, an office or a farm to someone for the payment of rent (NOTE: The US term is rent)

letter of acknowledgement /ˈletər əv ˈkɑrkɑmən/ noun a letter which says that something has been received

letter of credit /ˈletər əv ˈkredɪt/ noun a document issued by a bank on behalf of a customer authorising payment to a supplier when the conditions specified in the document are met. Abbreviation L/C

letter of indemnity /ˈletər əv ˈɪndəməni/ noun a letter promising payment as compensation for a loss

letter of intent /ˈletər əv ɪnˈtent/ noun a letter which states what a company intends to do if something happens

letter of invitation /ˈletər əv ˈɪnvɪtəʃən/ noun a letter inviting people to a meeting or event

lettres patentes /ˈletərs ˈpætənts/ plural noun the official term for a patent

level /ˈlev(ə)/ verb □ to level off or to level out to stop rising or falling ○ Profits have levelled off over the last few years. ○ Prices are levelling out.

leveraged /ˈlɪvərɪdʒd/ adjective borrowing relatively large sums of money in order to finance assets

leveraged buyout /ˈlɪvərɪdʒd ˈbaʊət/ leveraged takeover /ˈlɪvərɪdʒd təˈveɪkər/
assets, liabilities, and owners' equity. The balance sheet provides a snapshot of a company's financial position at a specific point in time, listing its assets (such as cash, inventory, and property) and liabilities (such as debts and taxes payable), along with the equity (the difference between assets and liabilities).

Depositing money in a bank is an example of a financial transaction. The bank acts as a financial institution, providing services such as deposit-taking and lending. Depositing money into a bank means giving up some control over your funds while earning interest, a form of compensation. A debit card, for instance, allows you to withdraw funds from your account, but the bank retains the funds until they are credited back, enforcing discipline and encouraging saving.

Equity, on the other hand, represents the residual interest in the assets of a company after all liabilities have been settled. It reflects the net worth of the company, meaning anything that remains after debts and liabilities are paid off. Equity is often considered as a measure of a company's financial stability and resilience. Just as a bank reserves funds to repay deposits at any time, shareholders expect companies to manage their assets prudently to ensure the company's continued viability and the satisfaction of their financial interests.
line item budget noun a well-established budget layout that shows the costs of a cost object analysed by their nature in a line-by-line format

line of credit noun the amount of money made available to a customer by a bank as an overdraft or to open a line of credit or a credit line to make credit available to someone.

link verb to join or to attach to something else. Also called index-linked

liquid adjective easily converted to cash, or containing a large amount of cash

liquid assets noun assets which can be quickly converted into cash

liquidation noun the sale of assets for cash, usually in order to pay debts or liquidation of a debt. the winding up or closing of a company and selling of its assets.

liquidator noun a person named to supervise the closing of a company which is in liquidation

liquidity noun the fact of having cash or assets which can be changed to cash

liquidity ratio noun an accounting ratio used to measure an organisation’s liquidity. It is calculated by taking the business’s current assets, minus its stocks, divided by its current liabilities. Also called acid test ratio, quick ratio

listed company noun a company whose shares can be bought or sold on the Stock Exchange

listed securities noun shares which can be bought or sold on the Stock Exchange, shares which appear on the official Stock Exchange list

Listing Agreement noun a document which a company signs when being listed on the Stock Exchange, in which it promises to abide by stock exchange regulations

listing details noun details of a company which are published when the company applies for a stock exchange listing (the US equivalent is the ‘registration statement’)

listing particulars noun a company whose shares can be bought or sold on the Stock Exchange listing details

listing requirements noun the conditions which must be met by a corporation before its stock can be listed on the New York Stock Exchange

litigation noun the bringing of a lawsuit against someone

loan noun money which has been lent

local adjective located in or providing a service for a restricted area

loan stock noun a part of a company’s capital which is a loan to be repaid at a later date

local government noun an elected section of government which runs a small area of the country

local currency noun the currency of a particular country where a transaction is being carried out. Because of the weakness of the local currency, all payments are in dollars

lock into verb to be fixed to an interest rate or exchange rate. By buying francs forward the company is in effect locking itself into a pound-franc exchange rate of 10.06
London Interbank Offered Rate /lɔndən ɪntəˈbærk /əˈfeɪd ˈriːst/ noun the rate at which banks offer to lend Eurodollars to other banks. Abbreviation LIBOR

long /lɒŋ/ adjective for a large period of time

long bond /ˈlɒŋ bɔnd/ long coupon bond /ˈlɒŋ kəˈpəʊn ˈbɔnd/ noun a bond which will mature in more than ten years’ time

long credit /ˈlɒŋ ˈkredɪt/ noun credit terms which allow the borrower a long time to pay

long-dated bill /ˈlɒŋ ˈdɛtɪd ˈbɪl/ noun a bill which is payable in more than three months’ time

long-dated stocks /ˈlɒŋ ˈdɛtɪd ˈstɒks/ plural noun same as longs

long lease /ˈlɪnz/ noun a lease which runs for fifty years or more ○ to take an office building on a long lease
d

long position /ˈlɒŋ pəˈziʃn/ noun a situation where an investor sells long, i.e. sells forward shares which he or she owns. Compare short position

long-range /ˈlɒŋ rɛnˈdʒi/ adjective for a long period of time in the future

longs /ˈlɒŋz/ plural noun government stocks which will mature in over fifteen years’ time. Also called long-dated stocks

long-term /ˈlɒŋ ˈtɜːrn/ adjective relating to a long time into the future ○ The management projections are made on a long-term basis. ○ Sound long-term planning will give the company more direction.

long-term borrowings /ˈlɒŋ tɜːrn ˈbɔrəʊɪŋz/ plural noun borrowings which do not have to be repaid for some years

long-term debt /ˈlɒŋ tɜːrn ˈdiːt/ noun loans that are not repaid within a year

loose change /ˈluːs ˈʃɛndʒ/ noun money in coins

lose /luːz/ verb 1. not to have something any more 2. to have less money ○ He lost £25,000 in his father’s computer company.

loss /ˈlɒs/ noun 1. the state or process of not having something any more 2. the state of having less money than before or of not making a profit □ the car was written off as a dead loss or a total loss the car was so badly damaged that the insurers said it had no value ○ to cut your losses to stop doing something which is losing money

...against losses of FFr 7.7m two years ago, the company made a net profit of FFr 300,000 last year [Financial Times]

loss adjuster /ˈlɒs əˈdʒɛstər/ noun a person who calculates how much insurance should be paid on a claim

loss carryback /ˈlɒs ˈkærərbæk/ noun the process of applying a net operating loss to a previous accounting year

loss carryforward /ˈlɒs ˈkærərfɔːwəd/ noun the process of applying a net operating loss to a following accounting year

loss relief /ˈlɒs ˈrɛli/ noun an amount of tax not to be paid on one year’s profit to offset a loss in the previous year

lot /lɒt/ noun 1. a group of items sold together at an auction ○ to bid for lot 23 ○ At the end of the auction half the lots were unsold. 2. a group of shares which are sold ○ to sell a lot of shares ○ to sell shares in small lots

lottery /ˈlətəri/ noun a game where numbered tickets are sold and prizes given for some of the numbers

lower of cost or market /ˈləʊər əv kərət ər ˈmɑːrkɪt/ noun a stock-accounting method in which a manufacturing or supply firm values items of stock either at their original cost or the current market price, whichever is lower. Abbreviation LCM

low gearing /ˈləʊ ˈɡɛərɪŋ/ noun the fact of not having much borrowing in proportion to your capital

low yield /ˈləʊ ˈjɪld/ noun a yield on the share price which is low for the sector, suggesting that investors anticipate that the company will grow fast, and have pushed up the share price in expectation of growth

loyalty bonus /ˈloʊəlti ˈbɑːnəs/ noun a special privilege given to shareholders who keep their shares for a long period of time, used especially to attract investors to privatisation issues

Ltd abbreviation limited company

lump sum /ˈlʌmp ˈsəm/ noun money paid in one single amount, not in several small sums ○ When he retired he was given a lump-sum bonus. ○ She sold her house and invested the money as a lump sum.

luncheon voucher /ˈlʌntʃən ˈvʌtʃən/ noun a ticket given by an employer to an employee in addition to their wages, which can be exchanged for food in a restaurant

luxury tax /ˈlʌksəri ˈteɪks/ noun a tax on goods or services that are considered non-essential
machine hour rate /ˌmæʃəʊˈaʊ tɪ ˈreɪt/ noun a method of calculating production overhead absorption rate, where the number of hours the machines are expected to work is divided into the budgeted production overhead to give a rate per hour

macro- /ˈməkroʊ-/ prefix very large, covering a wide area

macroeconomics /ˌmærəʊˌɒkˈɪnomɪks/ plural noun a study of the economics of a whole area, a whole industry, a whole group of the population or a whole country, in order to help in economic planning. Compare microeconomics (NOTE: takes a singular verb)

majority shareholder /ˌmərɪˈeɪtɪərɪ ˈʃeəhrɔld/ noun a person who owns more than half the shares in a company

majority shareholding /ˌmərɪˈeɪtɪərɪ ˈʃeəhəʊldɪŋ/ noun a group of shares which are more than half the total

majority vote /ˌmərɪˈeɪtɪərɪ ˈvɔʊt/ noun a decision which represents the wishes of the largest group as shown by a vote

make /meɪk/ verb 1. to produce or to manufacture ☑ The factory makes three hundred cars a day. 2. to earn money ☑ He makes £50,000 a year or £25 an hour. 3. to increase in value ☑ The shares made $2.92 in today’s trading. 4. ☑ to make a profit to have more money after a deal ☑ to make a loss to have less money after a deal ☑ to make a killing to make a very large profit

make over phrasal verb to transfer property legally ☑ to make over the house to your children

make up phrasal verb to compensate for something ☑ to make up a loss or difference to pay extra so that the loss or difference is covered

make-or-buy decision /ˌmeɪk ə ˈbɜːt ˈbɪzi ˈdɛsərriʃn/ noun a choice between manufacturing a product or component and buying it in

maladministration /ˌmæləˌdɪsəˈmɛntrəni/ noun incompetent administration

manage /ˈmændʒ/ verb to direct or to be in charge of something ☑ to manage a branch office ☑ A competent and motivated person is required to manage an important department in the company.

…the research director will manage and direct a team of graduate business analysts reporting on consumer behaviour throughout the UK” [Times]

managed earnings /ˈmændʒd ˈɛnərɪŋz/ plural noun the use of any of various accounting devices to make profits appear higher or lower than they actually were in a given accounting period

managed fund /ˈmændʒd ˈfʌnd/ noun a unit trust fund which is invested in specialist funds within the group and can be switched from one specialised investment area to another. Also called managed unit trust

managed rate /ˈmændʒd ˈreɪt/ noun a rate of interest charged by a financial institution for borrowing that is not prescribed as a margin over base rate but is set from time to time by the institution

managed unit trust /ˈmændʒd ˈjuːnt trʌst/ noun same as managed fund

management /ˈmændʒmənt/ noun 1. the process of directing or running a business ☑ a management graduate ☑ a management graduate or a graduate in management ☑ Good management or efficient management is essential in a large organisation. ☑ Bad management or inefficient management can ruin a business. 2. a group of managers or directors ☑ The management has decided to give everyone a pay increase. (NOTE: Where management refers to a group of people it is sometimes followed by a plural verb.)

‘….the management says that the rate of loss-making has come down and it expects further improvement in the next few years’ [Financial Times]
management accountant n noun an accountant who prepares financial information for managers so that they can take decisions

management accounting noun a kauntnt ə,kauntɪŋ/ management accountancy noun the providing of information to managers, which helps them to plan, to control their businesses and to take decisions which will make them run their businesses more efficiently. Compare financial accounting

management accounts n noun a kaunts plural noun financial information prepared for a manager so that decisions can be made, including monthly or quarterly financial statements, often in great detail, with analysis of actual performance against the budget

management audit noun a mendizmant ə, ədɪt/ noun the audit helped determine how many management tasks and decision-making. Abbreviation MIB

management review noun a mendizmant ri/ vjuə noun an external auditor’s evaluation of the performance of the managers of an organisation. Also called management letter

management team noun a mendizmant tɪəm/ noun all the managers who work in a particular company

manager noun a mendɪdə/ noun 1. the head of a department in a company ○ She’s a department manager in an engineering company. ○ Go and see the human resources manager if you have a problem. ○ The production manager has been with the company for only two weeks. 2. the person in charge of a branch or shop ○ Mr Smith is the manager of our local Lloyds Bank. ○ The manager of our Lagos branch is in London for a series of meetings.

...the No. 1 managerial productivity problem in America is managers who are out of touch with their people and out of touch with their customers’ [Fortune]

managing director noun a mendɪdəz ə, rɪ ˈrektə/ noun the director who is in charge of a whole company. Abbreviation MD

mandate noun a mendɪdət/ noun an order which allows something to take place

mandatory bid noun a mendɪdət(ə)ri/ bɪd/ noun an offer to purchase the shares of a company which has to be made when a shareholder acquires 30% of that company’s shares

manipulate verb ə to manipulate the accounts to make false accounts so that the company seems profitable

manpower forecasting noun a menpəə ˌfɔrɛstɪŋ/ noun the process of calculating how many employees will be needed in the future, and how many will actually be available

manpower planning noun a menpəə ˈplænɪŋ/ noun the process of planning to obtain the right number of employees in each job

manufacturing noun a menʃəʊrɪŋ/ noun the production of machine-made products for sale ○ We must try to reduce the manufacturing overheads. ○ Manufacturing processes are continually being updated.

manufacturing profit noun a menʃəʊrɪŋ ˈprɪfɪt/ noun the difference between the cost of buying a product from another supplier and the cost to the company of manufacturing it itself

139 manufacturing profit
margin /ˈmɑːdʒɪn/ noun a request for a purchaser of a futures contract or an option to pay more margin, since the fall in the price of the securities or commodity has removed the value of the original margin deposited

margin of safety /ˈmɑːdʒɪn av ˈsefti/ noun the units produced or sales of such units which are above the break-even point

mark down phrasal verb to make the price of something lower

mark up phrasal verb to make the price of something higher

mark-down /ˈmɑːrk daʊn/ noun 1. a reduction of the price of something to less than its usual price 2. the percentage amount by which a price has been lowered 3. There has been a 30% mark-down on all goods in the sale.

market /ˈmɑːkɪt/ noun 1. an area where a product might be sold or the group of people who might buy a product 2. There is no market for this product. 3. Our share of the Far eastern market has gone down. 4. The possible sales of a specific product or demand for a specific product 5. There’s no market for word processors 6. The market for home computers has fallen sharply. 7. We have 20% of the UK car market 8. A place where money or commodities are traded 9. to sell at the market an instruction to stockbroker to sell shares at the best price possible 10. to put something on the market to start to offer something for sale 11. They put their house on the market. 12. I hear the company has been put on the market. 13. The company has priced itself out of the market the company has raised its prices so high that its products do not sell 14. The market for home computers has fallen sharply.

market analysis /ˈmɑːkɪt ənˈæləsɪs/ noun the detailed examination and report of a market

market capitalisation /ˈmɑːkɪt ˈkæpɪtəlɪˈzeɪʃn/ noun the total market value of a company, calculated by multiplying the price of its shares on the Stock...
Exchange by the number of shares outstanding ○ company with a £1m capitalisation

market economist /mɑːktɪkst/ noun a person who specialises in the study of financial structures and the return on investments in the stock market

market forces /mɑːktɪfɔːs/ plural noun the influences on the sales of a product which bring about a change in prices

marketing /mɑːktɪŋ/ noun the business of presenting and promoting goods or services in such a way as to make customers want to buy them

‘...reporting to the marketing director, the successful applicant will be responsible for the development of a training programme for the new sales force’ [Times]

marketing agreement /mɑːktɪŋ əɡrɪmənt/ noun a contract by which one company will market another company’s products

marketing cost /mɑːktɪŋ ˈkɒst/ noun the cost of selling a product, including advertising, packaging, etc.

marketing department /mɑːktɪŋ dɪˈpɑːrtmənt/ noun the section of a company dealing with marketing and sales

marketing manager /mɑːktɪŋ ˈmænɪdʒər/ noun a person in charge of a marketing department ○ The marketing manager has decided to start a new advertising campaign.

market leader /mɑːktɪkˈlɛdə/ noun 1. a product which sells most in a market 2. the company with the largest market share ○ We are the market leader in home computers.

‘...market leaders may benefit from scale economics or other cost advantages; they may enjoy a reputation for quality simply by being at the top, or they may actually produce a superior product that gives them both a large market share and high profits’ [Accountancy]

marketer /mɑːktɪkˈteɪkə/ noun a person or firm that buys and sells shares on the stock market and offers to do so (NOTE: Marketmakers list the securities they are willing to buy or sell and their bid and offer prices. If the prices are met, they immediately buy or sell and make their money by charging a commission on each transaction. Marketmakers play an important part in maintaining an orderly market.)

market opportunities /mɑːktɪk ˈɒpəriətjuːz/ plural noun the possibility of finding new sales in a market

market price /mɑːktɪk ˈprɑːs/ noun 1. the price at which a product can be sold 2. the price at which a share stands in a stock market

market rate /mɑːktɪk ˈreɪt/ noun the usual price in the market ○ We pay the market rate for temporary staff or We pay temporary staff the market rate.

‘...after the prime rate cut yesterday, there was a further fall in short-term market rates’ [Financial Times]

market research /mɑːktɪk riˈɜːstrɛs/ noun the process of examining the possible sales of a product and the possible customers for it before it is put on the market

market risk premium /mɑːktɪk ˈrɪsk ˈprɛmɪəm/ noun the extra return required from a high-risk share to compensate for its higher-than-average risk

market trends /mɑːktɪk ˈtrendz/ plural noun gradual changes taking place in a market

market value /mɑːktɪk ˈvæljuː/ noun the value of an asset, a share, a product or a company if sold today

mark-up /mɑːkt ʌp/ noun 1. an increase in price ○ We put into effect a 10% mark-up of all prices in June. ○ Since I was last in the store they have put at least a 5% mark-up on the whole range of items. 2. the difference between the cost of a product or service and its selling price ○ We work to a 3.5 times mark-up or to a 350% mark-up we take the unit cost and multiply by 3.5 to give the selling price

mass production /mæs prəˈdʌkʃən/ noun the manufacture of large quantities of identical products

master budget /ˈmɑːstər bɪˈdʒʌt/ noun a plan that assesses an organisation’s proposed activities in terms of assets, equities, revenues and costs

matching /ˈmætʃɪŋ/ noun the process of comparing costs to sales in order to calculate profits during an accounting period

matching concept /ˈmætʃɪŋ kɒnˈsept/ noun the idea that the factors which influence profits are the same as the factors which influence losses

material facts /ˈməʊriəl ˈfækts/ plural noun 1. in an insurance contract, information that the insured has to reveal at the time that the policy is taken out, e.g., that a house is located on the edge of a crumbling cliff. Failure to reveal material facts can result in the contract being declared void. 2. information that has to be disclosed in a prospectus.

listing requirements
materiality /ˌmætəˈriəlɪtɪ/ noun the seriousness of an omission or misstatement in accounts

material news /ˌmætəˈriəl nəʊz/ plural noun price sensitive developments in a company, e.g., proposed acquisitions, mergers, profit warnings and the resignation of directors, that most stock exchanges require a company to announce immediately to the exchange. (NOTE: The US term is material information.)

material requirement planning /ˈmætəˈriərіəl rɪˈkwɛstprɪln/ a computer-based system that deals with the ordering and processing of component parts and materials. Abbreviation MRP

materials price variance /ˌmætəˈriəlɪz prɪz ˈvɑːrəns/ noun the discrepancy between the price actually paid for materials and the price that it was expected would be paid

materials quantity (usage) variance /ˌmætəˈriəlɪz kweɪtəns ˈvɑːrəns/ noun the discrepancy between the actual quantity of materials used in production and the quantity of materials normally allowed

materials variance /ˌmætəˈriəlɪz ˈvɑːrəns/ noun a combination of materials price variance and materials quantity (usage) variance

maternity benefit /ˌmætəˈtrɪnəti ˈbɛnɪtɪ/ noun money paid by the National Insurance to a mother when she has her child

maternity pay period /ˌmætəˈtrɪnəti ˈpiərɪd/ noun a period of eighteen weeks when statutory maternity pay is paid. Abbreviation MPP

maturation /ˌmætəˈreɪʃən/ noun the time at which something becomes due for payment or repayment

maturation date /ˌmætəˈreɪʃən dɪt/ noun a date when a government stock, an assurance policy or a debenture will become due for payment. Also called date of maturity

maturity value /ˌmætəˈreɪʃən ˈvæljuː/ noun the amount payable when a bond or other financial instrument matures

maxi ISA /ˈmæksi ˈɛsə/ noun an ISA that offers the opportunity to invest on the stock market, with a limit on combined cash and stock market investments of £7000 per year. Abbreviation MNI ISA

maximisation /ˌmæksɪmaɪˈzeɪʃən/ noun the process of making something as large as possible

maximise /ˌmæksɪməˌzaɪz/ verb to make something as large as possible

Our aim is to maximise profits. ○ She is paid on results, and so has to work flat out to maximise her earnings.

maximum /ˈmæksɪməm/ noun the largest possible number, price or quantity ○ It is the maximum the insurance company will pay. (NOTE: The plural is maxima or maximums.) □ up to a maximum of £10 no more than £10 ■ adjective largest possible ○ 40% is the maximum income tax rate or the maximum rate of tax. ○ The maximum load for the truck is one ton. ○ Maximum production levels were reached last week.

MBO abbreviation management buyout

MD abbreviation managing director ○ She was appointed MD of a property company.

mean /miːn/ adjective average ○ The mean annual increase in sales is 5.20%. ■ noun the average or number calculated by adding several quantities together and dividing by the number of quantities added ○ Unit sales are over the mean for the first quarter or above the first-quarter mean.

means /miːnz/ noun a way of doing something ○ Do we have any means of copying all these documents quickly? ○ Bank transfer is the easiest means of payment. (NOTE: The plural is means.) ■ plural noun money or resources ○ The company has the means to launch the new product. ○ Such a level of investment is beyond the means of a small private company.

means test /ˈmiːnz tɛst/ noun an inquiry into how much money someone earns to see if they are eligible for state benefits

means-test /ˈmiːnz tɛst/ verb to find out how much money someone has in savings and assets ○ All applicants will be means-tested.

measure /ˈmiːzər/ noun 1. a way of calculating size or quantity 2. a type of action ■ verb ○ to measure a company’s performance to judge how well a company is doing

measurement of profitability /ˌmiːzməˈrɪtfəlɪtɪ/ noun a way of calculating how profitable something is

median /ˈmiːdɪən/ noun the middle number in a list of numbers

medical insurance /ˌmedɪkəl ɪnˈʃʊərəns/ noun insurance which pays the cost of medical treatment, especially when someone is travelling abroad

medium of exchange /ˈmiːdiəm əv tʃiːn/ noun anything that is used to pay for goods. Nowadays, this usually takes the form of money (banknotes and coins), but in
ancient societies, it included anything from cattle to

mediums  /ˈmɪdɪəmz/ plural noun government stocks which mature in seven to fifteen years' time

medium-sized company /ˈmɪdɪəm sɪzəd /ˈkʌmpərni/ noun a company which has an annual turnover of less than £22.8m and does not employ more than 280 staff ○ a medium-sized engineering company

medium-term bond /ˈmɪdɪəm tɜːmˈbɔnd/ noun a bond which matures within five to fifteen years

member /ˈmembə/ noun 1. a person who belongs to a group, society or organisation ○ Committee members voted on the proposal. ○ They were elected members of the board. ○ Every employer is a member of the employers' federation. 2. a shareholder in a company 3. an organisation which belongs to a larger organisation ○ the members of the EU ○ the members of the United Nations ○ the member companies of a trade association

‘…it will be the first opportunity for party members and trade union members to express their views on the tax package’ [Australian Financial Review]

member bank /ˈmembə ˈbæŋk/ noun a bank which is part of the Federal Reserve system

member firm /ˈmembə ˈfɜːm/ noun a stockbroking firm which is a member of a stock exchange

membership /ˈmembəʃɪp/ noun 1. the fact of belonging to a group, society or organisation ○ membership qualifications ○ conditions of membership ○ membership of the EU 2. all the members of a group ○ The membership was asked to vote for the new president.

‘…the bargaining committee will recommend that its membership ratify the agreement at a meeting called for June’ [Toronto Star]

members' voluntary winding up /ˈmembəz, ˈvɜːləntəri ˈwʊndaɪŋ /ˈap/ noun the winding up of a company by the shareholders themselves

memorandum and articles of association /ˈməmorəndəm ənd ˈɑːritklz əv ˈɛsəs əˈsəʊʃən/ noun the legal documents which set up a limited company and give details of its name, aims, authorised share capital, conduct of meetings, appointment of directors and registered office

merchant /ˈmɛrʃənt/ noun 1. a businessperson who buys and sells, especially one who buys imported goods in bulk for retail sale ○ a coal merchant ○ a wine merchant 2. a company, shop or other business which accepts a credit card for purchases

merchant bank /ˈmɛrʃənt ˈbæŋk/ noun 1. a bank which arranges loans to companies, deals in international finance, buys and sells shares and launches new companies on the Stock Exchange, but does not provide banking services to the general public 2. US a bank which operates a credit card system, accepting payment on credit cards from retailers or 'merchants'

merchant banker /ˈmɛrʃənt ˈbæŋkər/ noun a person who has a high position in a merchant bank

merchant number /ˈmɛrʃənt ˈnʌmbə/ noun a number of the merchant, printed at the top of the report slip when depositing credit card payments

merge /mɜːdʒ/ verb to join together ○ The two companies have merged. ○ The firm merged with its main competitor

merger /ˈmɜːdʒər/ noun the joining together of two or more companies ○ As a result of the merger, the company is now the largest in the field.

merger accounting /ˈmɜːdʒər əˈkaʊntɪŋ/ noun a way of presenting the accounts of a newly acquired company within the group accounts, so as to show it in the best possible light

mezzanine finance /ˌmɛtənənˈfɪnəns/ noun finance provided to a company after it has received start-up finance

micro- /ˈmɪkrəʊ/ prefix very small

microeconomics /ˌmɪkrəʊ ɪˌkəʊˌɑrnəməstɪks/ plural noun the study of the economics of people or single companies. Compare macroeconomics (NOTE: takes a singular verb)

middle management /ˈmɪd əlˈmænɪdʒmənt/ noun department managers in a company, who carry out the policy set by the directors and organise the work of a group of employees

middle price /ˈmɪd əlprɪs/ noun a price between the buying and selling price, usually shown in indices

mid-month /ˈmɪd ˈmʌnθ/ adjective happening in the middle of the month ○ mid-month accounts

mid-week /ˈmɪd ˈwɪk/ adjective happening in the middle of a week ○ the mid-week lull in sales

книга выложена группой vk.com/englishlibrary
misappropriation /ˌmɪsparəˈproʊpəri/ noun the illegal use of money by someone who is not the owner but who has been trusted to look after it
miscalculate /ˌmɪskælkjʊərət/ verb to calculate wrongly, or to make a mistake in calculating something. The salesman mis-calculated the discount, so we hardly broke even on the deal.

miscount noun /ˈmɪskɔʊnt/ a mistake in counting. The salesman mis-counted the sales figures.

mismanage /ˌmɪsmændʒər/ verb to manage something badly. The company had been badly mismanaged under the previous MD.

mismanagement /ˌmɪsmænˈdʒmənt/ noun bad management. The company's mis-management caused the failure of the business.

misrepresentation /ˌmɪreprɪˈzent/ noun the act of using false claims or statements in order to persuade someone to enter into a contract such as one for buying a product or service.

misuse noun /ˈmɪʃuːz/ the act of using something, e.g. invested money, for a wrong purpose. The misuse of funds or assets. The misuse of funds or assets to misrepresent facts or what someone says wrongly. Our spokesman was totally misrepresented in the Sunday papers.

MIS abbreviation management information system

mixed economy /ˈmɪkst əˈkɔnəmi/ noun a system which contains both nationalised industries and private enterprise.

mixed /ˈmɪkst/ adjective 1. made up of different sorts or of different types of things together. Neither good nor bad. 2. prices closed on a mixed note after a moderately active trading session. Financial Times.

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**monetary** /ˈmənətri/ adjective referring to money or currency

‘...the decision by the government to tighten monetary policy will push the annual inflation rate above the year's previous high’ [Financial Times]

‘...it is not surprising that the Fed started to ease monetary policy some months ago’ [Sunday Times]

‘...a draft report on changes in the international monetary system’ [Wall Street Journal]

**monetary assets** /ˈmənətəri ˈæsetz/ plural noun assets, principally accounts receivable, cash and bank balances, that are realisable at the amount stated in the accounts. Other assets, e.g., facilities and machinery, inventories, and marketable securities will not necessarily realise the sum stated in a business’s balance sheet.

**monetary items** /ˈmənətəri ˈaɪtəmz/ plural noun monetary assets such as cash or debtors, and monetary liabilities such as an overdraft or creditors, whose values stay the same in spite of inflation.

**monetary standard** /ˈmənətəri ˈstændəd/ noun a fixed exchange rate for a currency.

**monetary targets** /ˈmənətəri ˈtærgəts/ plural noun figures which are given as targets by the government when setting out its budget for the forthcoming year, e.g. the money supply or the PSBR.

**monetary unit** /ˈmənətəri ˈjuːnɪt/ noun a main item of currency of a country.

**money** /ˈmənəi/ noun coins and notes used for buying and selling or money up front. They are asking for £10,000 up front before they will consider the deal. He had to put money up front before he could clinch the deal.

**money at call** /ˈmənəi ət ˈkɔl/ noun same as call money.

**money at call and short notice** /ˈmənəi ət ˈkɔl ənd ˈnuːtɪz/ noun in the United Kingdom, balances in an account that are either available upon demand (call) or within 14 days (short notice).

**money broker** /ˈmənəi ˈbrəʊkər/ noun a dealer operating in the interbank and foreign exchange markets.

**money laundering** /ˈmənəi ˈlændərɪŋ/ noun the act of passing illegal money into the banking system.

**moneylender** /ˈmənəi,ˈlɛndər/ noun a person who lends money at interest.

**money lying idle** /ˈmənəi ˈlaɪŋ ˈaɪdəl/ noun money which is not being used to produce interest, which is not invested in business.

**money-making** /ˈmənəi ˈmeɪkɪŋ/ adjective able to turn over a profit or a money-making plan.

**money market fund** /ˈmənəi ˈmeɪkɪt ˈfʌnd/ noun an investment fund, which only invests in money market instruments.

**money market instruments** /ˈmənəi ˈmeɪkɪt ˈɪnstrəmənts/ plural noun short-term investments which can be easily turned into cash and are traded on the money markets, e.g. CDs.

**money on call** /ˈmənəi ən ˈkɔl/ noun same as call money.

**money order** /ˈmənəi ˈɔrdr/ noun a document which can be bought as a way of sending money through the post.

**money rates** /ˈmənəi ˈreɪts/ plural noun rates of interest for borrowers or lenders.

**money supply** /ˈmənəi ˈsəpl/ noun the amount of money in a country’s economy, consisting mainly of the money in circulation and that held in savings and cheque accounts.

**monies** /ˈməniz/ plural noun sums of money or monies owing to the company to collect monies due.

**monopoly** /ˈmənəpoli/ noun a situation where one person or company is the only supplier of a particular product or service or to be in a monopoly situation.

**Monte Carlo method** /ˈmɔnti ˈkɑrlo ˈmeθəd/ noun a statistical analysis technique for calculating an unknown quantity which has an exact value by using an extended series of random trials (NOTE: The name refers to the fact that a roulette wheel in a casino, as in Monte Carlo, continually generates random numbers.)

**month** /ˈmʌnθ/ noun one of twelve periods which make a year or bills due at the end of the current month.

**month-end** /ˈmʌnθ ˈend/ noun the end of a calendar month, when accounts have to be drawn up.

**monthly** /ˈmənəli/ adjective happening every month or which is received every month.

We get a monthly statement from the bank. She makes monthly payments to the credit card company. He is paying for...
moonlight

his car by monthly instalments.  ☞ My monthly salary cheque is late. ☞ monthly statement a statement sent to a customer at the end of each month, itemising transactions which have taken place in his or her account ☞ every month ☞ She asked if she could pay monthly by direct debit. ☞ The account is credited monthly.
moratorium /'mɔrətɔrɪəm/ noun a temporary stop to repayments of interest on loans or capital owed ☞ The banks called for a moratorium on payments. (NOTE: The plural is moratoria or moratoriums.)
morality tables /mɔtɪələti, tɛr(ə)lɪz/ plural noun same as actuarial tables
mortgage /mɔtɪdʒ/ noun a legal agreement where someone lends money to another person so that he or she can buy a property, the property being the security ☞ to take out a mortgage on a house
...mortgage payments account for just 20 per cent of the average first-time buyer’s gross earnings against an average of 24 per cent during the past 15 years’ [Times]
...mortgage money is becoming tighter. Applications for mortgages are running at a high level and some building societies are introducing quotas’ [Times]
...for the first time since mortgage rates began falling a financial institution has raised charges on homeowner loans’ [Globe and Mail (Toronto)]
mortgage bond /mɔtɪdʒ bɔnd/ noun a certificate showing that a mortgage exists and that property is security for it
mortgage debenture /mɔtɪdʒ ˈdebɛntʃər/ noun a debenture where the lender can be repaid by selling the company’s property
mortgagee /mɔtɪdʒ əˈdʒi/ noun a person or company which lends money to someone to buy a property
mortgage famine /mɔtɪdʒ fəˈmɛni/ noun a situation where there is not enough money available to offer mortgages to house buyers
mortgager /mɔtɪdʒ əˈɡɛr/ noun a person who borrows money to buy a property
movable /ˈmʌvəbəl/ plural noun movable property
moving average /ˈmʌvɪŋ ˈɛvərɪdʒ/ noun an average of share prices on a stock market, where the calculation is made over a period which moves forward regularly
multifunctional /ˌmʌltɪˈfʌŋkʃənəl/ adjective in several currencies
multiple exchange rate /ˌmʌltɪpl ɪˈkənri/ noun a two-tier rate of exchange used in certain countries where the more advantageous rate may be for tourists or for businesses proposing to build a factory
multiple ownership /ˌmʌltɪpl əʊˈnɜːʃɪp/ noun a situation where something is owned by several parties jointly
multiplication sign /ˌmʌltɪplɪˈkeɪʃən/ noun (x) used to show that a number is being multiplied by another
multiplier /ˌmʌltɪplər/ noun 1. a number which multiplies another, or a factor which tends to multiply something, as the effect of new expenditure on total income and reserves 2. same as uniform business rate
multiply /ˈmʌltɪplaɪ/ verb 1. to calculate the sum of various numbers added together
a particular number of times ○ If you multiply twelve by three you get thirty-six. ○ Square measurements are calculated by multiplying length by width. 2. to grow or to increase ○ Profits multiplied in the boom years.

**municipal bond** /ˈmjuːnɪsipəl bɔnd/ noun US a bond issued by a town or district (NOTE: The UK term is *local authority bond*.)

**mutual** /ˈmjuːʃəl/ adjective owned by members, not by shareholders ■ noun any commercial organisation that is owned by its members, rather than by shareholders

**mutual fund** /ˈmjuːʃəl fʌnd/ noun US same as *unit trust*
naked /ˈneɪkt/ adjective used for describing investment that is not protected from risks inherent in a particular position or market

named /nɛmd/ adjective the person named in the policy the person whose name is given on an insurance policy as the person insured

NAO abbreviation National Audit Office

narration /ˈnærəʃən/, narrative /ˈnærətɪv/ noun a series of notes and explanations relating to transactions in the accounts

national /ˈnæʃənəl/ adjective referring to the whole of a particular country

National Audit Office /ˈnæʃənəl əˈdɪt əˈfɪs/ noun a body which investigates the use of public money by central government departments. It acts on behalf of the Parliamentary Public Accounts Committee. Abbreviation NAO

national bank /ˈnæʃənəl bæŋk/ noun in the US, a bank which is chartered by the federal government and is part of the Federal Reserve system. Compare state bank

national income /ˈnæʃənəl ˈɪnkwəm/ noun the value of income from the sales of goods and services in a country

national income accounts /ˈnæʃənəl ˈɪnkwəm əˈkaʊnts/ plural noun economic statistics that show the state of a nation’s economy over a given period of time, usually a year. (gross domestic product, gross national product

National Insurance /ˈnæʃənəl ɪnˈʃɔːrəns/ noun state insurance in the United Kingdom, organised by the government, which pays for medical care, hospitals, unemployment benefits, etc. Abbreviation NI

National Insurance contribution /ˈnæʃənəl ɪnˈʃɔːrəns ˈkɒntrɪbjuʃən/ noun a proportion of income paid each month by an employee and the employee’s company to the National Insurance scheme, which pays for medical care, hospitals, unemployment benefits, etc. Abbreviation NIC

National Insurance number /ˈnæʃənəl ɪnˈʃɔːrəns ˈnʌmbər/ noun a number given to each British citizen, which is the number by which he or she is known to the social security services

National Savings and Investments /ˈnæʃənəl ˈsɜːrvɪŋz ənd ɪnˈvestmənts/ noun a part of the Exchequer, a savings scheme for small investors including savings certificates and premium bonds. Abbreviation NS&I

National Savings Bank /ˈnæʃənəl ˈsɜːrvɪŋz ˈbæŋk/ noun in the United Kingdom, a savings scheme established in 1861 as the Post Office Savings Bank and now operated by National Savings and Investments. Abbreviation NSB

National Savings certificates /ˈnæʃənəl ˈsɜːrvɪŋz ˈseɪvɪŋz ˌstɒk ˈredʒɪstrə/ plural noun certificates showing that someone has invested in National Savings and Investments. The NS&I issues certificates with stated interest rates and stated maturity dates, usually five or ten years.

National Savings Stock Register /ˈnæʃənəl ˈsɜːrvɪŋz ˈstətʃ ˈredʒɪstrə/ noun an organisation, run by National Savings and Investments, which gives private individuals the opportunity to buy British government stocks by post without going through a stockbroker

NAV abbreviation net asset value

NBV abbreviation net book value

negative carry /ˈnɛgətɪv ˈkærɪ/ noun a deal where the cost of finance is more than the return on the capital used

negative cash flow /ˈnɛgətɪv ˈkeɪʃ flɔʊ/ noun a situation where more money is going out of a company than is coming in

negative confirmation /ˈnɛgətɪv ˌkɒnfɜːrəmənt/ noun an auditor’s request to have financial information confirmed as accurate, to which a reply need only be sent in the case of a discrepancy
negative equity /ˌnegətv ˈekwəti/ noun a situation where a house bought with a mortgage becomes less valuable than the money borrowed to buy it because of falling house prices.

negative goodwill /ˌnegətv ˈɡudwil/ noun the position of a company that has assets with a market value that is greater than the price the company paid for them.

negative yield curve /ˌnegətv ˈjɪld kɜːvr/ noun a situation where the yield on a long-term investment is less than that on a short-term investment.

negligence /ˈnegliʤəns/ noun a lack of proper care or failure to carry out a duty (with the result that a person or property is harmed).

negotiable instrument /ˈniɡətəbəl ɪnˈstrəmənt/ noun a document which can be exchanged for cash, e.g. a bill of exchange or a cheque.

negotiable paper /ˈniɡətəbəl ˈpaːpər/ noun a document which can be transferred from one owner to another for cash.

negotiate /ˈniɡəˌteɪt/ verb 1. to negotiate terms and conditions or a contract to discuss and agree the terms of a contract. 2. he negotiated a £250,000 loan with the bank: he came to an agreement with the bank for a loan of £250,000 to transfer financial instruments, e.g. bearer securities, bills of exchange, cheques and promissory notes, to another person in return for a consideration.

negotiation /ˈniɡəˌteɪʃən/ noun the discussion of terms and conditions in order to reach an agreement to enter into or to start negotiations to start discussing a problem.

...after three days of tough negotiations, the company reached agreement with its 1,200 unionized workers [Toronto Star].

nest egg /ˈnest eg/ noun money which someone has saved over a period of time, usually kept in an interest-bearing account and intended for use after retirement.

net /net/ adjective referring to a price, weight, pay, etc., after all deductions have been made to make a true profit to net a profit of £10,000 (NOTE: netting – netted).

...out of its earnings a company will pay a dividend. When shareholders receive this it will be net, that is it will have had tax deducted at 30 per cent [Investors Chronicle].

expected cash flows minus the cost of a net assets /net ˈæsets/ plural noun the amount by which the value of a company’s assets is greater than its liabilities.

net asset value /net ˈæset ˈvɛlju/ noun the total value of a company after deducting the money owed by it (it is the value of shareholders’ capital plus reserves and any money retained from profits).

Abbreviation NAV. Also called net worth.

net asset value per share /net ˈæset ˈvɛlju ˈpiː ˈʃeər/ noun the value of a company calculated by dividing the shareholders’ funds by the number of shares issued.

net book value /net ˈbʊk ˈvɛlju/ noun the historical cost of an asset less any accumulated depreciation or other provision for diminution in value, e.g., reduction to net realisable value, or asset value which has been revalued downwards to reflect market conditions. Abbreviation NBV. Also called written-down value.

net borrowings /net ˈbɒrəʊənz/ plural noun a company’s borrowings, less any cash the company is holding in its bank accounts.

net cash flow /net ˈkeɪʃəl ˈfləʊr/ noun the difference between the money coming in and the money going out of a firm.

net cash inflow /net ˈkeɪʃəl ˈɪnfəʊ/ noun a situation in which cash receipts exceed cash payments.

net current assets /net ˈkeərənt ˈæsets/ plural noun the current assets of a company, i.e. cash and stocks, less any liabilities. Also called net working capital.

net current liabilities /net ˈkeərənt ˈlaɪəˈbilətiz/ plural noun current liabilities of a company less its current assets.

net dividend per share /net ˈdɪvdɪnd ˈpiː ˈʃeə/ the dividend per share after deduction of personal income tax.

net income /net ˈɪnmənt/ noun a person’s or organisation’s income which is left after taking away tax and other deductions.

net interest /net ˈɪntərst/ noun a figure equal to gross interest minus tax paid on it.

net liquid funds /net ˈlɪkwɪd ˈfʌndz/ plural noun an organisation’s cash plus its marketable investments less its short-term borrowings, such as overdrafts and loans.

net loss /net ˈlɒs/ noun an actual loss, after deducting overheads.

net margin /net ˈmærʤən/ noun the percentage difference between received price and all costs, including overheads.

net present value /net ˈprɛsənt ˈvɛlju/ noun the present value of the project. Abbreviation NPV.
net price

net price  /netˈprɔɪs/ noun the price of goods or services which cannot be reduced by a discount

net price method  /netˈprɔɪs meθɪd/ noun an approach that records the cost of purchases after discounts have been deducted

net proceeds  /netˈprəʊsɪzɪdz/ plural noun a figure equal to the amount realised from a transaction minus the cost of making the transaction

net profit  /netˈprɔɪft/ noun the amount by which income from sales is larger than all expenditure. Also called profit after tax

net profit ratio  /netˈprɔɪf ɹɪtʃər/ noun the ratio of an organisation’s net profit to its total net sales. Comparing the net profit ratios of companies in the same sector shows which are the most efficient.

net realisable value  /net ˈrɛləzəbləv/ ˈveɪljuː/ noun the price at which goods in stock could be sold, less any costs incurred in making the sale. Abbreviation NRV

net receipts  /net ˈrɛstɪts/ plural noun receipts after deducting commission, tax, discounts, etc.

net relevant earnings  /net ˈreləv(ə)nt ˈrɛləvənt/ plural noun earnings which qualify for calculating pension contributions and against which relief against tax can be claimed. Such earnings can be income from employment which is not pensionable, profits of a self-employed sole trader, etc.

net residual value  /net ˈrɪzədjuːəl ˈveɪljuː/ noun the anticipated proceeds of an asset at the end of its useful life, less the costs of selling it, e.g., transport and commission. It is used when calculating the annual charge for the straight-line method of depreciation. Abbreviation NRV

net return  /net ˈrɪtˈtɜːn/ noun a return on an investment after tax has been paid

net salary  /net ˈseɪləri/ noun the salary which is left after deducting tax and National Insurance contributions

net sales  /net ˈseɪlz/ plural noun the total amount of sales less damaged or returned items and discounts to retailers

net turnover  /net ˈtɜːrnəv/ noun turnover before VAT and after trade discounts have been deducted

net working capital  /net ˈwɜːkɪŋ ˈkeɪp(t)əl/ noun same as net current assets

net worth  /net ˈwɜːθ/ noun the value of all the property of a person or company after taking away what the person or company owes. The upmarket product is targeted at individuals of high net worth.

net yield  /netˈjɪld/ noun the profit from investments after deduction of tax

new issue  /ˈnjuː ˈɪʃuː/ noun an issue of new shares to raise finance for a company

new issues department  /ˈnjuː ˈɪʃuːz ˌdɪˌpɜːtmmənt/ noun the section of a bank which deals with issues of new shares

NI abbreviation National Insurance

NIC abbreviation National Insurance contribution

NIF abbreviation note issuance facility

night safe  /ˈnaɪt ˈseɪf/ noun a safe in the outside wall of a bank, where money and documents can be deposited at night, using a special door

nil  /nil/ noun zero or nothing. The advertising budget has been cut to nil.

nil paid shares  /nɪl ˈpeɪd ˈfɛəz/ plural noun new shares which have not yet been paid for

nil return  /nɪl ˈrɪtˈtɜːn/ noun a report showing no sales, income, tax, etc.

no-claims bonus  /ˈnəʊ ˈklemz ˈbɔːnəs/ noun 1. a reduction of premiums on an insurance policy because no claims have been made. 2. a lower premium paid because no claims have been made against the insurance policy

nominal  /nɒmɪnəl/ adjective (of a payment) very small. The employment agency makes a nominal charge for its services.

nominal account  /nɒmɪnəl ˈaʊnt/ noun an account for recording transactions relating to a particular type of expense or receipt

nominal capital  /nɒmɪnəl ˈkeɪp(t)əl/ noun the total of the face value of all the shares which a company is authorised to issue

nominal interest rate  /nɒmɪnəl ɪntrəst ˈrɛt/ noun an interest rate expressed as a percentage of the face value of a bond, not on its market value

nominal ledger  /nɒmɪnəl ˈlɛdʒər/ noun a book which records a company’s transactions in the various accounts

nominal share capital  /nɒmɪnəl ˈʃeə ˈkeɪp(t)əl/ noun the total of the face value of all the shares which a company is authorised to issue according to its memorandum of association

nominal value  /nɒmɪnəl ˈvæljuː/ noun same as face value
nominee /ˈnɒməni/ noun a person who is nominated, especially someone who is appointed to deal with financial matters on your behalf
nominee account /ˈnɒməni: əˌkaʊnt/ noun an account held on behalf of someone.
non-acceptance /ˈnɒn əˈkɛptəns/ noun a situation in which the person who is to pay a bill of exchange does not accept it
noncash items /ˈnɒnkəʃ/ plural noun cheques, drafts and similar items which are not in the form of cash
noncontrollable cost /ˈnɒnkaʊntrəbəl/ noun a business cost that the management team cannot influence, e.g. the level of rent payable on buildings occupied
non-coterminous period ends /ˈnɒnkaʊtərmiˌnəs/ plural noun a point at which separate and related accounts cease to cover different accounting periods and begin to run coterminously
non-cumulative preference share /ˈnɒnkəmjuˈmələtɪv/ noun a preference share where, if the dividend is not paid in the current year, it is lost
non-current assets /ˈnɒnkərənt/ plural noun fixed assets
non-executive director /ˈnɒn ɪˈkɛksɪtjuːv/ noun a director who attends board meetings and gives advice, but does not work full-time for the company. Also called outside director
non-historic /ˈnɒnhɪˈstɔːrɪk/ adjective not calculated on a historical cost basis
non-monetary /ˈnɒnməˈnetri/ adjective used for describing items or assets that are not money and can be valued at a higher value than their original purchase price
non-negotiable instrument /ˈnɒnnɛɡətɪəbəl/ instrument noun a document which cannot be exchanged for cash, e.g. a crossed cheque
non-performing loan /ˈnɒn ˈpɜːrəfmɪŋ/ loan noun US a loan where the borrower is not likely to pay any interest nor to repay the principal, as in the case of loans to Third World countries by western banks
nonproductive capacity /ˈnɒnpəˈprəʊdjuːtɪv/ noun capacity that produces no net production, e.g. because production needs to be repeated owing to defects in earlier products
nonprofit accounting /ˈnɒnprəˈfiːt əˌkaʊntɪŋ/ noun the accounting policies and methods employed by nonprofit organisations such as charities
non-profit-making organisation /ˈnɒnprəˌfaɪtˌmɛrkɪŋ/ organisation noun an organisation which is not allowed by law to make a profit. Non-profit-making organisations are exempted from tax. (NOTE. Non-profit-making organisations include charities, professional associations, trade unions, and religious, arts, community, research, and campaigning bodies. The US term is nonprofit organization.)
non-recurring items /ˈnɒn riˌkɜːrənt/ plural noun items in an income statement that are unusual in nature or do not occur regularly
non-refundable /ˈnɒn riˈfʌndəb(ə)l/ adjective not refunded in normal circumstances. Also called non-refundable deposit.
non-resident /ˈnɒn rɪˈzɛdent/ noun a person who is not considered a resident of a country for tax purposes. He has a non-resident bank account.
non-sufficient funds /ˈnɒn səˈfjuːsnt/ noun a lack of enough money in a bank account to pay a cheque drawn on that account. Abbreviation NSF. Also called insufficient funds, not sufficient funds
non-tariff barriers /ˈnɒntəˈtɜːrfl/ plural noun barriers to international trade other than tariffs. They include over-compli
cated documentation, verification of goods for health and safety reasons and blocked deposits payable by importers to obtain foreign currency. Abbreviation NTBs
non-taxable /ˈnɒntəˈteɪksəb(ə)l/ adjective not subject to tax. Lottery prizes are non-taxable.
non-trade creditor /ˈnɒn ˈtrɛd kredɪtər/ noun a creditor who is not owed money in the normal trade of a business, e.g. a debenture holder or the Inland Revenue
non-voting shares /ˈnɒn, noʊvɪŋ/ noun a director who attends board meetings and gives advice, but does not work full-time for the company. Also called outside director
normal absorption costing /ˈnɔrmləˈɔːbsərʃən / noun a method of product costing that averages out fluctuations in overhead costs
normal costs /ˈnɔrml kəstmz/ plural noun annual product costs averaged out to give a monthly figure, as distinct from a monthly figure that records seasonal fluctuations in costs
normalise /ˈnɔrmlaɪz, ˈnɔrmlaɪz/ verb to store and represent numbers in a pre-agreed form, usually to provide maximum precision
normal loss

normal loss /nɔrəl ˈləs/ noun loss which is usual in the type of business being carried on, e.g. the loss of small quantities of materials during the manufacturing process.

normal spoilage /ˈnɔrəmˌspɔlɪdʒ/ noun the deterioration of products that will always take place, even under the best operating conditions.

notary public /ˈnɔtəri ˈpʌblɪk/ noun a lawyer who has the authority to witness documents and spoken statements, making them official. (NOTE: The plural is notaries public.)

note /nəut/ noun 1. ◊ to send someone a note ◊ I left a note on her desk. ◊ notes to the accounts notes attached to a company’s accounts by the auditors to explain items in the accounts or to explain the principles of accounting used. 2. paper showing that money has been borrowed.

note issuance facility /ˈnəut ɪˈʃuəns fæˈstɪtɪ/ noun a credit facility where a company obtains a loan underwritten by banks and can issue a series of short-term Eurocurrency notes to replace others which have expired. Abbreviation NIF.

note of hand /ˈnəut əv ˈhænd/ noun a document stating that someone promises to pay an amount of money on an agreed date.

note payable /ˈnəut ˈpeɪzəb(ə)l/ noun a document that gives a guarantee to pay money at a future date.

note receivable /ˈnəut rɪˈzɪvəb(ə)l/ noun a document that gives a guarantee to receive money at a future date.

notice of coding /ˈnəuts əv ˈkɒdnɪŋ/ noun an official notice from a tax authority of someone’s tax code, which indicates the level of tax allowance he or she is entitled to receive.

notice of default /ˈnəuts əv dɪˈfɔːlt/ noun US same as default notice.

notional /ˈnəutʃ(ə)n(ə)l/ adjective probable but not known exactly or not quantifiable.

notional income /ˈnəutʃ(ə)n(ə)l ˈɪnkʌm/ noun an invisible benefit which is not money or goods and services.

notional rent /ˈnəutʃ(ə)n(ə)l ˈrɛnt/ noun a sum put into accounts as rent where the company owns the building it is occupying and so does not pay an actual rent.

not negotiable /ˈnɒt ˈnɛgətʃəbl/ phrase used for referring to a cheque that must be deposited in an account and cannot therefore be immediately exchanged for cash. ◊ crossed cheque, negotiable instrument

novation /ˈnəʊvəʃ(ə)n/ noun an agreement to change a contract by substituting a third party for one of the two original parties.

NPV abbreviation net present value.

NRV abbreviation net realisable value.

NS&I abbreviation National Savings and Investments.

NSB abbreviation National Savings Bank.

NSF abbreviation not sufficient funds or non-sufficient funds.

NTBs abbreviation non-tariff barriers.

total is a quantity of things or people ◊ The number of persons on the payroll has increased over the last year. ◊ The number of days lost through strikes has fallen. 2. a printed or written figure that identifies a particular thing. ◊ Please write your account number on the back of the cheque. ◊ If you have a complaint to make, always quote the batch number. ◊ She noted the cheque number in the ledger. 2. verb to put a figure on a document ◊ to number an order ◊ I refer to your invoice numbered 1234.

numbered account /ˈnʌmbəd əˈkaʊnt/ noun a bank account, usually in Switzerland, which is referred to only by a number, the name of the person holding it being kept secret.

numeral /ˈnjuərəl/ noun a character or symbol which represents a number.
O & M abbreviation organisation and methods
OAP abbreviation old age pensioner
objectivity /ɒbˈzɛktɪvɪtɪ/ noun the fact that an accounting item can be verified by supporting evidence, e.g. by a voucher of some kind
obligation /ˈɒblɪɡəʃn/ noun 1. a duty to do something There is no obligation to help out in another department. 2. There is no obligation to buy. □ to fulfill your contractual obligations to do what is stated in a contract
obsolescence /ˈɒbəsliθns/ noun the process of a product going out of date because of progress in design or technology, and therefore becoming less useful or valuable
obsolete /ˈɒbsəlɪt/ adjective no longer used □ Computer technology changes so fast that hardware soon becomes obsolete.
occupational pension /ɒkˈʃənl ˈpɛnʃən/ noun a pension which is paid by the company by which an employee has been employed
occupational pension scheme /ɒkˈʃənl ˈpɛnʃən skɪm/ noun a pension scheme where the employee gets a pension from a fund set up by the company he or she has worked for, which is related to the salary he or she was earning. Also called company pension scheme
occupier /ˈɒkʃjuəri/ noun a person who lives in a property
O/D abbreviation overdraft
odd lot /ˈɒd lɔt/ noun 1. a group of miscellaneous items for sale at an auction. 2. US a group of less than 100 shares of stock bought or sold together
OEIC /ˈɒjəliːs/ abbreviation open-ended investment company
off /əf/ adjective not working or not in operation □ to take three days off. □ They called the strike off. □ We give the staff four days off at Christmas.

adverb: 1. taken away from a price □ We give 5% off for quick settlement. 2. lower than a previous price □ The shares closed 2% off.
preposition: 1. subtracted from □ to take £25 off the price □ We give 10% off our usual prices. 2. not included □ items off balance sheet or off balance sheet assets financial items which do not appear in a company’s balance sheet as assets, such as equipment acquired under an operating lease
its stock closed Monday at $21.875 a share in NYSE composite trading, off 56% from its high last July [Wall Street Journal]

off-balance sheet asset /ˌɒf ˈbæləns ʃiˈɛtəs/ noun an item that is a valuable resource but does not feature on the balance sheet, e.g. an expected rebate of some sort
off-balance-sheet financing /ˌɒf ˈbæləns fiˈtʃiŋ/ noun a way of raising finance through a long-term lease that does not qualify as a capital lease and therefore does not appear on the balance sheet

off-balance sheet liability /ˌɒf ˈbæləns ˈlɪbləti/ noun a potential liability that does not feature on the balance sheet

offer /ˈɒfər/ noun 1. a statement that you are willing to give or do something, especially to pay a specific amount of money to buy something □ to make an offer for a company □ We made an offer of £10 a share. □ or near offer US, or best offer or an offer of a price which is slightly less than the price asked □ The car is for sale at £2,000 or near offer. 2. a statement that you are willing to sell something □ a statement that you are willing to employ someone □ she received six offers of jobs or six job offers six companies told her she could have a job with them. 4. a statement that a company is prepared to buy another company’s shares and take the company over □ verb 1. to say that you are willing to pay a specific amount of money for something □ to offer someone...
offer document /ˈɒfər ˈdokjumənt/ noun a formal document where a company offers to buy shares at some price as part of a takeover bid

offered market /ˈɒfəd ˈmɑrkət/ noun a market where there are more sellers than buyers

offer for sale /ˈɒffər fər ˈseɪl/ noun a situation in which a company advertises new shares for sale to the public as a way of launching itself on the Stock Exchange (NOTE: The other ways of launching a company are a ‘tender’ or a ‘placing’)

offering circular /ˈɒfərɪŋ ˈsɜkriːlər/ noun a document which gives information about a company whose shares are being sold to the public for the first time

offer /ˈɒfər/ noun a person who makes an offer

offer period /ˈɒfər ˈpeəriəd/ noun a time during which a takeover bid for a company is open

offer price /ˈɒfər prɑːs/ noun the price at which investors buy new shares or units in a unit trust. The opposite, i.e. the selling price, is called the ‘bid price’, the difference between the two is the ‘spread’.

Office of Fair Trading /ˈɒfɪs əv feə ˈtreɪdɪŋ/ noun a department of the UK government that protects consumers against unfair or illegal business. Abbreviation OFT

Office of Management and Budget /ˈɒfɪs əv ˈmeɪntrədʒmənt ən ˈbædʒɪnt/ noun US the department of the US government that prepares the federal budget. Abbreviation OMB

Office of Thrift Supervision /ˈɒfɪs əv ˈθraɪft ˈsʌpjərˌvɪzən/ noun US a department of the US government which regulates the savings and loan associations. Abbreviation OTS

official books of account /ˈɔfɪʃl ˈbʊks əv əˈkaʊnt/ plural noun the official financial records of an institution

Official List /ˈɔfɪʃl ˈlɪst/ noun a daily publication by the London Stock Exchange of the highest and lowest prices recorded for each share during the trading session

official receiver /ˈɔfɪʃl ˈriːˈsvər/ noun a government official who is appointed to run a company which is in financial difficulties, to pay off its debts as far as possible and to close it down. (NOTE: The company is in the hands of the official receiver. Also called receiver)

official return /ˈɔfɪʃl ˈrɪtn/ noun an official report

official return /ˈɔfɪʃl ˈrɪtn/ noun an official report

offerload /ˈɒfərloʊd/ verb to pass something which you do not want to someone else

offset /ˈɒfset/ verb to balance one thing against another so that they cancel each other out. (NOTE: offset losses against tax)

Foreign exchange losses more than offset profits in the domestic market. (NOTE: offsetting – offset)

offset account /ˈɒfset əˈkaʊnt/ noun an account established to allow the gross amount of another account to be reduced

offsetting error /ˈɒfsetɪŋ ˈɛrə/ noun an accounting error that cancels out another error

offshore /ˈɒfʃɔr/ adjective, adverb 1. on an island or in the sea near to land. 2. off an offshore oil field. 3. on an offshore oil platform.

on an island which is a tax haven

offshore banking /ˈɒfʃɔr ˈbæŋkiŋ/ noun banking in a tax haven

offshore financial subsidiary /ˈɒfʃɔr ˌfiːnəˈsɪəri/ noun a company created in another country to handle financial transactions, giving the owning company certain tax and legal advantages in its home country. (NOTE: The US term is offshore financial subsidiary)

offshore financial centre /ˈɒfʃɔr ˌfiːnəˈsɪəri ˈsentə/ noun a country or other political unit that has banking laws intended to attract business from industrialised nations

offshore fund /ˈɒfʃɔr ˈfʌnd/ noun a fund that is based overseas, usually in a country that has less strict taxation regulations

off-the-shelf company /ˈɒfðə ˈʃel/ noun a company which has already been registered by an accountant or lawyer, and which is ready for sale to someone who wants to set up a new company quickly

OFT abbreviation Office of Fair Trading

old age pension /ˈould ˈedʒ ˈpenʃən/ noun a state pension given to people over some age (currently to a man who is 65 or to a woman who is 60)

old age pensioner /ˈould ˈedʒ ˈpenʃənˌɜr/ noun a person who receives the retirement pension. Abbreviation OAP

OMB abbreviation Office of Management and Budget
branch in London.

open account  noun an account where the supplier offers the purchaser credit without security

open book management  noun a management method that gives staff open access to financial and operational information, with the aim of giving everyone a stake in increasing production

open cheque  noun same as uncrossed cheque

open credit  noun credit given to good customers without security

open-ended  adjective with no fixed limit or with some items not specified  They signed an open-ended agreement.  The candidate was offered an open-ended contract with a good career plan. (NOTE: The US term is open-end.)

open-ended credit  noun 'credit' noun same as revolving credit

open-ended fund  noun a fund such as a unit trust where investors buy units, the money paid being invested in a range of securities. This is as opposed to a closed fund, such as an investment trust, where the investor buys shares in the trust company, and receives dividends.

open-ended investment company  a company that sells unit trusts, in which the investor purchases shares at a single price, as opposed to the bid-offer pricing system used by ordinary unit trusts. Abbreviation OEIC

open-ended management company  noun a company that sells unit trusts. (NOTE: The US term is open-end management company)

open-ended trust  noun a fund in which investors can freely buy and sell units at any time

open-end  adjective done or made only once  open-end deal

open-ended contract with a good career plan.

open-market value  noun same as unquoted value

open order  noun an order given to a broker to buy or sell

open price  noun the price at the start of a day’s trading

open stock  noun on a balance sheet, the closing stock at the end of one accounting period that is transferred forward and becomes the opening stock in the one that follows. (NOTE: The US term is beginning inventory.)

open market  noun a market where anyone can buy or sell

open-market value  noun the price that an asset or secur-
operate /ˈɒpəreɪt/ verb to be in force ○ The new terms of service will operate from January 1st. ○ The rules operate on inland postal services only.

...the company gets valuable restaurant locations which will be converted to the family-style restaurant chain that it operates and franchises throughout most parts of the US. [Fortune]

operating /ˈɒpəreɪtɪŋ/ noun the general running of a business or of a machine

...the company blamed over-capacity and competitive market conditions in Europe for a £14m operating loss last year. [Financial Times]

operating activities /ˈɒpəreɪtɪŋ ˈæk tɪvɪtɪz/ plural noun those activities that a business engages in by reason of its being the type of business it is, as opposed to non-operating activities such as investment

operating budget /ˈɒpəreɪtɪŋ ˈbʌdʒɪt/ noun a forecast of income and expenditure over a period of time

operating budget sequence /ˈɒpəreɪtɪŋ ˈbʌdʒɪt ˈsɪkwsəns/ noun a part of a master budget that records the acquisition and use of resources

operating costing /ˈɒpəreɪtɪŋ ˈkɒstɪŋ/ noun costing which is based on the costs of services provided

operating costs /ˈɒpəreɪtɪŋ ˈkɒstz/ plural noun the costs of the day-to-day activities of a company. Also called operating expenses, running costs

operating cycle /ˈɒpəreɪtɪŋ ˈsɜːrkəl/ noun the time it takes for purchases of materials for production to generate revenue from sales

operating expenses /ˈɒpəreɪtɪŋ ˈɛksˈpenzz/ plural noun same as operating costs

operating lease /ˈɒpəreɪtɪŋ ˈliːz/ noun a lease which does not require the lessee company to show the asset acquired under the lease in its balance sheet, but the annual rental charge for such assets must be disclosed in a note to the accounts

operating leverage /ˈɒpəreɪtɪŋ ˌlɪvərɪdʒ/ noun the ratio of a business's fixed costs to its total costs. As the fixed costs have to be paid regardless of output, the higher the ratio, the higher the risk of losses in an economic downturn.

operating loss /ˈɒpəreɪtɪŋ ˈlɒs/ noun a loss made by a company in its usual business

operating margin /ˈɒpəreɪtɪŋ ˈmɑrɪn/ noun a measurement of the proportion of a company's revenue that is left over after variable costs of production have been met

operating performance ratio /ˈɒpəreɪtɪŋ ˈpɜːrformans ˈreɪʃəʊ/ noun a ratio of profitability to sales

operating profit /ˈɒpəreɪtɪŋ ˈprɒftɪt/ noun the difference between a company's revenues and any related costs and expenses, not including income or expenses from any sources other than its normal methods of providing goods or a service

operating revenue /ˈɒpəreɪtɪŋ ˈrɪvənju/ noun the amount of income generated as a result of a company's normal business operations

operating risk /ˈɒpəreɪtɪŋ ˈrɪsk/ noun the risk of having a high operating leverage

operating statement /ˈɒpəreɪtɪŋ əˈstɛtʃmənt/ noun a financial statement which shows a company's expenditure and income, and consequently its final profit or loss. ○ The operating statement shows unexpected electricity costs. ○ Let's look at the operating statement to find last month's expenditure.

operation /ɒpˈreɪʃn/ noun 1. an activity or a piece of work, or the task of running something ○ the company's operations in West Africa ○ He heads up the operations in Northern Europe. 2. in operation working or being used ○ The system will be in operation by June. ○ The new system came into operation on January 1st.

...a leading manufacturer of business, industrial and commercial products requires a branch manager to head up its mid-western Canada operations based in Winnipeg. [Globe and Mail (Toronto)]

operational /ˌɒpərəˈʃənl/ adjective referring to the day-to-day activities of a business or to the way in which something is run

operational audit /ˌɒpərəˈʃənl ˈɔːdɪt/ noun an independent review of the systems and procedures used in an organisation in order to assess whether they are being carried out efficiently and effectively. Also known as management audit, operations audit

operational budget /ˌɒpərəˈʃənl ˈbʌdʒɪt/ noun same as operating budget

operational costs /ˌɒpərəˈʃənl ˈkɒsts/ plural noun the costs of running a business
operational gearing /ˌɒpərəˈtiːʒəl/ noun a situation where a company has high fixed costs which are funded by borrowings

operational planning /ˌɒpərəˈtiːʒəl ˈplænɪŋ/ noun the planning of how a business is to be run

operational research /ˌɒpərəˈtiːʒəl ˈriːsərچ/ noun a study of a company's way of working to see if it can be made more efficient and profitable

operations review /ˌɒpəˈreɪʃənz ˈriːvjuː/ noun an act of examining the way in which a company or department works to see how it can be made more efficient and profitable

operation time /ˌɒpəˈreɪʃən ˈtaim/ noun the time taken for a business operation to be completed

opinion /ˈɒpiʃən/ noun a piece of expert advice given by the lawyers to give their opinion or to ask an adviser for his opinion on a case

opportunity cost /ˌɒpəˈtjuːnətɪ ˈkɒst/ noun 1. the cost of a business initiative in terms of profits that could have been gained through an alternative plan 2. It's a good investment plan and we will not be deterred by the opportunity cost. Also called alternative cost 2. the value of another method of investment which could have been used, instead of the one adopted

opportunity cost approach /ˌɒpəˈtjuːnətɪ ˈkɒst əˈprəʊ/ noun the use of the concept of opportunity cost in business decision-making

optimal capital structure /ˌɒptɪˈmeɪl ˈkeptəl ˈstrʌktʃər/ noun the optimal range for a company's capital structure

optimise /ˌɒptɪˈmez/; optimize verb to allocate such things as resources or capital as efficiently as possible

optimum /ˌɒptɪˈməm/ adjective best 1. The market offers optimum conditions for sales.

option /ˈɒpʃən/ noun the opportunity to buy or sell something, such as a security, within a fixed period of time at a fixed price 2. to take up an option or to exercise an option to accept the option which has been offered and to put it into action 3. They exercised their option or they took it to acquire sole marketing rights to the product.

option contract /ˌɒpʃən ˌkɒntrækt/ noun a right to buy or sell a specific number of shares at a fixed price

option dealing /ˌɒpʃən ˌdiːliŋ/ noun the activity of buying and selling share options

option trading /ˌɒpʃən ˌtriːdiŋ/ noun the business of buying and selling share options

order /ˈɔːdər/ noun 1. the way in which records such as filing cards or invoices are arranged 2. in alphabetical or numerical order 2. an official request for goods to be supplied 3. to give someone an order or to place an order with someone for twenty filing cabinets 4. The management ordered the workforce to leave the factory. 5. to fill an order to fulfill an order to supply items which have been ordered 6. We are so understaffed we cannot fulfill any more orders before Christmas. 7. items available to order only items which will be manufactured only if someone orders them 8. on order ordered but not delivered 9. This item is out of stock, but is on order. 3. a document which allows money to be paid to someone 10. She sent us an order on the Chartered Bank. 4. (Stock Exchange) an instruction to a broker to buy or sell 11. pay to Mr Smith or order pay money directly to Mr Smith or as he orders 12. to pay the order of Mr Smith pay money directly to Mr Smith or to his account 13. verb to ask for goods to be supplied 14. They ordered a new Rolls Royce for the managing director.

order book /ˈɔːdər bʊk/ noun a book which records orders received

order-driven system /ˈɔːdər ˈdrɪvən/ noun, order-driven market /ˈɔːdər ˈdrɪvən/ noun a price system on a stock exchange where prices vary according to the level of orders. Compare quote-driven system

order entry /ˈɔːdər ˈentri/ noun the process of entering information on orders into a processing system

order fulfilment /ˈɔːdər ˈfʊ尔ˌfɪlmənt/ noun the process of supplying items which have been ordered

ordering costs /ˈɔːdərɪŋ ˈkɒsts/ plural noun the total of the costs involved in making a purchase order, including telephone and stationery costs

order processing /ˈɔːdər ˈpɜːrəsɪŋ/ noun the work of dealing with orders

order receipt time /ˈɔːdər ˈriːsərt ˈtaim/ noun the interval between the receipt of an order and the point at which it is ready to be despatched

ordinarily resident /ˈɔːdərɪli ˈrɪzɪdənt/ adjective normally living in a country 1. Mr Schmidt is ordinarily resident in Canada
ordinary activities

ordinary activities /ˌɔːdɪˈneɪtɪv/ plural noun the usual trading of a company, that is, what the company usually does.

ordinary interest /ˌɔːdɪˈnəri ɪntrəst/ plural noun annual interest calculated on the basis of 360 days, as opposed to 'exact interest' which is calculated on 365 days.

ordinary resolution /ˌɔːdɪˈnəri rəˈzaʃən/ plural noun a resolution put before an AGM, usually referring to some general procedural matter, and which requires a simple majority of votes to be accepted.

ordinary share capital /ˌɔːdɪˈnəri ʃeəkæpitəl/ plural noun the capital of a company in the form of money paid for ordinary shares.

ordinary shareholder /ˌɔːdɪˈnəri ɔrˈdiːnəri/ noun a person who owns ordinary shares.

ordinary shares /ˌɔːdɪˈnəri ʃeəz/ plural noun shares that entitle the holder to receive a dividend after the dividend on preference shares has been paid (NOTE: The US term is common stock.)

ordinary stock /ˈɔːdəri stɒk/ plural noun same as ordinary shares.

organic growth /ˌɔːdʒɪˈnɪk /ˈgrʌθ/ noun same as internal growth.

organisation /ˌɔːdʒəˈneɪʃən/ organisation noun 1. a way of arranging something so that it works efficiently. 2. The organisation of the head office into departments. 3. The chairman handles the organisation of the AGM. 4. The organisation of the group is too centralised to be efficient. 2. A group or institution which is arranged for efficient work: ‘...working with a client base which includes many major commercial organisations and nationalized industries’ [Times].

organisational /ˌɔːdʒəˈneɪʃənəl/ organisational adjective referring to the way in which something is organised. 1. The paper gives a diagram of the company's organisational structure.

organisational chart /ˌɔːdʒəˈneɪʃənəl tʃɑrt/ noun a chart that shows the relationships of people in an organisation in terms of their areas of authority and responsibility.

organisation and methods /ˌɔːdʒəˈneɪʃən ənd ’mɛtədiz/ noun a process of examining how an office works, and suggesting how it can be made more efficient. Abbreviation O & M.
spent his or her personal money on company business.

output /ˈaʊt,pʊt/ noun the amount which a company, person, or machine produces. Output has increased by 10%. 25% of our output is exported.

overabsorption /ˌɔv,ər,əbˈɔrpʃ(ə)n/ noun a situation where the actual overhead incurred is less than the absorbed overhead. Opposite underabsorption.

overall /ˌɔv,ər,ɔl/ adjective covering or including everything. □ the company reported an overall fall in profits the company reported a general fall in profits.

overdraft /ˌɔv,ər,drɑft/ noun an amount of money which a company or person can withdraw from a bank account, with the bank’s permission, despite the fact that the account is empty. □ The bank has allowed me an overdraft of £5,000. Abbreviation O/D (NOTE: The US term is overdraft protection). □ we have exceeded our overdraft facilities we have taken out more than the overdraft allowed by the bank. 2. a negative amount of money in an account, i.e. a situation where a cheque is more than the money in the account on which it is drawn.

overdue /ˌɔv,ər,duː/ adjective having not been paid on time.

overcapitalised /ˌɔv,ər,kæp,ɪˈteɪ,laɪzd/ adjective referring to a company with more capital than it needs.

overcharge /ˌɔv,ər,ʃɑr/ noun a charge which is higher than it should be. □ to pay back an overcharge □ verb /ˌɔv,ər,ʃɑrd/ to ask someone for too much money. □ They overcharged us for our meals. □ We asked for a refund because we’d been overcharged.

outside director /ˌaʊt,said ˈdɑr,tekteɪ/ noun same as non-executive director.

outsourcing /ˈaʊt,sɔr,sɜːŋ/ noun 1. the practice of obtaining services from specialist bureaux or other companies, rather than employing full-time staff members to provide them. 2. the transfer of work previously done by employees of an organisation to another organisation, usually one that specialises in that type of work. (NOTE: Things that have usually been outsourced in the past include legal services, transport, catering, and security, but nowadays IT services, training, and public relations are often added to the list.)

output tax /ˈaʊt,pʊt,tɛks/ noun VAT charged by a company on goods or services sold, and which the company pays to the government.

outside director /ˌaʊt,said ˈdɑr,tektəs/ adjective completely.

outside director /ˌaʊt,said ˈdɑr,tektəs/ verb to use a source outside a company or business to do the work that is needed.

outsource /ˈaʊt,sɔr,sɜː/ verb to use a source outside a company or business to do the work that is needed.

The services unit won outsourcing contracts from the Environmental Protection Agency and NASA, which the company says played a significant part in the increase. [InformationWeek]

outsourcing /ˈaʊt,sɔr,sɜːŋ/ noun 1. the practice of obtaining services from specialist bureaux or other companies, rather than employing full-time staff members to provide them. 2. the transfer of work previously done by employees of an organisation to another organisation, usually one that specialises in that type of work. (NOTE: Things that have usually been outsourced in the past include legal services, transport, catering, and security, but nowadays IT services, training, and public relations are often added to the list.)

...organizations in the public and private sectors are increasingly buying in specialist services – or outsourcing – allowing them to cut costs and concentrate on their core business activities. [Financial Times]

outstanding /ˌaʊt,stændɪŋ/ adjective not yet paid or completed.

overabsorbed /ˌɔv,ər,əbˈɔr,bərd/ 'əv,ər,əb,ərd/ noun an absorbed overhead which ends up by being higher than the actual overhead incurred.

overdrawn /ˌɔv,ər,drɔrn/ verb to take out more money from a bank account than there is in it.
overdue account /ˌʌvəˈdʒuːt/ noun an account whose holder owes money that should have been paid earlier
overestimate /ˌʌvərˈestɪmeɪt/ verb to think something is larger or worse than it really is; She overestimated the amount of time needed to fit out the factory. They overestimated the costs of moving the offices to central London.
overgeared /ˌʌvəˈɡɛərd/ adjective referring to a company which has high borrowings in comparison to its assets
overhang /ˌʌvəˈhæŋ/ noun a large quantity of shares or of a commodity or of unsold stock available for sale, which has the effect of depressing the market price
overhead absorption rate /ˌʌvəˈhɛd əˈbɜːrʒərpərn tət/ noun a rate at which production costs are increased to absorb higher overhead costs
overhead budget /ˌʌvəˈhɛd ˈbʌdʒɪt/ noun a plan of probable overhead costs
overhead cost variance /ˌʌvəˈhɛd ˈkɒst ˈvɜːrəstrokesuperiorəʊvəriəns/ noun the difference between the overhead cost absorbed and the actual overhead costs incurred, both fixed and variable
overhead expenditure variance /ˌʌvəˈhɛd ɪˈspendɪtʃərəvəriəns/ noun the difference between the budgeted overhead costs and the actual expenditure
overheads /ˌʌvəˈhɛdəz/ plural noun the indirect costs of the day-to-day running of a business, i.e. not money spent of producing goods, but money spent on such things as renting or maintaining buildings and machinery. The sales revenue covers the manufacturing costs but not the overheads. (Note: The US term is overhead.)
overlap profit /ˌʌvəˈləp ˈprɑːft/ noun a profit which occurs in two accounting periods, i.e. when two accounting periods overlap, and on which overlap relief can be claimed
overpaid /ˌʌvəˈpeɪd/ adjective paid too much. Our staff are overpaid and underworked.
overpay /ˌʌvəˈpeɪ/ verb to pay too much to someone or for something. We overpaid the invoice by $245.
overpayment /ˌʌvəˈpɑːmənt/ noun an act of paying too much
overrider /ˌʌvəˈraɪdər/ noun an act of overriding commission /ˌʌvəˈraɪdərnɪnt ˈkəmənʃən/ noun a special extra commission which is above all other commissions
overseas /ˌʌvəˈseɪz/ noun foreign countries. The profits from overseas are far higher than those of the home division.
overseas division /ˌʌvəˈseɪz ˈdɪvɪʒən/ noun the section of a company dealing with trade with other countries
overseas funds /ˌʌvəˈseɪz ˈfʌndz/ plural noun investment funds based in other countries
overseas markets /ˌʌvəˈseɪz ˈmɑːrəkts/ plural noun markets in foreign countries
overseas taxation /ˌʌvəˈseɪz ˈtæktʃən/ noun double taxation, double taxation agreement
overseas trade /ˌʌvəˈseɪz ˈtrɛd/ noun same as foreign trade
overspend /ˌʌvəˈspend/ verb to spend too much. To overspend your budget to spend more money than is allowed in your budget
overspending /ˌʌvəˈspendɪŋ/ noun the act of spending more than is allowed. The board decided to limit the overspending by the production departments.
oversize /ˌʌvəˈsaɪz/ noun the fact of entering in an account a figure that is higher than the actual figure. The company accounts oversize the real profit.
oversized /ˌʌvəˈsaɪzd/ adjective too large or too big. This is an oversized television.
oversize /ˌʌvəˈsaɪz/ noun same as foreign trade
overstock /ˌʌvəˈstɒk/ verb to have a bigger stock of something than is needed. We have overstocked our new kitchen.
overstatement /ˌʌvəˈstɛmtmənt/ noun the legal selling of shares that are not listed in the official Stock Exchange list, usually carried out by telephone
over-the-counter market /ˌʌvəθiˈkærɪt/ noun the legal selling of shares that are not listed in the official Stock Exchange list, usually carried out by telephone
over-the-counter sales /ˌʌvəθiˈkærɪt ˈseɪlz/ plural noun the legal selling of shares that are not listed in the official Stock Exchange list, usually carried out by telephone
overtrading /ˌʌvəˈtrɛdɪŋ/ noun a situation where a company increases sales and
production too much and too quickly, so that it runs short of cash.

overvalue /ˌəʊvəˈvæluː/ verb to give a higher value to something or someone than is right. **these shares are overvalued at £1.25** the shares are worth less than the £1.25 for which they are selling.

‘...the fact that sterling has been overvalued for the past three years shows that currencies can remain above their fair value for very long periods’ [Investors Chronicle]

owners’ equity /ˈɔːnərz ˈekwɪtɪ/ noun the value of the shares in a company owned by the owners of the company.

owe /əʊ/ verb to have to pay money. **He owes the bank £250,000.** **they still owe the company for the stock they purchased last year** they have still not paid for the stock.

owner-occupier /ˌəʊnər ˈɒnjʊpərə/ noun a person who owns the property in which he or she lives.

owners’ equity /ˈəʊnərz ˈekwɪtɪ/ noun the value of the shares in a company owned by the owners of the company.
package deal /'pækidʒ /dɪl/ noun an agreement which covers several different things at the same time ○ They agreed a package deal which involves the construction of the factory, training of staff, and purchase of the product.

paid /ˈpeɪd/ adjective 1. for which money has been given ○ The invoice is marked 'paid'. 2. referring to an amount which has been settled ○ The order was sent carriage paid.

paid-in capital /ˈpeɪtɪn ˌkeɪpətəl/ noun capital in a business which has been provided by its shareholders, usually in the form of payments for shares above their par value.

paid-up shares /ˈpeɪtɪd əp /ˈfɛz/ noun shares which have been completely paid for by the shareholders.

paper /ˈpeər/ noun 1. a document which can represent money, e.g. a bill of exchange or a promissory note 2. shares in the form of share certificates.

paper gain /ˈpeərə ˈgɛn/ noun same as paper profit ‘...the profits were tax-free and the interest on the loans they incurred qualified for income tax relief; the paper gains were rarely changed into spending money’ [Investors Chronicle]

paper loss /ˈpeərə ˈlɒs/ noun a loss made when an asset has fallen in value but has not been sold. Also called unrealised loss.

paper millionaire /ˈpeərə ˈmɪliənə/ noun a person who owns shares which, if sold, would be worth one million pounds or dollars.

paper money /ˈpeərə ˈmʌni/ noun payments in paper form, e.g., cheques.

paper offer /ˈpeərə ˈɒfər/ noun a takeover bid where the purchasing company offers its shares in exchange for shares in the company being taken over, as opposed to a cash offer.

paper profit /ˈpeərə ˈprɔфɪt/ noun a profit on an asset which has increased in price but has not been sold ○ He is showing a paper profit of £25,000 on his investment. Also called paper gain, unrealised profit.

parallel economy /ˌpærəˈæl ɪˈkɒnəmi/ noun same as black economy.

parallel loan /ˌpærəˈlel ˈlɔn/ noun same as back-to-back loan.

parameter /ˈpeɪrəˌmætər/ noun a fixed limit ○ The budget parameters are fixed by the finance director. ○ Spending by each department has to fall within agreed parameters.

parcel of shares /ˈpærəkləv əv /ˈfɛz/ noun a fixed number of shares which are sold as a group ○ The shares are on offer in parcels of 50.

parent company /ˈpeərənt ˈkʌmpənɪ/ noun a company which owns more than 50% of the shares of another company.

Pareto’s Law /ˌpærəˈtəʊz ˈlɔr/ Pareto Effect /ˌpærəˈtəʊs ˈefɛkt/ noun the theory that incomes are distributed in the same way in all countries, whatever tax regime is in force, and that a small percentage of a total is responsible for a large proportion of value or resources. Also called eighty-twenty law.

pari passu /ˈpeərɪˈpæsə/ adverb a Latin phrase meaning ‘equally’ ○ The new shares will rank pari passu with the existing ones.

parity /ˈpeərəti/ noun 1. the state of being equal ○ the pound fell to a point where one pound equalled one dollar 2. a situation where the price of a commodity, foreign currency or security is the same in different markets...

...the draft report on changes in the international monetary system casts doubt about any return to fixed exchange-rate parities” [Wall Street Journal]

Parliamentary Public Accounts Committee /ˌpærəˈlelməˌriə ˈpʌblɪk/ noun a UK parliamentary committee established in 1961 to examine that the sums of money agreed by Parliament for public spending are properly spent.
part exchange /part ɪks'tʃɛndərі noun the act of giving an old product as part of the payment for a new one o to take a car in part exchange
partial /'pɑːʃəl adjective not complete
participate /'pɑːtɪsɪpeɪt verb to take part in an activity or enterprise o The staff are encouraged to participate actively in the company’s decision-making processes.
participating preference shares /'pɑːtɪsipɪnt ˈprɪfərəns ʃeəz, -ərəns noun preferred stock, partly-paid shares, which get an extra bonus dividend if company profits reach a high level
participative budgeting /'pɑːtɪsɪpətɪv ˈbʌdʒɪtɪŋ noun a budgeting system in which all budget holders are given the opportunity to participate in setting their own budgets. Also called bottom-up budgeting
partly-paid capital /'pɑːtɪli péd 'kæpitəl noun a capital which represents partly-paid shares
partly-paid up shares /'pɑːtɪli péd əp 'ʃeəz, -ˈʃeəz, -ˈʃeəz plural noun shares in which the shareholders have not paid the full face value
partner /'pɑːtnər noun a person who works in a business and has an equal share in it with other partners o I became a partner in a firm of solicitors.
partnership /'pɑːtnəʃɪp noun an unregistered business where two or more people (but not more than twenty) share the risks and profits according to a partnership agreement o to go into partnership with someone o to join with someone to form a partnership
partnership accounts /'pɑːtnəʃɪp əˌkaʊntz plural noun the capital and current accounts of each partner in a partnership, or the accounts recording the partnership’s business activities
partnership agreement /'pɑːtnəʃɪp əˌɡrɪmənt noun a document setting up a partnership, giving the details of the business and the amount each partner is contributing to it. Also called articles of partnership
part-owner /'pɑːt əˈɔːnər noun a person who owns something jointly with one or more other people o I am part-owner of the restaurant
part-ownership /'pɑːt əˈɔːnəʃɪp noun a situation where two or more persons own the same property
part payment /'pɑːt ˈpɛmənt noun a partial payment that leaves a balance to pay at some future time o I gave him £250 as part payment for the car.
part-time /'pɑːt ˈtɜːm noun, adjective, adverb not working for the whole working week o a part-time employee
party /'pɑːti noun a person or organisation involved in a legal dispute or legal agreement o How many parties are there to the contract? o The company is not a party to the agreement.
pay /'peɪ noun same as face value
paybook /'peɪbʊk noun same as bank book
...instead of customers having transactions recorded in their passbooks, they will present plastic cards and have the transactions printed out on a receipt [Australian Financial Review]
patent /'peɪtənt noun an official document showing that a person has the exclusive right to make and sell an invention o to take out a patent for a new type of light bulb o to apply for a patent for a new invention o 'patent applied for', 'patent pending' words on a product showing that the inventor has applied for a patent for it
patent agent /'peɪtənt əˈdʒent noun a person who advises on patents and applies for patents on behalf of clients
patent office /'peɪtənt ˈɒfɪs noun a government office which grants patents and supervises them
patent rights /'peɪtənt raɪts plural noun the rights which an inventor holds because of a patent
paternity leave /'pɑːtərəti lɪv noun a short period of leave given to a father to be away from work when his partner has a baby
pathfinder prospectus /ˈpɑːθfɪndər ˈprɒspektəs noun a preliminary prospectus about a company which is going to be launched on the Stock Exchange, sent to potential major investors before the issue date, giving details of the company’s background, but not giving the price at which shares will be sold
pay /'peɪ verb 1 to give money to buy an item or a service o to pay £1,000 for a car o How much did you pay to have the office cleaned? (NOTE: paying – paid) 2 ‘pay cash’ words written on a crossed cheque to show that it can be paid in cash if necessary 2. to produce or distribute money (NOTE: paying – paid) 3. to give an...
employee money for work done  ○ The workforce has not been paid for three weeks.  ○ We pay good wages for skilled workers.  ○ How much do they pay you per hour? (NOTE: paying – paid)  ○ to be paid at piecework rates to get money for each piece of work finished  4. to give money which is owed or which has to be paid  ○ He was late paying the bill.  ○ We phoned to ask when they were going to pay the invoice.  ○ You will have to pay duty on these imports.  ○ She pays tax at the highest rate. (NOTE: paying – paid)  ○ please pay the sum of £10 please give £10 in cash or by cheque  ‘…recession encourages communication not because it makes redundancies easier, but because it makes low or zero pay increases easier to accept’ [Economist]  ‘…the yield figure means that if you buy the shares at their current price you will be getting 5% before tax on your money if the company pays the same dividend as in its last financial year’ [Investors Chronicle].

capital investment project to equal the cash outflows 1. a clause in a contract which states the terms for repaying a loan 2. a period of time over which a loan is to be repaid or an investment is to pay for itself. The length of time it will take to earn back the money invested in a project 1. a day on which wages are paid to employees, usually Friday; for employees paid once a week and during the last week of the month for employees who are paid once a month 2. a person who receives money from someone, or the person whose name is on a cheque 1. an increase in salary 2. a repayment of part of a sum which has been borrowed 1. a person who gives money to someone 2. an increase in salary 1. making a profit 2. a paying business 3. producing money, source of money 4. the act of giving money 1. a bank which pays dividend or interest to a bondholder 2. a book of forms for paying money into a bank account or a building society account 1. a printed form which is filled in when money is being deposited in a bank (NOTE: the US term is deposit slip.) 1. the person responsible for paying an organisation’s employees 1. the act of giving money in exchange for goods or a service 2. We always ask for payment in cash or by cheque and not payment by cheque.  ○ The payment of interest or the interest payment should be made on the 22nd of each month. 2. money 1. the conditions laid down by a business regarding when it should be paid for goods or services that it supplies, e.g. cash with order, payment on delivery, or payment within a particular number of days of the invoice date.
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dividend cover

donations.

\[\text{The employee gets tax relief on such deducted by the employer and paid to the out of his or her salary. The money is}\]

\[\text{office has a weekly payroll of £10,000.}\]

\[\text{percentage of a company's earnings that it}

\[\text{they are awarded.}\]

\[\text{a rapid boost in incomes, many tax payers deciding to leave the company and pursue other business opportunities.}\]

\[\text{The company only exists on payouts from the government.}\]

\[\text{after a period of recession followed by rapid boost in incomes, many tax payers embarked upon some tax planning to minimize their payouts.}\]

\[\text{the list of people employed by a company}

\[\text{Irrespective of the starting pay} \]

\[\text{a hierarchy of job title, salary or length of service. Also called salary scale, wage scale}\]

\[\text{the money deducted as tax, pension and National Insurance contributions}\]

\[\text{a point at which pay increases because of a threshold agreement}\]

\[\text{profit before interest and tax}\]

\[\text{petty cash}\]

\[\text{price/earnings ratio}\]

\[\text{adjective referring to money}\]

\[\text{to maintain or fix something at a specific level}\]

\[\text{to punish or fine someone}\]

\[\text{to penalise a supplier for late deliveries}\]

\[\text{for a pay review and hope to get a rise}\]

\[\text{for a pay review and hope to get a rise}\]

\[\text{to penalise a supplier for late deliveries}\]

\[\text{penetration pricing}\]

\[\text{penetration pricing is helping us acquire a bigger market share at the expense of short-term profits.}\]

\[\text{pension money paid regularly to someone who no longer works}\]

\[\text{able to receive a pension}\]

\[\text{pension contributions}\]

\[\text{pension fund}\]

\[\text{pension entitlement}\]

\[\text{pension fund}\]

\[\text{pension fund}\]

\[\text{pension fund}\]
pension funds

which provides pensions for retired employees.

pension funds /'penfəns fon dizi/ plural noun investments managed by pension companies to produce pensions for investors.

pension income /'penfəns inkaun noun income which you receive from a pension scheme.

pension scheme /'penfəns skəm noun an arrangement by which an employer and, usually, an employee pay into a fund that is invested to provide the employee with a pension on retirement.

PEP abbreviation Personal Equity Plan.

PER abbreviation price/earnings ratio.

P/E ratio /pi: 'i , retfɪəsəu noun same as price/earnings ratio.

per capita /pa 'kɛptə/ adjective, adverb. for each person.

per capita income /pa ,kɛptə 'mɪrkəmi noun 1. the average income of one person. Also called income per capita. income per head 2. the average income of each member of a particular group of people, e.g., the citizens of a country.

per cent /pa 'sent/ adjective, adverb. out of each hundred, or for each hundred.

...this would represent an 18 per cent growth rate – a slight slackening of the 25 per cent turnover rise in the first half' [Financial Times].

...buildings are depreciated at two per cent per annum on the estimated cost of construction' [Hong Kong Standard].

percentage /'penfənsentdʒə noun an amount shown as part of one hundred.

...state-owned banks cut their prime rates a percentage point to 11 3/4% [Wall Street Journal].

...a good percentage of the excess stock was taken up during the last quarter' [Australian Financial Review].
periodic stock check /ˌpərɪˈstɒk/ noun the counting of stock at some point in time, usually at the end of an accounting period.

periodic weighted average cost /ˌpərɪˈstɒk /ˈwɜrəd/ noun the average cost per unit of stock delivered in a period calculated at the end of the period. Compare cumulative weighted average cost.

period of account /ˌpərɪˈəʊd av əˈkɔunt/ noun the period usually covered by a firm’s accounts.

period of qualification /ˌpərɪˈəʊd av ˌkwɔlɪˈfɪkeɪʃ(ə)n/ noun the time which has to pass before someone qualifies for something.

perk /ˈpɜrk/ noun an extra item given by a company to employees in addition to their salaries, e.g. company cars or private health insurance (internal). She earns a good salary and in addition has all sorts of perks.

perpetual inventory system /pəˈprɛtʃuəl ɪnˈvɛntərɪ sɪstəm/ noun a stock control system by which the stock is continually counted as it moves into and out of the warehouse, so avoiding having to close the warehouse for annual stock checks. Abbreviation: PIS

perpetuity /ˈpɜrpətjuəti/ noun same as annuity.

perquisite /ˌpɜrˌkwɪzɪt/ noun same as perk.

personal /ˈpɜrsənl/ adjective referring to one person apart from the family shares, she has a personal shareholding in the company apart from shares belonging to her family as a group, she has shares which she owns herself.

personal account /ˈpɜrsənl əˈkɔunt/ noun an account for recording amounts receivable from or payable to a person or an entity. Compare personal account.

personal allowance /ˈpɜrsənl əˈləʊns/ noun a part of a person’s income which is not taxed.

personal assets /ˈpɜrsənl əˈsetz/ plural noun movable assets which belong to a person.

Personal Equity Plan /ˈpɜrsənl əˈkwɪtɪ plæn/ a share-based investment replaced by the ISA in 1999. Abbreviation: PEP.

personal financial planning /ˈpɜrsənl əˈfɪnaɪʃənl plænɪŋ/ noun short- and long-term financial planning by an individual, either independently or with the assistance of a professional adviser. It will include the use of tax efficient schemes such as Individual Savings Accounts, ensuring adequate provisions are being made for retirement, and examining short- and long-term borrowing requirements such as overdrafts and mortgages.

Personal Identification Number /ˈpɜrsənl ɪndentɪˈfɪkeɪʃ(ə)n əˈnʌmər/ noun a unique number allocated to the holder of a cash card or credit card, by which he or she can enter an automatic banking system, as e.g., to withdraw cash from a cash machine or to pay in a store. Abbreviation: PIN

personal income /ˈpɜrsənl ɪnˈkʌm/ noun the income received by an individual person before tax is paid.

Personal Investment Authority /ˈpɜrsənl ɪnˈvestmənt əˈθɔrəti/ noun a self-regulatory body which regulates the activities of financial advisers, insurance brokers and others who give financial advice or arrange financial services for small clients. Abbreviation: PIA

personal loan /ˈpɜrsənl əˈloʊn/ noun a loan to a person for household or other personal use, not for business use.

personal pension plan /ˈpɜrsənl əˈpɛnsʃ(ə)n plæn/ noun a pension plan which applies to one employee only, usually a self-employed person, not to a group. Abbreviation: PPP

personal property /ˈpɜrsənl əˈprəʊpərti/ noun things which belong to a person. The fire caused considerable damage to personal property.

personal representative /ˈpɜrsənl əˈrɛprɪˌzentətɪv/ noun a person who is the executor of a will or the administrator of the estate of a deceased person.

PERT /ˈpɜrt/ abbreviation programme evaluation and review technique.

petroleum revenues /ˈpɔtrəljuər ɪˈvɛnjuərɪz/ plural noun income from selling oil.

petroleum revenue tax /ˌpɔtrəljuər ɪˈvɛnjuərɪ ˌtæks/ noun a British tax on revenues from companies extracting oil from the North Sea. Abbreviation: PRT

petty cash /ˈpɛti ˈkef/ noun a small amount of money kept in an office to pay small debts. Abbreviation: P/C

petty cash voucher /ˈpɛti ˈkef ˈvaʊtʃər/ noun a piece of paper on which cash expenditure is noted so that an...
petty expenses

employee can be reimbursed for what he or she has spent on company business

petty expenses /ˈpetɪ ikˈspensɪz/ plural noun small sums of money spent

phase /fæz/ noun a period or part of something which takes place ○ the first phase of the expansion programme

phase in phrasal verb to bring something in gradually ○ The new invoicing system will be phased in over the next two months.

... the budget grants a tax exemption for $500,000 in capital gains, phased in over the next six years' [Toronto Star]

phase out phrasal verb to remove something gradually ○ Smith Ltd will be phased out as a supplier of spare parts.

phoenix company /ˈfiːnɒks /,kʌmpənɪ/ noun a company formed by the directors of a company which has gone into receivership, which trades in the same way as the first company, and in most respects (except its name) seems to be exactly the same as the first company

...the prosecution follows recent calls for a reform of insolvency legislation to prevent directors from leaving behind a trail of debt while continuing to trade in phoenix companies – businesses which fold only to rise again, often under a slightly different name in the hands of the same directors and management' [Financial Times]

physical asset /ˈfɪzɪkl/ noun an asset that is a physically existing thing, as opposed to cash or securities

physical inventory /ˈfɪzɪkl/ ɪnvɛntɔrɪ/ noun US same as physical stock

physical market /ˈfɪzɪkl/ ˈmɑ:ktɪ/ noun a commodity market where purchasers actually buy the commodities, as opposed to the futures market, where they buy and sell the right to purchase commodities at a future date

physical price /ˈfɪzɪkl/ ˈprɑːs/ noun a current cash price for a commodity for immediate delivery

physical stock /ˈfɪzɪkl/ ˈstɒk/ noun the actual items of stock held in a warehouse

PIA abbreviation Personal Investment Authority

piece rate /ˈpiːs ˈreɪt/ noun a rate of pay calculated as an amount for each product produced or for each piece of work done, and not as an amount for each hour worked ○ to earn piece rates

piecework /ˈpiːzkwɜːk/ noun work for which employees are paid in accordance with the number of products produced or pieces of work done and not at an hourly rate

pie chart /ˈpaɪ ʃɑːt/ noun a diagram where information is shown as a circle cut up into sections of different sizes

pilferage /ˈpɪlfeɪrɪdʒ/ pilfering /ˈpɪlfərnɪŋ/ noun the stealing of small amounts of money or small objects ○ [The Guardian]

PIN /pn/ abbreviation Personal Identification Number

PIS abbreviation perpetual inventory system

placement /ˈplɛsmənt/ noun 1. the act of finding work for someone ○ The bureau specialises in the placement of former executives. 2. US the act of finding buyers for an issue of new shares (NOTE: The UK term is placing.)

placing /ˈplɛsmɪŋ/ noun the act of finding a single buyer or a group of institutional buyers for a large number of shares in a new company or a company that is going public

plain vanilla swap /ˈpleɪn vɑːnɪələ ˈswɑːp/ noun same as interest rate swap

plan /plæn/ 1. an organised way of doing something ○ an investment plan ○ a pension plan ○ a savings plan 2. a way of saving or investing money 3. verb to organise carefully how something should be done in the future

...the benefits package is attractive and the compensation plan includes base, incentive and car allowance totalling $50,000+ [Globe and Mail (Toronto)]

plan comptable /ˈplæn kɔmˈtɑːblə/ noun in France, a uniformly structured and detailed bookkeeping system that companies are required to comply with

planned economy /ˈpleɪnd ɪˈkɒnəmɪ/ noun a system where the government plans all business activity, regulates supply, sets production targets and itemises work to be done. Also called command economy, central planning

planned obsolescence /ˈpleɪnd əˈbɒsəlsəns/ noun same as built-in obsolescence ○ Planned obsolescence was condemned by the consumer organisation as a cynical marketing ploy.

plant and machinery /ˈplænt ænd ˈməːʃəni/ noun equipment used to help someone trade such as trucks, tools, office furniture, computers, ladders, etc.

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positions vacant.

Another without loss as an employee rose by one point.

The current state of an entity in respect of the following: resources of tangible and intangible assets and finance; products, brands and markets; operating systems such as production and distribution; internal organisation; current results; and returns to stockholders.

Positive carry a situation in which the cost of financing an investment is less than the return obtained from it.

Positive cash flow a situation in which more money is coming into a company than is going out.

Positive confirmation an auditor’s request to have financial information confirmed as accurate, to which a reply must be sent, not only in the case of a discrepancy.

Positive goodwill the position of a company that has assets for which the acquisition costs exceed the values of the identifiable assets and liabilities.

Positive yield curve the yield on a short-term investment is less than that on a long-term investment.

Possess to own something.

Possessions plural noun, things owned.

Post-acquisition adjective taking place after a company has been acquired.

Post-acquisition profit a profit of a subsidiary company in the period after it has been acquired, which is treated as revenue and transferred to the consolidated reserves of the holding company.

Post a credit to enter a credit item in a ledger.

Post-balance sheet event a balance sheet item which happens after the date when the balance sheet is drawn up, and before the time when the balance sheet is officially approved by the directors, which affects a company’s financial position.

Post-balance-sheet review procedures of an audit that relate to the interval between the date of the financial statements and the completion date of the audit fieldwork.
postdate

postdate /ˈpəʊstdeɪt/ verb to put a later date on a document. Her cheque was postdated to June.

post-purchase costs /ˈpəʊst pɜːtʃəs/ costs incurred after a capital expenditure decision has been implemented and facilities acquired. These costs may include training, maintenance and the cost of upgrades.

pound /ˈpaʊnd/ noun 1. a measure of weight (= 0.45 kilograms) ○ Oranges cost 50p a pound. (NOTE: Usually written lb after a figure: 25lb. Note also that the pound is now no longer officially used in the UK) 2. a unit of currency used in the UK and many other countries including Cyprus, Egypt, Lebanon, Malta, Sudan, Syria and, before the euro, Ireland.

poundage /ˈpaʊnddʒɪŋ/ noun a rate charged per pound in weight

pound-cost averaging /ˈpaʊnd kɔst ˈɛvəʒ(ɪ)ŋ/ noun the practice of buying securities at different times, but always spending the same amount of money

pound sterling /ˈpaʊnd ˈstɛrlɪŋ/ noun the official term for the UK currency

power /ˈpaʊər/ noun 1. strength or ability 2. a force or legal right 3. a mathematical term describing the number of times a number is to be multiplied by itself ○ 5 to the power 2 is equal to 25 (NOTE: written as small figures in superscript: 10²). Say: ‘ten to the power five’

power of attorney /ˈpaʊər əv ˈətərni/ noun a legal document which gives someone the right to act on someone’s behalf in legal matters

PPI abbreviation producers’ price index

PPP abbreviation personal pension plan

pre-acquisition profits /ˈprɪˌeɪ skrəˈʃən ˈprɔfts/ plural noun profits of a company in the part of its accounting period before it was acquired by another company. Under acquisition accounting methods, the holding company deducts these profits from the combined reserves of the group.

pre-acquisition write-down /ˈprɪˌeɪ skrəˈkwɪt dəʊn/ noun a reduction in the fair value of a new subsidiary in the balance sheet of a holding company against the potential future costs or the possible revaluation of the subsidiary’s assets after acquisition

prebilling /ˈprɪˌbɪlɪŋ/ noun the practice of submitting a bill for a product or service before it has actually been delivered

preceding year /ˈprɪˌsɪdɪŋ ˈjɪər/ noun the year before the accounting year in question ○ taxed on a preceding year basis tax on income or capital gains arising in the previous year is payable in the current year

pre-emption right /ˈprɪˌɛmptʃən rʌt/ noun the right of an existing shareholder to be first to buy a new stock issue

pre-emptive /ˈprɪˌɛmp(t)ɪv/ adjective done before anyone else takes action in order to stop something happening

preference dividend /ˌprefərəns ˈdɪvɪndid/ noun a dividend paid on preference shares

preference shares /ˌprefərənʃ ʃeəz/ plural noun shares, often with no voting rights, which receive their dividend before all other shares and are repaid first at face value if the company goes into liquidation. (NOTE: The US term is preferred stock.)

preferential creditor /ˌprefərənl ˈkredɪtər/ noun a creditor who must be paid first if a company is in liquidation. Also called preferred creditor

preferential debt /ˌprefərənʃəl dɛt/ noun a debt which is paid before all others

preferential payment /ˌprefərənl ˈpeɪmənt/ noun a payment to a preferential creditor

preferential shares /ˌprefərənl ʃeəz/ plural noun shares which are part of a new issue and are set aside for the employees of the company

preferred creditor /ˈprɪˌfɜːrd ˈkredɪtər/ noun same as preferential creditor

preferred shares /ˈprɪˌfɜːrd ʃeəz/ plural noun same as preference shares

pre-financing /ˈprɪˌfɪnənsiŋ/ noun money paid in advance by customers to help finance a project the future products of which the customer contracts to buy by making additional payments

preliminary announcement /ˈprɪˌlɪmɪnəri əˈnʌnsmənt/ noun an announcement of a company’s full-year results, given out to the press before the detailed annual report is released

preliminary audit /ˈprɪˌlɪmɪnəri ˈɔːdɪt/ noun audit fieldwork carried out before the end of the accounting period in question

preliminary prospectus /ˈprɪˌlɪmɪnəri ˈprəskɔptəs/ noun same as pathfinder prospectus
premium /ˈprɪzɪm/ noun 1. a regular payment made to an insurance company for the protection provided by an insurance policy 2. an amount to be paid to a landlord or a tenant for the right to take over a lease flat to let with a premium of £10,000 annual rent: £8,500, premium: £25,000 3. an extra sum of money in addition to a usual charge, wage, price or other amount 4. a gift, discount or other incentive to encourage someone to buy premium bond /ˈprɪzɪm bɔnd/ noun a government bond, part of the National Savings and Investment scheme, which pays no interest, but gives the owner the chance to win a weekly or monthly prize premium income /ˈprɪzɪm ˈɪnmənt/ noun income which an insurance company derives from premiums paid by insured persons premium on redemption /ˈprɪzɪm ɒn rɪˈdemptʃən/ noun an extra amount above the nominal value of a share or debenture paid to the holder by a company buying back its share or loan stock prepaid expenses /ˈprɪz ˌpɛd ɪks/ noun prepayment or prepayment expenditure on items such as rent, which is made in one accounting period but covers part of the next period also prepaid interest /ˈprɪz ˌpɛd ɪntərst/ noun interest paid in advance of its due date prepay /ˈprɪz ˈpet/ verb to pay something in advance (NOTE: prepaying – prepaid) prepayment /ˈprɪzˈpɛmənt/ noun 1. a payment in advance, or the act of paying in advance 2. US the repayment of the principal of a loan before it is due prepayment penalty /ˈprɪzˈpɛmənt ˈpenəlti/ noun US a charge levied on someone who repays a loan such as a mortgage before it is due present value /ˈprɛz(v)ənt ˈvɛlju/ noun 1. the value something has now 2. In 1984 the pound was worth five times its present value. 3. the value now of a specified sum of money to be received in the future, if invested at current interest rates. Abbreviation PV 3. a price which a share must reach in the future to be the equivalent of today’s price, taking inflation into account preservation of capital /ˌpɛrzəˈveɪʃən əv ˈkæpɪt(ə)l/ noun an approach to financial management that protects a person’s or company’s capital by arranging additional forms of finance pretax /ˈprɪtzətʃ/ adjective before tax has been deducted or paid

...the company’s goals are a growth in sales of up to 40 per cent, a rise in pre-tax earnings of nearly 35 per cent and a rise in after-tax earnings of more than 25 per cent’ [Citizen (Ottawa)] ‘EC regulations which came into effect in July insist that customers can buy cars anywhere in the EC at the local pre-tax price’ [Financial Times] pretax profit /ˈprɪtzətʃ ˌprɒfɪt/ noun the amount of profit a company makes before taxes are deducted ☞ The dividend paid is equivalent to one quarter of the pretax profit. Also called profit before tax, profit on ordinary activities before tax pretax profit margin /ˈprɪtzətʃ ˌprɒfɪt ˈmærgən/ noun the pretax profit shown as a percentage of turnover in a profit and loss account preventive costs /ˈprɪvəntɪv ˈkɒsts/ plural noun those costs incurred in seeking to prevent defects in products and services supplied, e.g. the cost of training programmes previous balance /ˌprɪvəriəs ˈbæləns/ noun a balance in an account at the end of the accounting period before the current one price /ˈprɑs/ noun which money has which to pay anything ☞ cars in the £18–19,000 price range cars of different makes, selling for between £18,000 and £19,000 ☞ to give a price to a product ☞ We have two used cars for sale, both priced at £5,000. price ceiling /ˈprɑs ˈsiːliŋ/ noun a limit beyond which prices will not or cannot rise price change /ˈprɑs tʃeɪndʒ/ noun an amount by which the price of a share moves during a day’s trading price controls /ˈprɑs ˈkɔns,trɔktz/ plural noun legal measures to prevent prices rising too fast price cutting /ˈprɑs ˈkɛtʃɪŋ/ noun a sudden lowering of prices ‘...in today’s circumstances, price-cutting is inevitable in an attempt to build up market share’ [Marketing Week] price-cutting war /ˈprɑs ˈkætʃɪŋ wɔr/ noun same as price war price differential /ˈprɑs ˌdɪfərənʃəl/ noun the difference in price between products in a range price/earnings ratio /ˈprɑs ˌɛrnɪŋz ˈrɔtʃər/ noun a ratio between the current market price of a share of stock and the earnings per share (the current dividend it produces), calculated by dividing the market price by the earnings per share ☞ These
price fixing 172

shares sell at a P/E ratio of 7 Also called P/E ratio. Abbreviation PER.

price fixing /prəsˈfɪksɪŋ/ noun an illegal agreement between companies to charge the same price for competing products

price-insensitive /ˌprəsɪnˈsɛnsɪv/ adjective used to describe a good or service for which sales remain constant no matter what its price because it is essential to buyers.

price range /ˈprəʊrdʒ/ noun a series of prices for similar products from different suppliers.

price-to-sales ratio /prəs təˈsɛlz rəˈʃiər] noun the ratio of the total value of a company’s shares to its sales for the previous twelve months.

price variance /ˈprəʊvərəns/ noun the discrepancy between the actual price of a unit produced and the standard price.

price war /ˈprəʊvər] noun a competition between companies to get a larger market share by cutting prices. Also called price-cutting war.

pricing /ˈprəʊsɪŋ/ noun the act of giving a price to a product.

pricing model /ˌprəʊsɪŋ ˈmɒdl] noun a computerised system for calculating a price, based on costs, anticipated margins, etc.

pricing policy /ˈprəʊsɪŋ ˈpɒlɪs] noun a company’s policy in giving prices to its products. Our pricing policy aims at producing a 35% gross margin.

primary commodities /prəˈmiəri kəˈmɪdɪtiz] plural noun farm produce grown in large quantities, e.g. corn, rice or cotton.

primary industry /prəˈmiəri ˈɪndəstri] noun an industry dealing with basic raw materials such as coal, wood, or farm produce.

prime /prəm/ adjective 1. most important 2. basic. noun same as prime rate.

prime bills /prəˈmbɜlz] plural noun bills of exchange which do not involve any risk.

prime cost /prərzm ˈkɒst] noun the cost involved in producing a product, excluding overheads.

prime rate /prəm ˈreɪt] noun US the best rate of interest at which a bank lends to its customers. Also called prime.

prime sites /prərzm ˈsitez] plural noun the most valuable commercial sites, i.e. in main shopping streets. Compare secondary sites.

priming /ˈprəʊmɪŋ] noun pump priming.

principal /ˈprəʊnsip(ə]l/ noun 1. a person or company that is represented by an agent. The agent has come to London to see his principals. 2. a person acting for him or herself, such as a marketmaker buying securities on his or her own account. (NOTE: Do not confuse with principle.) adjective most important. The principal shareholders asked for a meeting. The country’s principal products are paper and wood. The company’s principal asset is its design staff.

…the company was set up with funds totalling NorKr 145m with the principal aim of making capital gains on the second-hand market. [Lloyd’s List]

prior charge percentage /ˈprəʊr ˈtʃɛr əˈsɛntdɪ] noun same as priority percentage.

priority /prəˈriətɪ] noun to have priority over or to take priority over something to be more important than something. Reducing overheads takes priority over increasing turnover. Debenture holders have priority over ordinary shareholders.

priority percentage /ˈprəʊr əˈsɛntdɪ] noun the proportion of a business’s net profit that is paid in interest to preference shareholders and holders of debt capital. Also called prior charge percentage.

priority period adjustment /ˌprəʊr ˈpiətrɪdʒ] noun a change in the revenue or expenses for a previous accounting period, introduced in order to correct an error or to apply a new accounting policy.

priority year adjustments /ˌprəʊr ˈjɔr əˈdʒastmənts] plural noun adjustments made to accounts for previous years, because of changes in accounting policies or because of errors.

private /ˈprɛvəst] adjective belonging to a single person or to individual people, not to a company or the state. A letter marked ‘private and confidential’ a letter which must not be opened by anyone other than the person it is addressed to or to sell (a house) by private treaty to sell (a house) to another person not by auction.

private bank /ˈprɛvəst ˈbæŋk] noun 1. a bank that is owned by a single person or a limited number of private shareholders. 2. a bank that provides banking facilities to high net worth individuals. Compare private banking.

Любая информация, изложенная на данной странице, не является исключительной собственностью и доступна для использования в публичных и образовательных целях. Перепечатка материалов без разрешения автора запрещена.
private banking /ˈpraɪvət ˈbæŋkɪŋ/ noun a service offered by certain financial institutions to high net worth individuals. In addition to standard banking services, it will typically include portfolio management and advisory services on taxation, including estate planning.

private company /ˈpraɪvət ˈkʌmpəni/ noun a registered company whose shares are not offered for sale to the public.

private debt /ˈpraɪvət ˈdeɪt/ noun money owed by individuals and organisations other than governments.

private enterprise /ˈpraɪvət ˈɪntrəprəz/ noun businesses that are owned privately, not nationalised. ☐ The project is completely funded by private enterprise.

private income /ˈɪnkəm/ noun income from dividends, interest or rent which is not part of a salary.

private investor /ˈɪnvɛstər/ noun an ordinary person with money to invest.

private limited company /ˈpraɪvət ˈlɪmɪtɪd ˈkʌmpəni/ noun 1. a company with a small number of shareholders, whose shares are not traded on the Stock Exchange. 2. a subsidiary company whose shares are not listed on the Stock Exchange, while those of its parent company are ☞ abbreviation: Pty Ltd

privately held company /ˈpraɪvətli ˈhɛld/ noun a company owned by private shareholders.

private placement /ˈpraɪvət ˈpleɪsment/ noun the sale of securities for the purpose of investment, not for resale.

private practice /ˈpraɪvət ˈprektrɪs/ noun accounting services offered to clients, as opposed to accounting work carried out as an employee of a company.

private property /ˈpraɪvət ˈprɒpəti/ noun property which belongs to a private person, not to the public.

private sector /ˈpraɪvət ˈsɛkʃər/ noun one of the parts of the economy of a country, which itself is made up of the corporate sector (firms owned by private shareholders), the personal sector (individuals and their income and expenditure), and the financial sector (banks and other financial institutions, which are funded by money in money). ☐ The expansion is completely funded by the private sector. ☐ Salaries in the private sector have increased faster than in the public sector.

‘…in the private sector the total number of new house starts was 3 per cent higher than in the corresponding period last year, while public sector starts were 23 per cent lower’ [Financial Times]

private treaty /ˈtriːtɪ/ noun an agreement between individual persons.

probability /prəˈbɪləti/ noun the likelihood that something will happen, expressed mathematically.

probability distribution /prəˈbɪləti ˈdɪstrɪbjuʃən/ noun a mathematical formula that shows the probability for each value of a variable in a statistical study.

probate /prəˈbeɪt/ noun legal acceptance that a document, especially a will, is valid ☐ the executor was granted probate or obtained a grant of probate the executor was told officially that the will was valid.

procedural audit /prəˈsɪdrəl ˈɔːdɪt/ noun the process of evaluating all policies, controls and other procedures of a business.

procedure /prəˈsɪdʒər/ noun a way in which something is done. ☐ The inquiry found that the company had not followed the approved procedures.

‘…this was a serious breach of disciplinary procedure and the dismissal was unfair’ [Personnel Management]

proceeds /prəˈsɪdz/ plural noun money received from selling something.

process /ˈprəʊses/ verb to deal with something in the usual routine way. ☐ It usually takes at least two weeks to process an insurance claim. ☐ Orders are processed in our warehouse.

process cost report /ˈprəʊses kɒst riˈpoʊrt/ noun a schedule that managers use to track costs in a process costing system.

processing /ˈprəʊsesɪŋ/ noun the act of sorting information or of statistics by a computer.

producer /ˈpraɪdʒər/ noun same as supplier. ☐ a country which is a producer of high-quality watches.

The company is a closed corporation. It was set up by a small number of shareholders, whose shares are not traded on the Stock Exchange.
production target /prəˈdækʃən ˌtægət/ noun the number of units a business is expected to produce

production unit /prəˈdækʃən ˌjuːnɪt/ noun a separate small group of employees producing a product

production yield variance /prəˈdækʃən ˈjɪld ˌvɜːriəns/ noun a discrepancy between expected levels of productivity and actual levels, for a given amount of input

productive capital /prəˈdæktv/ noun capital which is invested to give interest

productivity /prəˈdæktvɪtɪ/ noun the rate of output per employee, or per item of equipment, in a business ○ Bonus payments are linked to productivity. ○ The company is aiming to increase productivity. ○ Productivity has fallen or risen since the company was taken over.

‘...though there has been productivity growth, the absolute productivity gap between many British firms and their foreign rivals remains’ [Sunday Times]

productivity agreement /prəˈdæk ˈtrɪvɪtɪ ˌgrɪtəmənt/ noun an agreement to pay a productivity bonus

productivity bonus /prəˈdæktrɪvɪtɪ ˌbounəs/ noun an extra payment made to employees because of increased production per employee

productivity drive /prəˈdæktrɪvɪtɪ draɪv/ noun an extra effort to increase productivity

product life cycle /prəˈdæk ˈlaɪf ˌsɑːkɪli/ noun stages in the life of a product in terms of sales and profitability, from its launch to its decline ○ Growth is the first stage in the product life cycle. ○ The machine has reached a point in its product life cycle where we should be thinking about a replacement for it.

product management /prəˈdæktrɪv ˌmænɪdʒmənt/ noun the process of overseeing the making and selling of a product as an independent item

product mix /prəˈdæktrɪk mɪks/ noun the range of different products which a company has for sale

product mix decisions /prəˈdæktrɪk mɪks ˈdɪsənʃənz/ plural noun decisions about which products or services to concentrate on in order to maximise total profits

product unit cost /prəˈdæktrɪk ˌjuːnɪt ˌkɒst/ noun the cost of manufacturing a single unit of product
...one of the key advantages of an accountancy qualification is its worldwide marketability. Other professions are not so lucky: lawyers, for example, are much more limited in where they can work.

[Accountancy]

professional /ˈprəʊfəsənəl/ adjective referring to one of the professions.  

profit /ˈprɒfɪt/ noun money gained from a sale which is more than the money spent on making the item sold or on providing the service offered to take your profit to sell shares at a higher price than was paid for them, and so realise the profit, rather than to keep them as an investment to make a profit to have more money as a result of a deal.

profitability /ˈprɒfɪtəbɪləti/ noun 1. the ability to make a profit.  

profitability index /ˈprɒfɪtəbɪləti ɪndeks/ noun a figure that is the current estimated final value of an investment divided by the amount of the original investment.

profitable /ˈprɒfɪtəbəl/ adjective making a profit.  

profitably /ˈprɒfɪtəbli/ adverb making a profit.  

profit after tax /ˈprɒfɪt əˈfɔːt ˈtæks/ noun same as net profit.

profit and loss account /ˈprɒfɪt ənd ˈlɒs əˈkəʊnt/ noun the accounts for a company showing expenditure and income over a period of time, usually one calendar year, balanced to show a final profit or loss.

Also called consolidated profit and loss account, P&L statement.

profit before interest and tax /ˈprɒfɪt ˈbeər ɪnˈterst ənd ˈteɪks/ noun operating profit shown before deducting interest on borrowings and tax due to the Inland Revenue.  

profit before tax /ˈprɒfɪt ˈbeər ɪnˈterst ənd ˈteɪks/ noun same as pretax profit.

profit centre /ˈprɒfɪt ˌsentə/ noun a person, unit or department within an organisation which is considered separately for the purposes of calculating a profit.  

profit distribution /ˈprɒfɪt ˌdɪstrɪbjuʃən/ noun the allocation of profits to different recipients such as shareholders and owners, or for different purposes such as research or investment.

professional fees /ˈprəʊfəsənəl ˈfiːz/ plural noun fees paid to lawyers, accountants, architects, etc.

professional qualification /ˈprəʊfəsənəl ˌkwɒlɪfɪkeɪʃən/ noun an accountancy qualification is its worldwide marketability. Other professions are not so lucky: lawyers, for example, are much more limited in where they can work.

professional woman /ˈprəʊfəsənəl ˈwʊmən/ noun a man or woman who works in one of the professions such as a lawyer, doctor or accountant.

professional woman /ˈprəʊfəsənəl ˈwʊmən/ noun a person who makes too much profit, especially when goods are rationed or in short supply.

profit centre /ˈprɒfɪt ˌsentə/ noun the practice of making too much profit.

profit from ordinary activities /ˈprɒfɪt frəʊ ˈɔːdəri əˈkəʊntɪv əˈkwɪtɪz/ noun the profit earned in the normal course of business, as opposed to profits from extraordinary sources such as windfall payments.

profit centre /ˈprɒfɪt ˌsentə/ noun the process of developing a plan that outlines revenue and expenses for a given period.

profit-related bonus /ˈprɒfɪt ˌrɛldəd ˈbəʊnəs/ noun a bonus paid which is related to the amount of profit a company makes.
profit-/related pay /prəˈfɪt,retəld/ noun pay including bonuses which is linked to profit

profit retained for the year /prəˈfɪt retənd fɔr, ˈjɪər/ noun same as retained earnings

profit-sharing /prəˈfɪt,ʃɛərɪŋ/ noun 1. an arrangement whereby employees get a share of the profits the company they work for ○ The company runs a profit-sharing scheme. 2. the practice of dividing profits among employees

profit squeeze /prəˈfɪt skwiːz/ noun a strict control of the amount of profits which companies can pay out as dividend

profit-taking /prəˈfɪt,teɪkɪŋ/ noun the act of selling investments to realise the profit, rather than keeping them ○ Share prices fell under continued profit-taking.

...some profit-taking was seen yesterday as investors continued to lack fresh incentives to renew buying activity' [Financial Times]

profit variance /prəˈfɪt, vɛərɪəns/ noun a discrepancy between actual profit and budgeted profit

profit-volume chart /prəˈfɪt,vəljuːm, ˈtʃɑːt/ noun a chart that shows how profit varies with changes in volume of production

profit warning noun an announced income level for a company that is significantly lower than that forecast by analysts

pro forma /prəˈfɔːmə/ verb to issue a pro forma invoice ○ Can you pro forma this order?

pro-forma financial statement /prəˈfɔːmə finəˈstætmənt/ noun a projection showing a business’s financial statements after the completion of a planned transaction

pro forma invoice /prəˈfɔːmə inˈvəʊs, pro fɔrəmə / noun an invoice sent to a buyer before the goods are sent, so that payment can be made or so that goods can be sent to a consignee who is not the buyer ○ They sent us a pro forma invoice. ○ We only supply that account on pro-forma.

programme evaluation and review technique /ˌprəˈɡræm, əˈvælju, ˌrɪvɪər ˈteknɪk/ noun an rɪˈvjuː tek, nɪk/ noun a way of planning and controlling a large project, concentrating on scheduling and completion on time. Abbreviation PERT

progress noun /ˈprəɡres/ the movement of work towards completion ○ to report on the progress of the work or of the negotiations ▶ verb /prəˈgres/ to move forward, to go ahead ○ The contract is progressing through various departments.

progressive /prəˈɡresɪv/ adjective moving forward in stages

project costing /prəˈdʒekt, ˈkɒstɪŋ/ noun a system used for collecting information on the costs of a specific business activity or project

project planning /prəˈdʒekt, ˈplænɪŋ/ noun the process of making decisions about major, long-term capital investments

promise /prəˈmɪs/ noun an act of saying that you will do something ▶ verb to say that you will do something ○ They promised to pay the last instalment next week.

promissory note /prəˈmɪsəri, ˈnəʊt/ noun a document stating that someone promises to pay an amount of money on a specific date

promote /prəˈməʊt/ verb 1. to give someone a more important job or to move someone to a higher grade ○ He was promoted from salesman to sales manager. 2. to advertise a product
prompt /prɒmpt/ adjective rapid or done immediately ♦ We got very prompt service at the complaints desk. ♦ Thank you for your prompt reply to my letter.

proof /prɔʊf/ noun evidence which shows that something is true

-proof /-prɔuf/ suffix protected from the negative effect of something ♦ an inflation-proof pension

property /ˈprɒprəti/ noun 1. land and buildings ♦ Property taxes are higher in the inner city. ♦ They are assessing damage to property or property damage after the storm. ♦ The commercial property market is booming. 2. a building ♦ We have several properties for sale in the centre of the town.

property bond /ˈprɔprəti bɔnd/ noun an investment in a fund invested in properties or in property companies

property company /ˈprɔprəti kəmˈpəni/ noun a company which buys buildings to lease them

proportion /ˈprɔprəʃən/ noun a part of a total ♦ A proportion of the pre-tax profit is set aside for contingencies. ♦ Only a small proportion of our sales come from retail shops.

proportional /ˈprɔprəʃənal/ adjective increasing or decreasing at the same rate as something else ♦ The increase in profit is proportional to the reduction in overheads.

proportionally /ˈprɔprəʃənəli/ adverb in a way that is proportional

proportional taxation /ˈprɔprəʃənəl təkəʃən/ noun a tax system in which the tax collected is in constant proportion to the income being taxed, i.e. as income rises so tax rises proportionately

proprietary /ˈprɔprərəti/ adjective a product, e.g. a medicine which is made and owned by a company

proprietary company /ˈprɔprərəti kəmˈpəni/ noun US a company formed to invest in stock of other companies so as to control them. Abbreviation pty

proprietary drug /ˈprɔprərəti ˈdrʌg/ noun a drug which is made by a particular company and marketed under a brand name

proprietor /ˈprɔprərətə/ noun the owner of a business, especially in the hospitality industry ♦ She is the proprietor of a hotel or a hotel proprietor. ♦ The restaurant has a new proprietor.

propietors’ interest /ˈprɔprərətəz ɪnˈtɜːst/ noun the amount which the owners of a business have invested in the business

pro rata /ˈprɔ ˈrɑːtə/ adjective, adverb at a rate which varies according to the size or importance of something ♦ When part of the shipment was destroyed we received a pro rata payment. ♦ The full-time pay is £800 a week and the part-timers are paid pro rata.

prospect /ˈprɔspekt/ noun a chance or possibility that something will happen in the future ♦ her job prospects are good she is very likely to find a job

prospective /ˈprɔspektɪv/ adjective possibly happening in the future

prospective dividend /ˈprɔspektɪv ˈdɪvɪdend/ noun same as forecast dividend

prospective P/E ratio /ˈprɔspektɪv ˈpiː ˈriːə/ noun a P/E ratio expected in the future on the basis of forecast dividends

prospects /ˈprɔspektz/ plural noun the possibilities for the future

prospectus /ˈprɔspektəs/ noun a document which gives information to attract buyers or customers ♦ The restaurant has people handing out prospectuses in the street. ♦ when the prospectus emerges, existing shareholders and any prospective new investors can find out more by calling the free share information line; they will be sent a leaflet. Non-shareholders who register in this way will receive a prospectus when it is published; existing shareholders will be sent one automatically’ [Financial Times]

protectionism /ˌprɔtəˈtekʃənɪzəm/ noun the practice of protecting producers in the home country against foreign competitors by banning or taxing imports or by imposing import quotas

protective tariff /ˈprɔtəˌtektrəf/ noun a tariff which tries to ban imports to stop them competing with local products

pro tem /ˌprɔ ˈtem/ adverb temporarily, for a time

protest /ˈprɔtest/ noun an official document which proves that a bill of exchange has not been paid

protest /ˈprɔtest/ noun the fact of being moved up to a more important job

prompt reply to my letter.

promoted /ˈprɔməʊtɪd/ adjective, past tense of promote

promptly /ˈprɔmtli/ adverb in a way that is prompt

property bond /ˈprɔprəti bɔnd/ noun

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prompt service
provide /prəˈvɑːrd/ verb 1. to give or supply something 2. to put money aside in accounts to cover expenditure or loss in the future ○ £25,000 is provided against bad debts.
provident /prəˈvɪd(ə)nt/ adjective providing benefits in case of illness, old age or other cases of need ○ a provident fund ○ a provident society

provider of capital /prəˈvɑːdar əvˈkærəpt(ə)l/ noun a person or company which provides capital to a business, usually by being a shareholder

provision /prəˈvɪz(ə)n/ noun an amount of money put aside in accounts for anticipated expenditure where the timing or amount of expenditure is uncertain, often for doubtful debts ○ The bank has made a £2m provision for bad debts or a £5bn provision against Third World loans.

‘…landlords can create short lets of dwellings which will be free from the normal security of tenure provisions’ [Times]

provisional /prəˈvɪz(ə)n(ə)l/ adjective temporary, not final or permanent ○ The sales department has been asked to make a provisional forecast of sales. ○ The provisional budget has been drawn up for each department.

provisionally /prəˈvɪʒ(ə)nəli/ adverb not finally ○ The contract has been accepted provisionally.

provisions /prəˈvɪz(ə)nz/ plural noun money put aside in accounts for anticipated expenditure where the timing or amount of expenditure is uncertain. If the expenditure is not certain to occur at all, then the money set aside is called a ‘contingent liability’.

proxy /ˈprɒksi/ noun 1. a document which gives someone the power to act on behalf of someone else ○ to sign by proxy 2. a person who acts on behalf of someone else ○ She asked the chairman to act as proxy for her.

proxy form /ˈprɒksi fɔ(r)m/ noun a form that shareholders receive with their invitations to attend an AGM, and that they fill in if they want to appoint a proxy to vote for them on a resolution

proxy statement /ˈprɒksi ,stɛtmtənt/ noun a document, filed with the SEC, outlining executive pay packages, option grants and other perks, and also giving details of dealings by executives in shares of the company

proxy vote /ˈprɒksi vɔt/ noun a vote made on behalf of someone who is not present ○ The proxy votes were all in favour of the board’s recommendation.

PRT abbreviation petroleum revenue tax

prudence /ˈpruːdəns/ noun an accounting approach that, in cases where there are alternative procedures or values, favours choosing the one that results in a lower profit, a lower asset value and a higher liability value

prudent /ˈpruːdənt/ adjective careful, not taking any risks

prudential ratio /pruˈdɛnʃ(ə)l rɪˈtʃərəsi/ noun a ratio of capital to assets which a bank feels it is prudent to have, according to EU regulations

PSBR abbreviation Public Sector Borrowing Requirement

Pty abbreviation proprietary company

Pty Ltd abbreviation private limited company

public /ˈpʌblɪk/ adjective 1. referring to all the people in general 2. referring to the government or the state

Public Accounts Committee /ˈpʌblɪk əˈkaʊntz kəˌmiːti/ noun a committee of the House of Commons which examines the spending of each department and ministry

public company /ˈpʌblɪk ˈkæmpəni/ noun same as public limited company

public debt /ˈpʌblɪk ˈdɛt/ noun the money that a government or a set of governments owes

public deposits /ˈpʌblɪk diˈpəʊzɪts/ plural noun in the United Kingdom, the government’s credit monies held at the Bank of England

public expenditure /ˈpʌblɪk ɪˈspendɪŋ/ noun money spent by the local or central government

public finance /ˈpʌblɪk ˈfaɪnəns/ noun the raising of money by governments by taxes or borrowing, and the spending of it

public funds /ˈpʌblɪk ˈfʌndz/ plural noun government money available for expenditure

publicity budget /ˈpʌblɪtɪ ˈbʌdʒɪt/ noun money allowed for expenditure on publicity

public limited company /ˈpʌblɪk ˌlɪmɪtɪd ˈkæmpəni/ noun a company whose shares can be bought on the Stock Exchange. Abbreviation Plc, PLC, plc.

publicly held company /ˈpʌblɪkli hɛld ˈkæmpəni/ noun US a company controlled by a few shareholders or its directors, but which is quoted on the Stock Exchange and which allows the public to hold a few shares
public offering /ˈpʌblɪk ˈɒfɪnɪŋ/ noun an offering of new shares in a corporation for sale to the public as a way of launching the corporation on the Stock Exchange

public ownership /ˈpʌblɪk ˈɔːnsəʃɪp/ noun a situation in which the government owns a business, i.e. where an industry is nationalised

public placing /ˈpʌblɪk ˈplesenɪŋ/, public placement /ˈpʌblɪk ˈplesmənt/ noun an act of offering a new issue of shares to investing institutions, though not to private investors in general

public sector /ˈpʌblɪk ˈsektər/ noun nationalised industries and services — a report on wage rises in the public sector or on public-sector wage settlements. Also called government sector.

Public Sector Borrowing Requirement /ˈpʌblɪk ˈsɛktər ˈbɔːrəʊɪŋ riˈkwɪzɪʃən/ noun the amount of money which a government has to borrow to pay for its own spending. Abbreviation PSBR

public spending /ˈpʌblɪk ˈspendɪŋ/ noun spending by the government or by local authorities

Public Trustee /ˈpʌblɪk ˈtrʌsti/ noun an official who is appointed as a trustee of an individual’s property

published accounts /ˈpʌblɪdʒɪntz əˈkaʊntz/ plural noun the accounts of a company which have been prepared and audited and then must be published by sending to the shareholders and other interested parties

pump priming /ˈpʌmp ˈpræmɪŋ/ noun government investment in new projects which it hopes will benefit the economy

purchase book /ˈpɜːtʃəs buk/ noun a book in which purchases are recorded

purchase daybook /ˈpɜːtʃəs ˈdeɪbʊk/, purchases daybook /ˈpɜːtʃəs ˈdeɪbʊk/ noun a book which records the purchases made each day

purchase invoice /ˈpɜːtʃəs ˈɪnvɪs/ noun an invoice received by a purchaser from a seller

purchase ledger /ˈpɜːtʃəs ˈlɛdʒər/ noun a book in which purchases are recorded

purchase order /ˈpɜːtʃəs ˈɔːrdər/ noun an official order made out by a purchasing department for goods which a company wants to buy. We cannot supply you without a purchase order number.

purchase order lead time /ˈpɜːtʃəs ˈɔːrdər ˈliːd ˈtɪm/ noun the interval between the placing of an order for raw materials or parts and their being delivered

purchase price /ˈpɜːtʃəs ˈprɑːs/ noun a price paid for something

purchase requisition /ˈpɜːtʃəs ˈrɛkwɪziʃən/ noun an instruction from a department within an organisation to its purchasing department to buy goods or services, stating the kind and quantity required, and forming the basis of a purchase order

purchase tax /ˈpɜːtʃəs ˈteɪks/ noun a tax paid on things which are bought

purchasing department /ˈpɜːtʃəsɪŋ ˈdept/ noun the section of a company which deals with the buying of stock, raw materials, equipment, etc.

purchasing manager /ˈpɜːtʃəsɪŋ ˈmænɪdʒər/ noun the head of a purchasing department

purchasing officer /ˈpɜːtʃəsɪŋ ˈɒfɪsər/ noun a person in a company or organisation who is responsible for buying stock, raw materials, equipment, etc.

purchasing power /ˈpɜːtʃəsɪŋ ˈpaʊər/ noun the quantity of goods which can be bought by a particular group of people or with a particular sum of money. The purchasing power of the pound has fallen over the last five years.

pure endowment /ˈpaʊər ɪnˈdɔːmənt/ noun a monetary gift the use of which is strictly prescribed by the donor

put down phraseal verb 1. to make a deposit, e.g. to put down money on a house. 2. to write an item in a ledger or an account book. 3. to write a figure for expenses, e.g. put down expenses.

put up phraseal verb 1. who put up the money for the shop? who provided the investment money for the shop to start? 2. to put something up for sale to advertise that something is for sale. 3. when he retired he decided to put his town flat up for sale. 4. to increase something, to make something higher. The shops has put up its prices by 5%.

put option /ˈpʊt, ˈpʊptʃən/ noun an option to sell a specified number of shares at a specified price within a specified period of time. Also called put.

PV abbreviation present value

pyramid selling /ˈprɪməd ˈsɛlɪŋ/ noun an illegal way of selling goods or investments to the public, where each selling agent pays for the franchise to sell the product or service, and sells that right on to other agents together with stock, so that in the end the person who makes the most money is the original franchiser, and sub-agents or investors may lose all their investments.
pyramid selling

‘...much of the population had committed their life savings to get-rich-quick pyramid investment schemes – where newcomers pay the original investors until the money runs out – which inevitably collapsed’ [Times]
qualification /ˌkwɒlɪfɪˈkeɪʃ(ə)n/ noun a document or some other formal proof of the fact that someone has successfully completed a specialised course of study or has acquired a skill ○ You must have the right qualifications for the job. ○ Job-hunting is difficult if you have no qualifications.

...personnel management is not an activity that can ever have just one set of qualifications as a requirement for entry into it’ [Personnel Management]

qualification of accounts /ˌkwɒlɪfɪˈkeɪʃ(ə)n əv əˈkaʊnts/ noun same as auditors’ qualification

qualified /ˌkwɒlɪfɪfɪd/ adjective 1. having passed special examinations in a subject ○ She is a qualified accountant. ○ We have appointed a qualified designer to supervise the decorating of the new reception area. 2. with some reservations or conditions ○ qualified acceptance of a contract ○ The plan received qualified approval from the board.

...applicants will be professionally qualified and ideally have a degree in Commerce and postgraduate management qualifications’ [Australian Financial Review]

qualified acceptance of a bill /ˌkwɒlɪfɪfɪd əˈbaɪ/ noun an agreement to pay a bill of exchange provided that certain conditions are met

qualified accounts /ˌkwɒlɪfɪd əˈkaʊnts/ plural noun accounts which have been noted by the auditors because they contain something with which the auditors do not agree

qualified domestic trust /ˌkwɒlɪfɪd ˈdɒmɛstɪk trəʊst/ noun a trust for the non-citizen spouse of a US citizen, affording tax advantages at the time of the citizen’s death

qualified valuer /ˌkwɒlɪfɪd ˈvɛljuər/ noun a person conducting a valuation who holds a recognised and relevant professional qualification and has recent post-qualification experience, and sufficient knowledge of the state of the market, with reference to the location and category of the tangible fixed asset being valued

qualifying distribution /ˌkwɒlɪfɪˈkeɪʃ(ə)n,ˌdɪstɹɪˈbreɪʃ(ə)n/ noun a payment of a dividend, or other distribution of profits, that was subject, in the UK, to advance corporation tax before it was scrapped in 1999

qualifying period /ˌkwɒlɪfɪˈkeɪʃ(ə)n ˈpɜːriəd/ noun a time which has to pass before something or someone qualifies for something, e.g. a grant or subsidy ○ There is a six-month qualifying period before you can get a grant from the local authority.

qualifying shares /ˌkwɒlɪfɪˈkeɪʃ(ə)n ˈʃeəz/ plural noun the number of shares you need to earn to get a bonus issue or to be a director of the company, etc.

qualitative factors /ˌkwɒlɪtətɪv ˈfæktriz/ plural noun factors that inform a business decision but cannot be expressed numerically

quality assurance /ˌkwɒlɪtɪ əˌʃʊərəns/ noun the procedures that a company uses to ensure compliance with a quality standard

quality control /ˌkwɒlɪtɪ ˈkɒntrəl/ noun the process of making sure that the quality of a product is good

quality costs /ˌkwɒlɪtɪ ˈkɒsts/ plural noun costs incurred when goods produced or services delivered fail to meet quality standards

quango /ˈkwæŋɡɔʊ/ noun an official body, set up by a government to investigate or deal with a special problem (NOTE: The plural is quangos.)

quantifiable /ˌkwɑntɪˈfʌɪəb(ə)l/ adjective possible to quantify ○ The effect of the change in the discount structure is not quantifiable.
quantitative factors

quantitative factors /ˌkwɒntɪtətɪv/ noun factors that inform a business decision but cannot be expressed numerically

quantity discount /ˈkwɒntɪtɪni/ noun a discount given to people who buy large quantities

quantum meruit /ˈkwɒntəm ˈmɜːrət/ noun a Latin phrase meaning 'as much as has been earned'

quarter /ˈkwɔːtər/ noun 1. one of four equal parts (25%) ○ She paid only a quarter of the list price. 2. a period of three months ○ The instalments are payable at the end of each quarter.

‘...corporate profits for the first quarter showed a 4 per cent drop from last year’s final three months’ [Financial Times]

‘...economists believe the economy is picking up this quarter and will do better still in the second half of the year’ [Sunday Times]

quarter day /ˈkwɔːtər ˈdeɪ/ noun a day at the end of a quarter, when rents, fees etc. should be paid

quarterly /ˈkwɔːtərli/ adjective, adverb happening once every three months ○ There is a quarterly charge for electricity. ○ The bank sends us a quarterly statement. ○ We agreed to pay the rent quarterly or on a quarterly basis.

quarterly report /ˈkwɔːtərli ˈreptəl/ noun the results of a corporation, produced each quarter

quartile /ˈkwɔːrtəl/ noun one of a series of three figures below which 25%, 50% or 75% of the total falls

quasi- /ˈkwɔːsə/ prefix almost or which seems like ○ a quasi-official body

quasi-loan /ˈkwɔːsəl oʊn/ noun an agreement between two parties where one agrees to pay the other's debts, provided that the second party agrees to reimburse the first at some later date.

quasi-public corporation /ˌkwəsrəˌpʌbliŋ, ˌkwəsˈpərətʃərn/ noun a US institution which is privately owned, but which serves a public function, such as the Federal National Mortgage Association

queue /ˈkwjuː/ noun 1. a line of people waiting one behind the other ○ to form a queue ○ Queues formed at the doors of the bank when the news spread about its possible collapse. (NOTE: The US term is line.) 2. a series of documents such as orders or application forms which are dealt with in order ○ verb to form a line one after the other for something ○ When food was rationed, people had to queue for bread. ○ We queued for hours to get tickets. ○ A list of companies queueing to be launched on the Stock Exchange. ○ The candidates queued outside the interviewing room.

quick asset /ˈkwɪk ˌæset/ noun an asset that can be converted into cash relatively quickly

quick ratio /ˈkwɪk ˈreɪʃən/ noun same as liquidity ratio

quick pro quo /ˈkwɪk ˈprəʊ ˈkwəʊ/ noun money paid or an action carried out in return for something ○ She agreed to repay the loan early, and as a quick pro quo the bank released the collateral.

quorum /ˈkwɔːrəm/ noun a minimum number of people who have to be present at a meeting to make it valid

quota /ˈkwɔʊtə/ noun a limited amount of something which is allowed to be produced, imported, etc.

‘Canada agreed to a new duty-free quota of 600,000 tonnes a year’ [Globe and Mail (Toronto)]

quota system /ˈkwɔʊtə ˌsɪstəm/ noun 1. a system where imports or supplies are regulated by fixed maximum amounts 2. an arrangement for distribution which allows each distributor only a specific number of items

quotation /ˈkwɔtə ˈteɪʃən/ noun an estimate of how much something will cost ○ They sent in their quotation for the job. ○ Our quotation was much lower than all the others. ○ We accepted the lowest quotation.

quote /ˈkwəʊt/ verb 1. to repeat words or a reference number used by someone else ○ He quoted figures from the annual report. ○ She replied, quoting the number of the account. 2. to estimate what a cost or price is likely to be ○ to quote a price for supplying stationery ○ Their prices are always quoted in dollars. ○ He quoted me a price of £1,026. ○ noun an estimate of how much something will cost (informal) ○ to give someone a quote for supplying computers ○ We have asked for quotes for refitting the shop. ○ Her quote was the lowest of three.

quoted company /ˈkwəʊt ˌkʌmpənɪ/ noun a company whose shares can be bought or sold on the Stock Exchange

quoted investments /ˌkwəʊt ˌɪnˈvestmənts/ plural noun investments which are listed on a stock exchange

quote-driven system /ˈkwəʊt ˈdrɪvən ˌsɪstəm/ noun a system of work-
ing a stock market, where marketmakers quote a price for a stock. Compare order-driven system quoted shares /kwɔːtɪd ˈʃeəз/, quoted stocks plural noun shares which can be bought or sold on the Stock Exchange.
rack /ræk/ noun an illegal deal which makes a lot of money ○ She runs a cut-price ticket racket.
rack rent /ræk rent/ noun a very high rent
raise /reɪz/ noun US an increase in salary ○ He asked the boss for a raise. ○ She got her raise last month. (NOTE: The UK term is rise.) ■ verb 1. to increase or to make higher ○ The government has raised the tax levels. ○ The company raised its dividend by 10%. ○ This increase in production will raise the standard of living in the area. 2. to obtain money or to organise a loan ○ The company is trying to raise the capital to fund its expansion programme. ○ The government raises more money by indirect taxation than by direct.
‘...the company said yesterday that its recent share issue has been oversubscribed, raising AS225.5m’ [Financial Times]
‘...investment trusts can raise capital, but this has to be done as a company does, by a rights issue of equity’ [Investors Chronicle]
‘...over the past few weeks, companies raising new loans from international banks have been forced to pay more’ [Financial Times]
rally /'relai/ noun a rise in price when the trend has been downwards ○ Shares staged a rally on the Stock Exchange. ○ After a brief rally, shares fell back to a new low. ■ verb to rise in price, when the trend has been downwards ○ Shares rallied on the news of the latest government figures.
‘...when Japan rallied, it had no difficulty in surpassing its previous all-time high, and this really stretched the price-earnings ratios into the stratosphere’ [Money Observer]
‘...bad news for the US economy ultimately may have been the cause of a late rally in stock prices yesterday’ [Wall Street Journal]
R&D abbreviation research and development
random check /ˌrændəm 'tʃeck/ noun a check on items taken from a group without any special selection
random sample /ˌrændəm ˈsʌmppl/ noun a sample taken without any selection
range /rɛndʒ/ noun 1. a series of items ○ Their range of products or product range is too narrow. ○ There are a whole range of alternatives for the new salary scheme. 2. a scale of items from a low point to a high one ○ range of prices the difference between the highest and lowest price for a share or bond over a period of time
rank /ræŋk/ noun a position in a company or an organisation, especially one which shows how important someone is relative to others ○ All managers are of equal rank. ○ Promotion means moving up from a lower rank. ■ verb 1. to classify in order of importance ○ Candidates are ranked in order of their test results. 2. to be in a position ○ The non-voting shares rank equally with the voting shares. ○ Deferred ordinary shares do not rank for dividend.
rate /reɪt/ noun 1. the money charged for time worked or work completed 2. an amount of money paid, e.g. as interest or dividend, shown as a percentage ○ What is today’s rate or the current rate for the dollar? 4. an amount, number or speed compared with something else ○ the rate of increase in redundancies ○ The rate of absenteeism ○ The absenteeism rate always increases in fine weather.
rateable value /ˈreɪtəbəl ˈvæljuː/ noun the value of a property as a basis for calculating local taxes
rate of exchange /ˌreɪt əv ˈɛksˈtʃeɪndʒ/ noun same as exchange rate ○ The current rate of exchange is $1.50 to the pound.
rate of interest /ˌreɪt əv ˈɪntərəst/ noun same as interest rate
rate of return /ˈreɪt əv ˈriːtərn/ noun the amount of interest or dividend which comes from an investment, shown as a percentage of the money invested.

rate of sales /ˈreɪt əv ˈseɪlz/ noun the speed at which units are sold.

rates /reɪts/ plural noun local UK taxes formerly levied on property in the UK and now replaced by the council tax.

rating /ˈreɪtɪŋ/ noun 1. the act of giving something a value, or the value given 2. the valuing of property for local taxes.

rating agency /ˈreɪtɪŋ əˈdʒenstsi/ noun an organisation which gives a rating to companies or other organisations issuing bonds.

rating officer /ˈreɪtɪŋ əˈfɪsaʊn/ an official in a local authority who decides the rateable value of a commercial property.

ratio /ˈreɪʃiəʊ/ noun a proportion or quantity of something compared to something else 1. the ratio of successes to failures 2. Our product outsells theirs by a ratio of two to one. 3. With less manual work available, the ratio of employees to managers is decreasing.

ratio analysis /ˈreɪʃiəʊ əˌnæləˈlɒs/ a method of analysing the performance of a company by showing the figures in its accounts as ratios and comparing them with those of other companies.

raw materials /ˌrɔː ˈmeɪtəriəlz/ plural noun basic materials which have to be treated or processed in some way before they can be used, e.g., wood, iron ore or crude petroleum.

R/D abbreviation refer to drawer.

RDPR abbreviation refer to drawer please represent.

readjust /ˌriːdʒəˈdʒʌst/ verb to adjust something again or in a new way, or to change in response to new conditions 1. to readjust prices to take account of the rise in the costs of raw materials 2. to readjust salary scales. Share prices readjusted quickly to the news of the devaluation.

readjustment /ˌriːdʒəˈdʒʌstment/ noun an act of readjusting 1. a readjustment in pricing 2. After the devaluation there was a period of readjustment in the exchange rates.

ready cash /ˈredi ˈkæʃ/ noun money which is immediately available for payment.

ready money /ˌrediˈmʌni/ noun cash or money which is immediately available.

real asset /ˈreɪl ˈæsət/ noun a non-movable asset such as land or a building.

real earnings /ˈreɪl ˈɛərɪŋz/ plural noun income which is available for spending after tax and other contributions have been deducted, corrected for inflation. Also called real income, real wages.

real estate /ˈreɪl ɪˈsteɪt/ noun property in the form of land or buildings.

real return after tax noun 1. the return calculated after taking inflation into account.

real estate agent /ˈreɪl ɪˈsteɪt əˈdʒent/, real estate broker /ˈreɪl ɪˈstet ˈbrəʊkɚ/ a person who sells property for customers.

real estate investment trust /ˌreɪl ɪˈstet ɪnˈvestmənt trʌst/ noun a public trust company which invests only in property. Abbreviation REIT.

real exchange rate /ˈreɪl ɪkˈʃeindʒət ˈreɪt/ an exchange rate that has been adjusted for inflation.

real income /ˈreɪl ɪˈkʌm/ noun same as real earnings.

real interest rate /ˈreɪl ɪnˈterst ˈreɪt/ an interest rate after taking inflation into account.

real investment /ˌreɪl ɪnˈvestmənt/ noun the purchase of assets such as land, property, and plant and machinery as opposed to the acquisition of securities.

realisation /ˌreɪləˈzaʃən/ noun the act of making real 1. the realisation of a project putting a project into action 2. The plan moved a stage nearer realisation when the contracts were signed.

realisation concept /ˌreɪləˈzaʃən ˈkənstɛpt/ noun the principle that increases in value should only be recognised when the assets in question are realised by being sold to an independent purchaser.

realise /ˌreɪləˈzaɪz, ˈreɪliːz/ verb 1. to make something become real 2. to realise a project or a plan to put a project or a plan into action 3. to sell for money 4. The company was running out of cash, so the board decided to realise some property or assets. 5. The sale realised £100,000. 6. to realise gain or loss a gain or loss made when assets are sold.

realised profit /ˌreɪləˈzaɪd ˈprɒfɪt/ noun an actual profit made when something is sold, as opposed to paper profit.

real rate of return /ˌreɪl ˈreɪt ə ˈriːtərn/ noun an actual rate of return, calculated after taking inflation into account.

real return after tax /ˌreɪl ˈreɪt ə ˈriːtərn əˈtɛks/ noun the return calculated after deducting tax and inflation.
realty

realty /ˈreɪtəli/ noun property or real estate

real value /ˈriːəl ˈvɛəljuː/ noun a value of an investment which is kept the same, e.g. by index-linking

real wages /ˈriːəl ˈweɪndʒəz/ plural noun same as real earnings

reassess /riːəsˈsɛs/ verb to assess again The manager was asked to reassess the department staff, after the assessments were badly done by the supervisors.

reassessment /riːəsˈzemənt/ noun a new assessment

rebate /ˈribət/ noun 1. a reduction in the amount of money to be paid ○ We are offering a 10% rebate on selected goods. 2. money returned to someone because they have paid too much ○ She got a tax rebate at the end of the year.

recapitalisation /riːˌkeptəlɪˈzeɪʃən/ noun a change in the capital structure of a company as when new shares are issued, especially when undertaken to avoid the company going into liquidation

receipt /ˈrɪsit/ noun 1. a piece of paper showing that money has been paid or that something has been received ○ He kept the customs receipt to show that he had paid duty on the goods. ○ She lost her taxi receipt. ○ Keep the receipt for items purchased in case you need to change them later. 2. the act of receiving something ○ Goods will be supplied within thirty days of receipt of order ○ Invoices are payable within thirty days of receipt. ○ On receipt of the notification, the company lodged an appeal. ■ verb to stamp or to sign a document to show that it has been received, or to stamp an invoice to show that it has been paid ○ Receipted invoices are filed in the ring binder.

receipts /ˈrɪsɪts/ plural noun money taken in sales ○ to itemise receipts and expenditure ○ Receipts are down against the same period of last year.

...the public sector borrowing requirement is kept low by treating the receipts from selling public assets as a reduction in borrowing' [Economist] '... gross wool receipts for the selling season to end June appear likely to top $2 billion' [Australian Financial Review]

receipts and payments account /ˈrɪsɪts ənd ˈpeɪmənts əˈkaʊnt/ noun a report of cash transactions during a period. It is used in place of an income and expenditure account when it is not considered appropriate to distinguish between capital and revenue transactions or to include accruals.

receivables /ˈrɪsvəbəlz/ plural noun money which is owed to a company

receive /ˈrɪsvi/ verb to get something which is given or delivered to you ○ We received the payment ten days ago. ○ The employees have not received any salary for six months.

receiver /ˈrɪsvər/ noun same as official receiver

Receiver of Revenue /ˈrɪsvər əv ˌrɪvənjʊ/ noun an informal term for the South African Revenue Service as a whole

receiving clerk /ˈrɪsviŋ kəlkrəlk/ noun an official who works in a receiving office

receiving department /ˈrɪsviŋ dərˈpɔrtmənt/ noun a section of a company which deals with incoming goods or payments

receiving office /ˈrɪsviŋ ˈɑfnəls/ noun an office where goods or payments are received

receiving order /ˈrɪsviŋ ˈɔrdər/ noun an order from a court appointing an official receiver to a company

recession /ˈrɪsəʃən/ noun a period when there is a decline in trade or in the economy ○ The recession has reduced profits in many companies. ○ Several firms have closed factories because of the recession.

reciprocal /ˈrɪskəprokəl/ adjective done by one person, company, or country to another one, which does the same thing in return ○ We signed a reciprocal agreement or a reciprocal contract with a Russian company.

reciprocal allocation method /ˈrɪskəprokəl əˌleɪˈkeɪʃən ˈmeθəd/ noun a method by which service department costs are allocated to production departments

reciprocal holdings /ˈrɪskəprokəl ˈhɑldəŋz/ plural noun a situation in which two companies own shares in each other to prevent takeover bids

reciprocal trade /ˈrɪskəprokəl ˈtreɪd/ noun trade between two countries

reciprocate /ˈrɪskəprəkeɪt/ verb to do the same thing for someone as that person has
done for you ○ They offered us an exclusive agency for their cars and we reciprocated with an offer of the agency for our buses.

recon  /ˈrekəʊn/ verb to calculate something ○ to reckon the costs at £25,000 ○ We reckon the loss to be over £1m. ○ They reckon the insurance costs to be too high.

recognise  /rɪˈkɒnəsaɪ/ verb to record an item in an account or other financial statement ○ statement of total recognised gains and losses financial statement showing changes in shareholders’ equity during an accounting period (see FRS 3)

recognised professional body  /rɪˈkɒnəsaɪd prəˈfeʃənəl bodi/ noun a professional body which is in charge of the regulation of the conduct of its members and is recognised by the FSA. Abbreviation RPB

recognised qualification  /rɪˈkɒnəsaɪd ,kwɔːlɪfɪˈkeɪʃən/ noun a qualification that employers and professional bodies accept as worthwhile and valid

reconcile  /ˈrekənsaɪ/ verb to make two financial accounts or statements agree ○ She is trying to reconcile one account with another or to reconcile the two accounts.

reconciliation  /rɪˈkɒnsilɪˈʃən, rekənsɪlɛmənt/ noun the act of making two accounts or statements agree ○ reconciliation statement  /rekənsɪlɪˈʃən stɛtmtənt/ noun a statement which explains how two accounts can be made to agree

reconstruction  /rɪˈkɒnstrəkʃən/ noun 1. the process of building again ○ The economic reconstruction of an area after a disaster. 2. a new way of organising

record  /rekərd/ noun 1. a report of something which has happened ○ The chairman signed the minutes as a true record of the last meeting. ○ She has a very poor time-keeping record. ○ for the record or to keep the record straight in order that everyone knows what the real facts of the matter are ○ For the record, I should like to say that these sales figures have not yet been checked by the sales department. 2. a description of what has happened in the past ○ the salesperson’s record of service or service record ○ the company’s record in industrial relations. 3. a success which is better than anything before ○ Last year was a record year for the company. ○ Our top sales rep has set a new record for sales per call.

record book  /rekərd bʊk/ noun a book in which minutes of meetings are kept

reckon  /rɪˈkɑːn/ verb to calculate something ○ to reckon the costs at £25,000 ○ We reckon the loss to be over £1m. ○ They reckon the insurance costs to be too high.

recovery  /rɪˈkɛvəri/ noun 1. the act of getting back something which has been lost ○ to recover damages from the driver of the car ○ to start a court action to recover property ○ He never recovered his money. ○ The initial investment was never recovered. 2. to get better, to rise ○ The market has not recovered from the rise in oil prices. ○ The stock market fell in the morning, but recovered during the afternoon.

reconcilement  /rɪˈkɑːnsailmənt/ noun the act of making two accounts or statements agree ○ reconciliation statement  /rekənsɪlɪˈʃən stɛtmtənt/ noun a statement which explains how two accounts can be made to agree

rectification  /rɪˈkɛtɪfɪkeɪʃən/ noun correction

rectify  /rɪˈkɛtɪfai/ verb to correct something, to make something right ○ to rectify an entry (note: rectifies – rectifying – rectified)

recurrent  /rɪˈkɜːrənt/ adjective happening again and again ○ a recurrent item of expenditure ○ There is a recurrent problem in supplying this part.

recurring payments  /rɪ,ˈkɜːrəŋ/ plural noun payments, such as mortgage interest or payments on a hire purchase agreement, which are made each month

recycle  /rɪˈsɛlkə/ verb to take waste material and process it so that it can be used again

repro  /rɪˈprəʊ/ verb to reproduce something ○ to reproduce a painting ○ A reproduction of a famous painting. ○ reproduction /rɪˈprəʊdʌkʃən/ noun a copy of something ○ reproductions of the same painting ○ the act of reproducing something ○ reproduction of the painting

recreational  /rɪˈkrɪəʃənəl/ adjective ○ recreational facilities ○ a recreational activity

rectify  /rɪˈkɛtɪfai/ verb to correct something, to make something right ○ to rectify an entry (note: rectifies – rectifying – rectified)
red /red/ noun the colour of debit or overdrawn balances in some bank statements or in the red showing a debit or loss. My bank account is in the red. ○ The company went into the red in 1998. ○ The company is out of the red for the first time since 1990.

Red Book /red bok/ noun a document published on Budget Day, with the text of the Chancellor of the Exchequer’s financial statement and budget

redeem /rɪˈdɪzəm/ verb to pay off a loan or a debt ○ to redeem a mortgage ○ to redeem a debt

redeemable /rɪˈdɪzməbəl/ adjective referring to a bond which can be sold for cash

redeemable government stock /rɪˈdɪzməbəl ˈgʌvərnənt stɒk/ noun stock which can be redeemed for cash at some time in the future. In the UK, only the War Loan is irredeemable.

redeemable preference share /rɪˈdɪzməbəl ˈprɛfərəns ʃeə/ noun a preference share which must be bought back by the company at an agreed date and for an agreed price

redeemable security /rɪˈdɪzməbəl ˈsɪkɪrəti/ noun a security which can be redeemed at its face value at a specific date in the future

redemption /rɪˈdɪmptʃən/ noun the repayment of a loan

redemption date /rɪˈdɪmptʃən dɛt/ noun a date on which a loan or debt is due to be repaid

redemption value /rɪˈdɪmptʃən ˈvæljuː/ noun the value of a security when redeemed

redemption yield /rɪˈdɪmptʃən jɪld/ noun a yield on a security including interest and its redemption value

redistribute /rɪˈdɪstrɪbjuːt/ verb to move items, work or money to different areas or people ○ The government aims to redistribute wealth by taxing the rich and giving grants to the poor. ○ The orders have been redistributed among the company’s factories.

redistributed cost /rɪˈdɪstrɪbjuːtɪd ˈkɒst/ noun a cost that has been reassigned to a different department within an organisation

redistribution of wealth /rɪˈdɪstrɪbjuːʃən əv ‘welθ/ noun the process of sharing wealth among the whole population

reduce /rɪˈdʒʊs/ verb to make something smaller or lower ○ They have reduced prices in all departments. ○ We were expecting the government to reduce taxes not to increase them. ○ The company reduced output because of a fall in demand. ○ The government’s policy is to reduce inflation to 5%.

reduced /rɪˈdʒʊst/ adjective lower ○ Reduced prices have increased unit sales. ○ Prices have fallen due to a reduced demand for the goods.

reducing balance method /rɪˈdʒʊstʃən ˈmeθəd/ noun a method of deprecitating assets, where the asset is depreciated at a constant percentage of its cost each year. Also called declining balance method

redundancy /rɪˈdʌndənsi/ noun the dismissal of a person whose job no longer needs to be done

redundancy payment /rɪˈdʌndənsi ˈpɛmənt/ noun a payment made to an employee to compensate for losing his or her job

redundancy rebate /rɪˈdʌndənsi ˈreɪbət/ noun a payment made to a company to compensate for redundancy payments made

redundant /rɪˈdʌndənt/ adjective more than is needed, useless ○ a redundant clause in a contract ○ The new legislation has made clause 6 redundant. ○ Retraining can help employees whose old skills have become redundant.

redundant staff /rɪˈdʌndənt ˈstæf/ noun staff who have lost their jobs because they are not needed any more

re-export /rɪˈɛkspɔr t/ verb to export something which has been imported

re-exportation /riː ɛkˈspɔrtiːn/ noun the exporting of goods which have been imported

refer /rɪˈfɜːr/ verb ○ to refer to drawer’ words written on a cheque which a bank refuses to pay and returns it to the person who wrote it. Abbreviation R/D

reference /rɪˈfɜːrəns/ noun 1, the process of mentioning or dealing with something ○ with reference to your letter of May 25th 2. a series of numbers or letters which make it possible to find a document which has been filed ○ our reference: PC/MS 1234 ○ Thank you for your letter (reference 1234). 3. a written report on someone’s character or ability ○ to write someone a reference ○ to give someone a reference ○ to ask applicants to supply references ○ to ask a company for trade references or for bank references to ask for reports from traders or a bank on the company’s financial status and reputation
referral /riˈfɜːrl/ noun an action of referring or recommending someone to someone refer to drawer please represent /rɪˈfɜːr tɔ ˈdrɔər pliz rɪˈpɜːt zənt/ noun in the United Kingdom, written on a cheque by the paying banker to indicate that there are currently insufficient funds to meet the payment, but that the bank believes sufficient funds will be available shortly.  ♦ refer to drawer: Abbreviation RDR  
refund /rɪˈfʌnd/ noun /ˈrɪfʌnd/ money paid back ♦ The shoes don’t fit – I’m going to ask for a refund. ♦ She got a refund after complaining to the manager. ♦ verb /rɪˈfʌnd/ 1. to pay back money ♦ to refund the cost of postage ♦ All money will be refunded if the goods are not satisfactory. 2. to borrow money to repay a previous debt refundable /rɪˈfʌndəb(ə)l/ adjective possible to pay back ♦ We ask for a refundable deposit of £20.  
register /ˈrektər/ noun an official list ♦ to enter something in a register ♦ to keep a register up to date ♦ people on the register of electors ♦ verb 1. to write something in an official list ♦ to register a fall in the numbers of unemployed teenagers ♦ To register a company you must pay a fee to Companies House. ♦ When a property is sold, the sale is registered at the Land Registry. 2. to send a letter by registered post ♦ I registered the letter, because it contained some money.  
registered /ˈrektərd/ adjective having been noted on an official list ♦ a registered share transaction  
registered cheque /ˈrektərd rɪˈtʃek/ noun a cheque written on a bank account on behalf of a client who does not have a bank account  
registered company /ˈrektərd ˈkʌmpəni/ noun a company which has been officially set up and registered with the Registrar of Companies  
registered office /ˈrektərd ˈɔfis/ noun the address of a company which is officially registered with the Companies’ Registrar  
registered security /ˈrektərd ˈsiːkərəti/ noun a security such as a share in a quoted company which is registered with Companies House and whose holder is listed in the company’s share register  
registered trademark /ˈrektərd ˈtrædmark/ noun a name, design or symbol which has been registered by the manufacturer and which cannot be used by other manufacturers. It is an intangible asset. ♦ You can’t call your beds ‘Soft’n kumfy’ – it is a registered trademark.  
registrar of companies /rɪˈdʒɪstrəv ə ˈkʌmpəni/ noun in the United Kingdom, the list of companies maintained at Companies House  
registrar of directors /rɪˈdʒɪstrəv ə dər ˈrektaʃən/ noun an official list of the directors of a company which has to be sent to the Registrar of Companies  
registration /rɪˈdʒɪstrəʃən/ noun the act of having something noted on an official list ♦ the registration of a trademark or of a share transaction  
registration fee /rɪˈdʒɪstrəʃən fi/ noun 1. money paid to have something registered 2. money paid to attend a conference  
registration statement /rɪˈdʒɪstrəʃən ˈstɛmtmənt/ noun US a document which gives information about a company when it is registered and listed on a stock exchange (NOTE: The UK term is listing particulars.)  
regression analysis /rɪˈgɛsən əˌnæləsɪs, rɪˈgɛsən ˈmɒdəl/ noun 1. a method of discovering the ratio of one dependent variable and one or more independent variables, so as to give a value to the dependent variable 2. a forecasting technique that identifies trends by establishing the relationship between quantifiable variables  
regressive tax /rɪˈgresv tæk/ noun a tax with a rate that decreases as income, or the value of the taxed item, rises  
regressive taxation /rɪˈgresv tækˈsefəni/ noun a system of taxation in which tax gets progressively less as income rises. Compare progressive taxation  
regular income /rɪˈdʒɪljʊər ˈɪnkəm/ noun an income which comes in every week or month ♦ She works freelance so she does not have a regular income.  
regulate /rɪˈɡjuːleteɪt/ verb 1. to adjust something so that it works well or is correct 2. to change or maintain something by law
regulation

regulated consumer credit agreement /ˈregjʊleɪtɪd ˈkonˌsjuːmər ˈkredɪt əˈɡreemənt/ noun a credit agreement as defined by the Consumer Credit Act

reimbursement /ˌriːzəmˈbaɪsmənt/ noun the act of paying back money ○ reimbursement of expenses

reinvest /ˌriːzɪnˈvest/ verb to invest money again ○ She sold her shares and reinvested the money in government stocks.

related company /ˈrɪli,ledɪtˈkʌmpərni/ noun a company in which another company makes a long-term capital investment in order to gain control or influence

release /ˈriːlɪs/ noun the act of setting someone free or of making something or someone no longer subject to an obligation or restriction ○ release from a contract ○ the release of goods from customs ○ She was offered early release so that she could take up her new job.

relevant range /ˈreləvənt riˈendi/ noun the levels of business activity within
reorder

Her contract was renewed for a further three years.

renewal /rɪˈnjuːəl/ noun the act of renewing  ○ renewal of a lease or of a subscription or of a bill  ○ Her contract is up for renewal  ○ When is the renewal date of the bill?

renewal notice /rɪˈnjuːəl, nəʊts/ noun a note sent by an insurance company asking the insured person to renew the insurance

renewal premium /rɪˈnjuːəl, prɪˈmɪəm/ noun a premium to be paid to renew an insurance

rent /rɛnt/ noun money paid to use an office, house or factory for a period of time  ○ In Canada, a person who rents a small flat will need to pay rent of between $500 and $700 a month.

rent control /rɛnt kənˈtɜːl/ noun government regulation of rents

rent review /rɛnt ˈrɪvjuː/ noun an increase in rents which is carried out during the term of a lease. Most leases allow for rents to be reviewed every three or five years.

rent tribunal /rɛnt ˈtrɪbjuːnl/ noun a court which can decide if a rent is too high or low

rental /rɛntəl/ noun money paid to use an office, house, factory, car, piece of equipment, etc., for a period of time  ○ The car rental bill comes to over £1000 a quarter.

rental value /rɛnt rəˈvjuːl/ noun money paid to use an office, house, factory, car, piece of equipment, etc., for a period of time  ○ The car rental bill comes to over £1000 a quarter.

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reorder level /riˈɔːdər ˈliːv(ə)l/ noun a minimum amount of an item which a company holds in stock, such that, when stock falls to this amount, the item must be reordered.

reorder quantity /riˈɔːdər kwəntəti/ noun a quantity of a product which is reordered, especially the economic order quantity (EOQ).

reorganisation /riˌɔːganəˈziʃən/ noun the process of organising a company in a different way, as in the US when a bankrupt company applies to be treated under Chapter 11 to be protected from its creditors while it is being reorganised.

repay /riˈpeɪ/ verb to pay something back, or to pay back money to someone to repay money owed. The company had to cut back on expenditure in order to repay its debts.

repayable /riˈpeɪəbl/ adjective possible to pay back or loan which is repayable over ten years.

repayment /riˈpeɪmənt/ noun the act of paying money back or money which is paid back. The loan is due for repayment next year.

repayment mortgage /riˈpeɪmənt ˈmɔːrɡid/ noun a mortgage where the borrower pays back both interest and capital over the period of the mortgage. This is opposed to an endowment mortgage, where only the interest is repaid, and an insurance is taken out to repay the capital at the end of the term of the mortgage.

replacement cost /riˈpleɪsmənt ˈkɒst/ noun the cost of an item to replace an existing asset. Also called cost of replacement.


replacement cost depreciation /riˈpleɪsmənt ˈdeprəˌʃiʃən/ noun depreciation based on the actual cost of replacing the asset in the current year.

replacement price /riˈpleɪsmənt ˈprɑːs/ noun a price at which the replacement for an asset would have to be bought.

replacement value /riˈpleɪsmənt ˈvɛljuː/ noun the value of something for insurance purposes if it were to be replaced.

report /riˈpɔːt/ noun a statement describing what has happened or describing a state of affairs to make a report or to present a report or to send in a report on market opportunities in the Far East. The accountants are drafting a report on salary scales.

verb 1. to make a statement describing something. The sales force reported an increased demand for the product.

2. He reported the damage to the insurance company. We asked the bank to report on its financial status.

…a draft report on changes in the international monetary system [Wall Street Journal].

…responsibilities include the production of premium quality business reports [Times].

…the research director will manage a team of business analysts monitoring and reporting on the latest development in retail distribution [Times].

…the successful candidate will report to the area director for profit responsibility for sales of leading brands [Times].

report form /riˈpɔːt fɔːm/ noun a balance sheet laid out in vertical form. It is the opposite of “horizontal” form. Also called vertical form.

reporting entity /riˈpɔːtɪŋ ˈentiti/ noun any organisation, such as a limited company, which reports its accounts to its shareholders.

reporting period /riˈpɔːtɪŋ ˈporiəd/ noun the amount of time covered by a particular financial report, be it a whole financial year or a shorter amount of time.

repossession /riˈpoʊʃən/ verb to take back an item which someone is buying under a hire-purchase agreement, or a property which someone is buying under a mortgage, because the purchaser cannot continue the payments.

repossession /riˈpoʊʃən/ noun an act of repossession. Repossessions are increasing as people find it difficult to meet mortgage repayments.

reprice /riˈpraɪs/ verb to change the price on an item, usually to increase it.

reproduction cost /riˌprəˌdʌkʃən ˈkɒst/ noun the cost of duplicating an asset exactly, as distinct from replacing it.

repudiation /riˌpjuːdiˈeɪʃən/ noun a refusal to accept something such as a debt.

repurchase /riˈpɜːr/ verb to buy something again, especially something...
which you have recently bought and then sold.

**require** /raɪˈkwaɪər/ verb to ask for or to demand something ı to require a full explanation of expenditure ı The law requires you to submit all income to the tax authorities.

**required rate of return** /rɪˈkwɛrd reɪt əv rɪˈtæn/ noun the minimum return for a proposed project investment to be acceptable. ı **discounted cash flow**

**required reserves** /rɪˈkwɛrd rɪˈzɛrvz/ plural noun reserves which a US bank is required to hold in cash in its vaults or as deposit with the Federal Reserve. Compare **excess reserves**

**resale** /rɪˈsɛzl/ noun the selling of goods which have been bought ı to purchase something for resale ı The contract for bids resale of the goods to the US

**resale price maintenance** /rɪˈsɛzl ˈpreɪs ˈmenʃən/ noun a system in which the price for an item is fixed by the manufacturer, and the retailer is not allowed to sell it at a lower price. Abbreviation **RPM**

**reschedule** /rɪˈʃedʒul/ verb 1. to arrange a new timetable for something ı She missed her plane, and all the meetings had to be rescheduled. 2. to arrange new credit terms for the repayment of a loan ı Companies which are unable to keep up the interest payments on their loans have asked for their loans to be rescheduled.

**rescind** /rɪˈsɪnd/ verb to annul or to cancel something ı to rescind a contract or an agreement

**research and development** /rɪˈzɜːrθ ənd dəˈvɜːlpmənt/ noun activities that are designed to produce new knowledge and ideas and to develop ways in which these can be commercially exploited by a business. (Note: Research and development activities are often grouped together to form a separate division or department within an organisation.)

**research and development expenditure** /rɪˈzɜːrθ ənd dəˈvɜːlpmənt ɪkˈspənəns/ noun money spent on R & D

**resell** /rɪˈsɛl/ verb to sell something which has just been bought ı The car was sold in June and the buyer resold it to an dealer two months later. (Note: reselling – resold)

**reserve currency** /rɪˈzɜːrθ ˈkʌrənsi/ noun a strong currency used in international finance, held by other countries to support their own weaker currencies.

**reserve for fluctuations** /rɪˈzɜːrθ fər flʌktjʊənz/ noun money set aside to allow for changes in the values of currencies

**reserve fund** /rɪˈzɜːrθ fʌnd/ noun profits in a business which have not been paid out as dividend but have been ploughed back into the business

**reserve price** /rɪˈzɜːrθ prɪs/ noun the lowest price which a seller will accept, e.g. at an auction or when selling securities through a broker ı The painting was withdrawn when it failed to reach its reserve price.

**reserves** /rɪˈzɜːrθz/ plural noun money from profits not paid as dividend, but kept back by a company in case it is needed for a special purpose

**residence** /rɪˈzɪdəns/ noun 1. a house or flat where someone lives ı He has a country residence where he spends his weekends. 2. the fact of living or operating officially in a country

**residence permit** /rɪˈzɪdəns ˈpɜːmt/ noun an official document allowing a foreigner to live in a country ı He has applied for a residence permit. ı She was granted a residence permit for one year or a one-year residence permit.

**resident** /rɪˈzɪdənt/ adj a person or company considered to be living or operating in a country for official or tax purposes ı The company is resident in France.

**residential property** /ˌrezɪˈdənʃəl prəˈpropəti/ noun houses or flats owned or occupied by individual residents

**residual** /rɪˈzɪdʒuəl/ adj adjective remaining after everything else has gone

**residual income** /ˌrezɪˈdʒuəl ˈɪnkəm/ noun a performance measure for businesses, calculated as net operating income minus a figure equal to minimum return on investment times operating assets

**residual value** /ˌrezɪˈdʒuəl ˈvælju/ noun a value of an asset after it has been depreciated in the company’s accounts

**residue** /ˌrezɪˈdʒuə/ noun money left over ı After paying various bequests the residue of his estate was split between his children.

**resource cost assignment** /rɪˈzɜːrθ ˈkɔst əˈsənɪzn/ noun the process of assigning costs to business activities

**resource costs** /rɪˈzɜːrθ kɔsts/ plural noun the costs of all elements used to carry out business activities, including such elements as workers’ salaries and the cost of materials
resource driver

resource driver /ˈrɪsərˌdrʌvər/ noun a type of cost driver which is used to quantify the resources involved in creating a product or service.

responsibility accounting /ˌrɪspəˈneɪilibɪtɪ ˈkaʊntɪŋ/ noun the keeping of financial records with an emphasis on who is responsible for each item.

responsibility centre /ˌrɪspəˈneɪilibɪtɪ ˈsentr/ noun a department of an organisation with responsibility for a particular financial aspect of business, e.g. costs, revenues or investment funds.

restated balance sheet /ˈrestətɪd/ noun a balance sheet with information presented in a way that serves a particular purpose, such as highlighting depreciation on assets.

restrict /ˈrɪstrɪkt/ verb to limit something or to impose controls on something to restrict credit or to restrict the flow of trade or to restrict imports.

restricted fund /ˈrɪstrɪktɪd/ noun a not-for-profit organisation, a fund whose assets can only be used for those purposes designated by donors.

restrictive /ˈrɪstrɪktɪv/ adjective not allowing something to go beyond a point.

restrictive covenant /ˈrɪstrɪktɪv ˈkævənmənt/ noun a clause in a contract which prevents someone from doing something.

restructure /ˌrɪstrəˈstrʌktʃər/ verb to reorganise the financial basis of a company.

restructuring /ˌrɪstrəˈstrʌktʃərɪŋ/ noun the process of reorganising the financial basis of a company.

result /rɪˈzɔːlt/ noun 1. a profit or loss account for a company at the end of a trading period. 2. something which happens because of something else.

...the company has received the backing of a number of oil companies who are willing to pay for the results of the survey [Lloyd's List].

...some profit-taking was noted, but underlying sentiment remained firm in a steady stream of strong corporate results [Financial Times].

retail /ˈretiəl/ noun the sale of small quantities of goods to the general public. The goods in stock have a retail value of £1m.

...the value of the goods if sold to the public is £1m, before discounts and other factors are taken into account. He buys wholesale and sells retail. He buys goods in bulk at a wholesale discount and sells in small quantities to the public for £2.50. The retail price of these items is £2.50.

retail banking /ˈretiəl ˈbæŋknɪŋ/ noun services provided by commercial banks to individuals as opposed to business customers, e.g. current accounts, deposit and savings accounts, as well as credit cards, mortgages and investments. Compare wholesale banking (NOTE: In the United Kingdom, although this service was traditionally provided by high street banks, separate organisations are now providing Internet and telephone banking services.)

retail deposit /ˈretiəl dɪˈpɔzɪt/ noun a deposit placed by an individual with a bank.

retailer /ˈretiələr/ noun a person who runs a retail business, selling goods direct to the public.

retailing /ˈretiəlɪŋ/ noun the selling of full-price goods to the public. From car retailing the company branched out into car leasing.

retail investor /ˈretiəl ɪnˈvestər/ noun a private investor, as opposed to institutional investors.

retail price /ˈretiəl ˈpraɪs/ noun the price at which the retailer sells to the final customer.

retail price index /ˈretiəl ˈpraɪz ˌɪndeks/ noun an index which shows how prices of consumer goods have increased or decreased over a period of time. Abbreviation RPI (NOTE: The US term is Consumer Price Index.)

retain /rɪˈten/ verb to keep something or someone to be used for the further development of the business. Also called retentions.

retained earnings /rɪˌtɛndaɪn/ plural noun an amount of profit after tax which a company does not pay out as dividends to the shareholders, but which is kept to be used for the further development of the business.

...some profit-taking was noted, but underlying sentiment remained firm in a steady stream of strong corporate results [Financial Times].
accountant /ˈækəʊntənt/ noun a person who is expert in accounting.

accountancy /ˌækəʊnˈtæsɪ/ noun 1. the business of dealing with money and money matters. 2. the science of expressing financial transactions in terms of money.

accounting /əˈkaʊntɪŋ/ noun 1. the science of expressing financial transactions in terms of money. 2. the business of dealing with money and money matters.

accounting software /əˈkaʊntɪŋ ˈswɪtʃərweɪd/ noun computer programs designed to keep financial records.

accounting firm /əˈkaʊntɪŋ fɜːm/ noun a business that provides accounting services.

accountants /əˈkaʊntənts/ plural noun accounting.

accountancy software /ˌækəʊnˈtæsɪ ˈswɪtʃərweɪd/ noun computer programs designed to keep financial records.

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revenue expenditure 196

revenue expenditure /ˈrɪvənjuː ikˈspendɪt/ noun expenditure on purchasing stock but not capital items, which is then sold during the current accounting period.

revenue ledger /ˈrɪvənjuː lɛdʒər/ noun a record of all the income received by an organisation.

revenue officer /ˈrɪvənjuː ˈɒfɪsər/ noun a person working in the government tax offices.

revenue recognition /ˈrɪvənjuː rekənˈfɪʃən/ noun the process of recording revenue in accounts.

revenue reserves /ˈrɪvənjuː ˈrɛzərvz/ plural noun retained earnings which are shown in the company’s balance sheet as part of the shareholders’ funds. Also called company reserves.

revenue sharing /ˈrɪvənjuː ˈʃɛərɪŋ/ noun the distribution of income within limited partnerships.

reverse /rɪˈvɜːz/ adjective opposite or in the opposite direction • verb to change a decision to the opposite • The committee reversed its decision on import quotas. [Fortune]

reverse leverage /rɪ,ˈvɜːz ˈlevərdʒ/ noun the borrowing of money at a rate of interest higher than the expected rate of return on investing the money borrowed.

reverse takeover /rɪ,ˈvɜːz ˈtɛrkəʊvər/ noun a takeover in which the company that has been taken over ends up owning the company which has taken it over. The acquiring company’s shareholders give up their shares in exchange for shares in the target company.

reverse yield gap /rɪ,ˈvɜːz ˈjɪld ˈgæp/ noun the amount by which bond yield exceeds equity yield, or interest rates on loans exceed rental values as a percentage of the costs of properties.

reversing entry /rɪ,ˈvɜːzɪŋ ˈɛntrɪ/ noun an entry in a set of accounts which reverses an entry in the preceding accounts.

reversion /rɪˈvɜːzn/ noun the return of property to its original owner.

reversionary /rɪˈvɜːznərɪ/ adjective referring to property which passes to another owner on the death of the present one.

reversionary annuity /rɪˈvɜːznərɪ ˈænjʊətɪ/ noun an annuity paid to someone on the death of another person.

reversionary bonus /rɪˈvɜːznərɪ ˈbɒnəs/ noun an annual bonus on a life assurance policy, declared by the insurer.

review /rɪˈvjuː/ noun a general examination • to conduct a review of distributors • verb to examine something generally.

revise /rɪˈvɜːz/ verb to change something which has been calculated or planned • Sales forecasts are revised annually.

revolving credit /rɪˈvɔləŋ kredɪt/ noun a system where someone can borrow money at any time up to an agreed amount and continue to borrow while still paying off the original loan. Also called open-ended credit.

revolving loan /rɪˈvɔləŋ ləʊn/ noun a loan facility whereby the borrower can choose the number and timing of withdrawals against their bank loan and any money repaid may be reborrowed at a future date. Such loans are available both to businesses and personal customers.

rider /ˈrɔːdər/ noun an additional clause • to add a rider to a contract.

right /rɪt/ noun a legal entitlement to something • There is no automatic right of renewal to this contract. • She has a right to the property.

rights issue /rɪts ˈɪʃuː/ noun an arrangement which gives shareholders the right to buy more shares at a lower price. (NOTE: The US term is rights offering.)

rights offering /rɪts ˈɔfərɪŋ/ noun an occasion when a rights issue is offered for sale.

ring fence /ˈrɪŋ fɛns/ verb 1. to separate valuable assets or profitable businesses from others in a group which are unprofitable and may make the whole group collapse. 2. to identify money from certain sources and only use it in certain areas. • The grant has been ring-fenced for use in local authority education projects only. • hypothesization.

rise /rɪz/ noun 1. an increase • a rise in the price of raw materials • Oil price rises brought about a recession in world trade. • The recent rise in interest rates has made mortgages dearer. • There needs to be an increase in salaries to keep up with the rise in the cost of living. 2. an increase in pay • She asked her boss for a rise. • He had a 6% rise in January. (NOTE: The US term is raise.) • verb to move upwards or to become higher • Prices or Salaries are rising faster than inflation. • Interest rates have risen to 15%. (NOTE: rising – rose – risen.)
risk /rɪsk/ noun possible harm or a chance of danger
‘...remember, risk isn’t volatility. Risk is the chance that a company’s earnings power will erode – either because of a change in the industry or a change in the business that will make the company significantly less profitable in the long term’ [Fortune]

risk-adjusted return on capital /ˈrɪsk əˈdʒəstɪd rɪˈtæm ən 'kæpɪt(ə)l/ noun a figure for capital calculated in a way that takes into account the risks associated with income

risk arbitrage /ˈrɪsk əˈrɪbtərɪzi/ noun the business of buying shares in companies which are likely to be taken over and so rise in price

risk arbitrageur /ˈrɪsk əˈrɪbtərʒyr/ noun a person whose business is risk arbitrage

risk asset ratio /ˈrɪsk əˈset riˈʃju/ noun a proportion of a bank’s capital which is in risk assets

risk capital /ˈrɪsk ˌkæpɪt(ə)l/ noun same as venture capital

risk-free /ˈrɪsk ˈfrɪzi/ riskless /ˈrɪskkləz/ adjective with no risk involved ○ a risk-free investment
‘...there is no risk-free way of taking regular income from your money higher than the rate of inflation and still preserving its value’ [Guardian]

...many small investors have also preferred to put their spare cash with risk-free investments such as building societies rather than take chances on the stock market. The returns on a host of risk-free investments have been well into double figures’ [Money Observer]

risk management /ˈrɪsk ˌmænɪdʒmənt/ noun the work of managing a company’s exposure to risk from its credit terms or exposure to interest rate or exchange rate fluctuations

risk premium /ˈrɪsk ˌprɪzmən/ noun an extra payment, e.g. increased dividend or higher than usual profits, for taking risks

risk-weighted assets /ˈrɪsk wɛtˈwɜd əˈsetz/ plural noun assets which include off-balance sheet items for insurance purposes

risky /ˈrɪski/ adjective dangerous or which may cause harm ○ We lost all our money in some risky ventures in South America.
‘...while the bank has scaled back some of its more risky trading operations, it has retained its status as a top-rate advisory house’ [Times]

ROA abbreviation return on assets
ROCE abbreviation return on capital employed
ROE abbreviation return on equity
ROI abbreviation return on investment
roll over phrasal verb to roll over a credit ○ to roll over a debt to make credit available over a continuing period ○ to roll over a debt to allow a debt to stand after the repayment date
‘...at the IMF in Washington, officials are worried that Japanese and US banks might decline to roll over the principal of loans made in the 1980s to Southeast Asian and other developing countries’ [Far Eastern Economic Review]

roll up /rəʊl/ ap phrasal verb to extend a loan, by adding the interest due to be paid to the capital

rolled-up coupons /rəʊld əp ˈkɜːrɒnpuːz/ plural noun interest coupons on securities, which are not paid out, but added to the capital value of the security

rolling budget /rəʊlɪŋ 'bʌdʒɪt/ noun a budget which moves forward on a regular basis, such as a budget covering a twelve-month period which moves forward each month or quarter

rollover /rəʊləˈvərz/ noun an extension of credit or of the period of a loan, though not necessarily on the same terms as previously

rollover relief /rəʊləˈvər riˈliːf/ noun tax relief where profit on the sale of an asset is not taxed if the money realised is used to acquire another asset. The profit on the eventual sale of this second asset will be taxed unless the proceeds of the second sale are also invested in new assets.

Romalpa clause /rəʊˈmælpə kləʊz/ noun a clause in a contract whereby the seller provides that title to the goods does not pass to the buyer until the buyer has paid for them

root /rʊt/ noun a fractional power of a number

root cause analysis /rʊt ˈkeɪz əˌnɛstɪs/ noun a problem-solving technique that seeks to identify the underlying cause of a problem

rough /rʌf/ adjective approximate, not very accurate

rough out phrasal verb to make a draft or a general design of something, which may be changed later ○ The finance director rouged out a plan of investment.

round off /rɔʊnd əf/ phrasal verb to reduce the digits in a decimal number by re-
round figures

moving the final zeros

round down phrasal verb to decrease a fractional figure to the nearest full figure

round up phrasal verb to increase a fractional figure to the nearest full figure ○ to round up the figures to the nearest pound

‘…each cheque can be made out for the local equivalent of £100 rounded up to a convenient figure’ [Sunday Times]

round figures /raʊnd ˈfɜːɡəz/ plural noun figures that have been adjusted up or down to the nearest 10, 100, 1,000, and so on

royalty /ˈreɪəlɪti/ noun money paid to an inventor, writer, or the owner of land for the right to use their property, usually a specific percentage of sales, or a specific amount per sale ○ The country will benefit from rising oil royalties. ○ He is still receiving substantial royalties from his invention.

RPB abbreviation recognised professional body

RPI abbreviation retail price index

RPM abbreviation resale price maintenance

rubber check /ˈrʌbər ˈtʃek/ noun US a cheque which cannot be cashed because the person writing it does not have enough money in the account to pay it (NOTE: The UK term is bouncing cheque.)

rule /ruːl/ noun a statement that directs how people should behave ○ It is a company rule that smoking is not allowed in the offices. ○ The rules of the organisation are explained during the induction sessions. ■ verb 1, to give an official decision ○ The commission of inquiry ruled that the company was in breach of contract. ○ The judge ruled that the documents had to be deposited with the court. 2, to be in force or to be current ○ The current ruling agreement is being redrafted.

rulebook /ˈrʌlbʊk/ noun a set of rules by which the members of a self-regulatory organisation must operate

rule of 72 /ˌruːl əv ˈsevrələnti ˈətʃiː/ noun a calculation that an investment will double in value at compound interest after a period shown as 72 divided by the interest percent-age, so interest at 10% compound will double the capital invested in 7.2 years. ○ he has an income running into five figures he earns more than £10,000

run /rʌn/ noun a rush to buy something ○ The Post Office reported a run on the new stamps. ○ a run on the bank a rush by customers to take deposits out of a bank which they think may close down ■ verb 1, to be in force ○ The lease runs for twenty years. ○ The lease has only six months to run. 2, to amount to ○ The costs run into thousands of pounds. ○ ‘…applications for mortgages are running at a high level’ [Times] ○ ‘…with interest rates running well above inflation, investors want something that offers a return for their money’ [Business Week]

run into phrasal verb to amount to ○ Costs have run into thousands of pounds. ○ He quickly ran up a bill for £250.

running account credit /ˈrʌnɪŋ əˈkaʊnt ˈkredɪt/ noun an overdraft facility, credit card or similar system that allows customers to borrow up to a specific limit and re-borrow sums previously repaid by either writing a cheque or using their card

running costs /ˈrʌnɪŋ ˈkɔːsts/ plural noun same as operating costs

running total /ˈrʌnɪŋ ˈtɔːtəl/ noun the total carried from one column of figures to the next

running yield /ˈrʌnɪŋ ˈjiːld/ noun a yield on fixed interest securities, where the interest is shown as a percentage of the price paid
safe deposit /ˌseɪf dɪˈpɔzɪt/ noun a bank safe where you can leave jewellery or documents

safe deposit box /ˌseɪf dɪˈpɔzɪt ˈbɒks/ noun a small box which you can rent to keep jewellery or documents in a bank’s safe

safeguarding of assets /ˌseɪfˈɡɑːrdɪŋ ʌv ˈæsəts/ noun the practice of guarding against loss of assets

safe investment /ˌseɪf ɪnˈvestmənt/ noun something, e.g. a share, which is not likely to fall in value

safety /ˈseɪftri/ noun the fact of being free from danger or risk □ to take safety precautions or safety measures to act to make sure something is safe

salaried /ˈsælərɪd/ adjective earning a salary ○ The company has 250 salaried staff.

salaried partner /ˌsælərid ˈpɑːtnər/ noun a partner, often a junior one, who receives a regular salary in accordance with the partnership agreement

salary /ˈsæləri/ noun 1. a regular payment for work done, made to an employee usually as a cheque at the end of each month ○ The company freezes all salaries for a six-month period. ○ The salary may be low, but the fringe benefits attached to the job are good. ○ She got a salary increase in June. 2. the amount paid to an employee, shown as a monthly, quarterly or yearly total (NOTE: The plural is salaries.)

salary cheque /ˈsæləri ʧeɪk/ noun a monthly cheque by which an employee is paid

salary cut /ˈsæləri kʌt/ noun a sudden reduction in salary

salary deductions /ˈsæləri ˈdɛdʒɪʃənz/ noun money which a company removes from salaries to pay to the government as tax, National Insurance contributions, etc.

salary differentials /ˈsæləri ˈdɪfrəntɪəls/ noun differentials same as pay differentials

salary review /ˈsæləri ˈriːvjuː/ noun same as pay review ○ She had a salary review last April or Her salary was reviewed last April.

salary scale /ˈsæləri skɛl/ noun same as pay scale ○ He was appointed at the top end of the salary scale.

sale /sɛl/ noun 1. an act of giving an item or doing a service in exchange for money, or for the promise that money will be paid □ to offer something for sale or to put something up for sale to announce that something is ready to be sold ○ They put the factory up for sale. ○ His shop is for sale. ○ These items are not for sale to the general public. 2. an act of selling goods at specially low prices ○ The shop is having a sale to clear old stock. ○ The sale price is 50% of the usual price.

‘…the latest car sales for April show a 1.8 per cent dip from last year’s total’ [Investors Chronicle]

sale and lease-back /ˌsɛlən әn ˈlɪz bæk/ noun 1. a situation where a company sells a property to raise cash and then leases it back from the purchaser 2. the sale of an asset, usually a building, to somebody else who then leases it back to the original owner

sales /sɛlɪz/ plural noun money received for selling something ○ Sales have risen over the first quarter.

sales analysis /ˈsɛlɪz əˌnæləˈzɪs/ noun an examination of the reports of sales to see why items have or have not sold well

sales book /sɛlɪz bʊk/ noun a record of sales

sales budget /ˈsɛlɪz ˈbɛdʒət/ noun a plan of probable sales

sales department /ˈsɛlɪz ˈdeptmənt/ noun the section of a company which deals with selling the company’s products or services

sales figures /ˈsɛlɪz ˈfɪgərz/ plural noun total sales

sales force /ˈsɛlɪz fɔːrs/ noun a group of sales staff
sales forecast /ˈsɛlzˌ fɔrˈkɑːst/ noun an estimate of future sales

sales invoice /ˈsɛlzˌ ɪnˈvəns/ noun an invoice relating to a sale

sales journal /ˈsɛlzˌ dʒərənʒ/ noun the book in which non-cash sales are recorded with details of customer, invoice, amount and date. These details are later posted to each customer’s account in the sales ledger.

sales ledger /ˈsɛlzˌ ˈledʒər/ noun a book in which sales to each customer are entered. Also called debtors ledger

sales ledger clerk /ˈsɛlzˌ ˈledʒər ˈklɑːrk/ noun an office employee who deals with the sales ledger

sales manager /ˈsɛlzˌ ˈmeɪndʒər/ noun a person in charge of a sales department

sales mix /ˈsɛlzˌ mɪks/ noun the sales and profitability of a wide range of products sold by a single company

sales mix profit variance /ˈsɛlzˌ mɪks ˈprɔfit ˈvərəriəns/ noun the differing profitability of different products within a product range

sales mix variance /ˈsɛlzˌ mɪks ˈvərəriəns/ noun a discrepancy between the actual mix of products produced and sold and the budgeted mix

sales price variance /ˈsɛlzˌ prɑːs ˈvərəriəns/ noun the difference between expected revenue from actual sales and actual revenue

sales return /ˈsɛlzˌ rɪˈtɜːrn/ noun a report of sales made each day or week or quarter

sales revenue /ˈsɛlzˌ ˈrɛvərəns/ noun US the income from sales of goods or services

sales target /ˈsɛlzˌ ˈtɑːrɛkt/ noun the amount of sales a sales representative is expected to achieve

sales tax /ˈsɛlzˌ tɑks/ noun US same as VAT

sales value /ˈsɛlzˌ ˈvælju/ noun the amount of money which would be received if something is sold

sales volume /ˈsɛlzˌ ˈvɔljuː/ noun the number of units sold (NOTE: The UK term is turnover.)

sales volume profit variance /ˈsɛlzˌ ˈvɔljuː ˈprɔfit ˈvərəriəns/ noun the difference between the profit on the number of units actually sold and the forecast figure

sales volume variance /ˈsɛlzˌ ˈvɔljuː ˈvərəriəns/ noun a discrepancy between the actual volume of sales and the budgeted volume

salvage /ˈsəlvoʊdʒ/ noun 1. the work of saving a ship or a cargo from being destroyed 2. goods saved from a wrecked ship, from a fire or from some other accident ○ a sale of flood salvage items (NOTE: no plural) ■ verb 1. to save goods or a ship from being destroyed ○ We are selling off a warehouse full of salvaged goods. 2. to save something from loss ○ The company is trying to salvage its reputation after the managing director was sent to prison for fraud. ○ The receiver managed to salvage something from the collapse of the company.

salvage value /ˈsəlvoʊdʒ ˈvælju/ noun the value of an asset if sold for scrap

S&L abbreviation savings and loan

Sarbanes-Oxley Act /ˈsɑːbəniz ˈɑksli/ noun an act of the US Congress designed to protect investors from fraudulent accounting activities

SAS abbreviation Statement of Auditing Standards

save /ˈsɑːv/ verb to choose not to spend money ○ He is trying to save money by walking to work. ○ She is saving to buy a house.

save-as-you-earn /ˈsɑːv əz juː ˈɛrn/ noun a savings-related scheme set up by an employer that gives employees a right to buy a certain number of shares in the company at a fixed price at a particular time. Abbreviation: SAYE

saver /ˈsɑːvər/ noun a person who saves money

savings /ˈsɑːvɪŋz/ plural noun money saved (i.e. money which is not spent) ○ She put all her savings into a deposit account.

savings account /ˈsɑːvɪŋz ˈəʊkənt/ noun an account where you put money in regularly and which pays interest, often at a higher rate than a deposit account

savings and loan /ˈsɑːvɪŋz ən ˈlɑːn/, savings and loan association /ˈsɑːvɪŋz ən ˈlɑːn əˌæsəˌrɛʃən/ noun US same as building society

savings bank /ˈsɑːvɪŋz ˈbæŋk/ noun a bank where you can deposit money and receive interest on it

savings certificate /ˈsɑːvɪŋz ˈsɑːrtifəkət/ noun a document showing that you have invested money in a government savings scheme

savings income /ˈsɑːvɪŋz ˈɪnkəm/ noun income in the form of interest on deposits with banks and building societies, government bonds, etc., but not income from dividends or rental income from property
seasonal business

savings-related share option scheme /skri:m/ noun a scheme which allows employees of a company to buy shares with money which they have contributed to a savings scheme

SAVE abbreviation save-as-you-earn

SBA abbreviation Small Business Administration

scale /skel/ noun a system which is graded into various levels □ scale of charges or scale of prices a list showing various prices □ scale of salaries a list of salaries showing different levels of pay in different jobs in the same company

scarce currency /skrəs/ noun same as hard currency

schedule /ˈʃedju/ noun 1. a timetable, a plan of how time should be spent, drawn up in advance ○ The managing director has a busy schedule of appointments. ○ Her assistant tried to fit us into her schedule. 2. a list, especially a list forming an additional document attached to a contract ○ The schedule of territories to which a contract applies ○ Please find enclosed our schedule of charges. ○ See the attached schedule or as per the attached schedule. 3. a list of interest rates

Schedule A /ˈʃedju/ noun a schedule under which tax is charged on income from land or buildings

Schedule B /ˈʃedju/ noun a schedule under which tax was formerly charged on income from woodlands

Schedule C /ˈʃedju/ noun a schedule under which tax is charged on profits from government stock

Schedule D /ˈʃedju/ noun a schedule under which tax is charged on income from trades or professions, interest and other earnings not derived from being employed

Schedule E /ˈʃedju/ noun a schedule under which tax is charged on income from dividends

schedule /skri:m/ noun a plan, arrangement or way of working ○ Under the bonus scheme all employees get 10% of their annual pay as a Christmas bonus. ○ She has joined the company pension scheme. ○ We operate a profit-sharing scheme for managers.

scheme of arrangement /ˈskriːm ə vər′reɪnmənt/ noun a scheme drawn up by an individual or company to offer ways of paying debts, so as to avoid bankruptcy proceedings. Also called voluntary arrangement

scope limitation /ˈskəʊp ˈlɪmɪteɪʃən/ noun the fact that the scope of audit is limited in some way, e.g. owing to restrictions beyond the client’s control

scorched earth policy /ˈskɔːd ɜːr/ noun a way of combating a takeover bid, where the target company sells valuable assets or purchases unattractive assets. ○ poison pill

scrap /skræp/ noun material left over after an industrial process, and which still has some value, as opposed to waste, which has no value ○ to sell a ship for scrap

scrap value /ˈskræp ,vɛlju/ noun the value of an asset if sold for scrap ○ Its scrap value is £2,500.

scrip /ˈskrip/ noun a security, e.g. a share, bond, or the certificate issued to show that someone has been allotted a share or bond ○ ‘…under the rule, brokers who fail to deliver stock within four days of a transaction are to be fined 1% of the transaction value for each day of missing scrip’ [Far Eastern Economic Review]

scrip dividend /ˈskrip ˈdɪvɪnd/ noun a dividend which takes the form of new shares in the company, as opposed to cash

scrip issue /ˈskrip ,ɪˈʃu/ noun same as bonus issue

SDRs abbreviation special rights drawings

seal /sɛl/ noun 1. a special symbol, often one stamped on a piece of wax, which is used to show that a document is officially approved by the organisation that uses the symbol 2. a piece of paper, metal, or wax attached to something to show that it has been opened only if the paper, metal, or wax is removed or broken ○ verb 1. to close something tightly ○ The computer disks were sent in a sealed container. 2. to attach a seal, to stamp something with a seal ○ Customs sealed the shipment.

seasonal /ˈsiːzn(ə)l/ adjective which lasts for a season or which only happens during a particular season ○ seasonal variations in sales patterns ○ The demand for this item is very seasonal.

seasonal adjustment /ˈsiːzn(ə)mənt/ noun an adjustment made to accounts to allow for any short-term seasonal factors, such as Christmas sales, that may distort the figures

seasonal business /ˈsiːzn(ə)l/ noun trade that varies depending on
seasonality n noun the time of the year, e.g. trade in goods such as suntan products or Christmas trees.

seasonality /ˈsɛznələti/ noun variations in production or sales that occur at different but predictable times of the year.

SEC abbreviation Securities and Exchange Commission.

second /ˈseknəd/ noun, adjective the thing which comes after the first 1 verb 1. ○ to second a motion to be the first person to support a proposal put forward by someone else ○ Mrs Smith seconded the motion or The motion was seconded by Mrs Smith. 2. /srˈkənd/ to lend a member of staff to another company, organisation or department for a fixed period of time. ○ He was seconded to the Department of Trade for two years.

secondary buyout /ˈseknərdəˌəri ,bərəət/ noun a situation in which an investor such as a private equity company sells its investment in a company to another investor, as a means of realising their investment.

secondary industry /ˈsekəndəˌəri ,ɪndəstri/ noun an industry which uses basic raw materials to produce manufactured goods.

secondary sites /ˈsekəndəˌəri ,səts/ plural noun less valuable commercial sites. Compare prime sites.

second half /ˈseknəd ˈhɑːf/ noun the period of six months from 1st July to 31st December. ○ The figures for the second half are up on those for the first part of the year.

second half-year /ˈsekənd ˈhɑːjər/ noun the six-month period from July to the end of December.

secondment /srˈkəndmənt/ noun the fact or period of being seconded to another job for a period. ○ She is on three years' secondment to an Australian college.

second mortgage /ˈsekənd məʊˈɡɑrdʒ/ noun a further mortgage on a property which is already mortgaged.

second quarter /ˈsekənd kwɔrtər/ noun the period of three months from April to the end of June.

secretary /ˈsekrət(ə)ri/ noun an official of a company or society whose job is to keep records and write letters.

Secretary of the Treasury /ˈsekrətri əv əˈtreɪʒər/ noun US a senior member of the government in charge of financial affairs.

secret reserves /ˈsɛkrət rɛzərvi/ plural noun reserves which are illegally kept hidden in a company’s balance sheet, as opposed to ‘hidden reserves’ which are simply not easy to identify.

section /ˈsektən/ noun one of the parts of an Act of Parliament.

secure /ˈskjʊər/ adjective safe, which cannot change.

secured /ˈskjʊərd/ adjective used to describe a type of borrowing such as a mortgage where the lender has a legal right to take over an asset or assets of the borrower, if the borrower cannot repay the loan.

secured creditor /ˈskjʊərd ˈkredərt/ noun a person who is owed money by someone, and can legally claim the same amount of the borrower’s property if the borrower fails to pay back the money owed.

secured liability /ˈskjʊərd ˈləʊni/ noun a loan secured by means of a pledge of assets that can be sold if necessary.

secured loan /ˈskjʊərd ˈləʊn/ noun a loan which is guaranteed by the borrower giving assets as security.

securities /ˈskjʊərətiz/ plural noun investments in stocks and shares.

securities account /ˈskjʊərəti əˈkəunt/ noun an account that shows the investments in stocks and shares.

securities exchange /skjʊərərɪs ɪŋˈgɛkseɪʃən/ noun the process of making investments in stocks and shares.

securities market /skjʊərərɪs ˈmaːkɪt/ noun the official body which regulates the securities markets in the US. Abbreviation SEC.

securities and futures authority /ˈskjʊərətiz ənd ˈfjuːrətʃər ˈɔrθɔrəti/ noun the official body which regulates the securities markets in the UK, now part of the FSA. Abbreviation SFA.

securities and investments board /skjʊərətiz ənd ɪnˈvestmənts ˈbɔːrd/ noun the former regulatory body which regulated the securities markets in the UK, now superseded by the FSA. Abbreviation SIB.

securitisation /skjʊərətɪˈzaʃən/ noun the process of making a loan or mortgage into a tradeable security by issuing a bill of exchange or other negotiable paper in place of it.

security /skjʊərəti/ noun 1. a guarantee that someone will repay money borrowed ○ to give something as security for a debt ○ to use a house as security for a loan. ○ The bank lent him £20,000 without security. ○ to stand security for someone to guarantee that if the person does not repay a loan, you will repay it for him.

security deposit /skjʊərətəri ˈdepet/ noun an amount of money paid before a
transformation occurs to compensate the seller in the event that the transaction is not concluded and this is the buyer’s fault.

**seed money** /ˈsɪdˌmʌni/ noun venture capital invested when a new project is starting up and therefore more risky than secondary finance.

**segmental reporting** /ˈseɡmənt(ə)l/ riˈsɛptɪŋ/ noun the act of showing in company reports the results of a company or sections of it, separated according to the type of business or geographical area.

**segment margin** /ˈseɡmənt ,mɑrɪ٪mɪn/ noun a measure of the profitability of a segment of a business.

**segregation of duties** /ˈsɛɡrəˌʒɛn(ə)l/ noun the dividing up of responsibilities within a business in order to reduce the potential for fraud or theft, e.g. by ensuring that the person responsible for approving invoices is not also responsible for signing cheques.

**self-assessment** /,sɛlf əˈsɛsmənt/ noun the process in which an individual taxpayer calculates his or her own tax liability and reports it to the Inland Revenue which then issues a notice to pay. Self-assessment forms should be returned to the tax office by 31st January.

**self-balancing** /,sɛlf ˈbɛlənsɪŋ/ noun a situation in which there is equality of debits and credits.

**self-employed** /,sɛlf ɪˈplɔid/ adjective working for yourself or not on the payroll of a company or an employee who is more important 2. referring to an employee who is older or who has been employed longer than another 3. referring to a sum which is repayable before others.

**self-financing** /,sɛlf fərˈnænsɪŋ/ noun the process in which a company finances a project or business activity from its own resources, rather than by applying for external finance.

**self-insurance** /,sɛlf ɪˈʃuərəns/ noun insuring against a probable future loss by putting money aside regularly, rather than by taking out an insurance policy.

**self-regulation** /ˌsɛlf ˌreɡjʊˈleɪʃən/ noun the regulation of an industry by its own members, usually by means of a committee that issues guidance and sets standards that it then enforces. (Note: For example, the Stock Exchange is regulated by the Stock Exchange Council.)

**self-regulatory** /ˌsɛlf ˌreɡjʊˈleɪtəri/ adjective referring to an organisation which regulates itself.

**sell** noun an act of selling. 

**selling** noun the act of exchanging something for money or to sell something on credit. The shop sells washing machines and refrigerators. They tried to sell their house for £100,000. Their products are easy to sell. 2. to be bought. These items sell well in the pre-Christmas period. Those parks sell for £25 a dozen. (Note: selling – sold)

**seller’s market** /ˌsɛlez ‘mɑrkɪt/ noun a market where the seller can ask high prices because there is a large demand for the product. Opposite **buyer’s market**

**selling costs** /ˌsɛlɪŋ kəʊsts/ noun the amount of money to be paid for the advertising, reps’ commissions, and other expenses involved in selling something.

**selling price** /ˌsɛlɪŋ prɑːs/ noun the price at which someone is willing to sell something.

**selling price variance** /ˌsɛlɪŋ prɑːs vərˈiərəns/ noun the difference between the actual selling price and the budgeted selling price.

**semi** - /ˈsemi/ prefix half or part.

**semiannual** /ˌseɪmiˈenjʊəl/ adjective referring to interest paid every six months.

**semi-fixed cost** /ˌseɪmi fɪrkwɜːst/ noun the amount of money paid to produce a product, which increases, though less than proportionally, with the quantity of the product made. Stepping up production will mean an increase in semi-variable costs. Also called **semi-fixed cost**

**senior** /ˈsɛnɪər/ adjective 1. referring to an employee who is more important 2. referring to an employee who is older or who has been employed longer than another 3. referring to a sum which is repayable before others.

**senior capital** /ˈsɛnɪər ‘kæpit(ə)l/ noun capital in the form of secured loans to a company. It is repaid before junior capital, such as shareholders’ equity, in the event of liquidation.

**sensitivity analysis** /ˌsɛnsɪˈtɪvɪtɪ əˌnɛləsɪn/ noun the analysis of the effect of a small change in a calculation on the final result.

**separable net assets** /ˌsepəˈreɪtərəl/ noun assets which can be
separate
separate /ˈseprərət/ adjective not connected with something

sequester /ˈskwɪstrər/, sequestrate /ˈsɪkwɪstrət/ to take and keep a bank account or property because a court has ordered it ○ The union’s funds have been sequestrated.

sequestration /ˌsɪkwɪˈstrɛʃən/ noun the act of taking and keeping property on the order of a court, especially of seizing property from someone who is in contempt of court.

sequestrator /ˈsɪkwɪstrətər, ˈsɪkwɪstrətər/ noun a person who takes and keeps property on the order of a court.

series /ˈsɛriəs/ noun a group of items following one after the other ○ A series of successful takeovers made the company one of the largest in the trade. (NOTE: The plural is series.)

Serious Fraud Office /ˌsɪəriəs ˈfreɪd əˈɒffɪs/ noun a British government department in charge of investigating major fraud in companies. Abbreviation SFO

SERPS /ˈsɜːps/ abbreviation State Earnings-Related Pension Scheme.

service /ˈsɜːvɪs/ noun 1. the fact of working for an employer, or the period of time during which an employee has worked for an employer ○ retiring after twenty years service to the company ○ The amount of your pension depends partly on the number of your years of service. 2. the work of dealing with customers ○ The service in that restaurant is extremely slow. 3. payment for help given to the customer ○ to add on 10% for service.

service bureau /ˈsɜːvɪs ˈbjuːʒʊərəʊ/ noun an office which specialises in helping other offices.

service charge /ˈsɜːvɪs ˈʃɑːrdʒ/ noun 1. a charge added to the bill in a restaurant to pay for service. 2. an amount paid by tenants in a block of flats or offices for general maintenance, insurance and cleaning. 3. a charge which a bank or business makes for carrying out work for a customer. (NOTE: The UK term is bank charge.)

service contract /ˈsɜːvɪs ˈkɒntrakt/ noun a contract between a company and a director showing all conditions of work. ○ She worked unofficially with no service contract.

service industry /ˈsɜːvɪs ˈɪndəstri/ noun an industry which does not produce raw materials or manufacture products but offers a service such as banking, retailing or accountancy.

service life /ˈsɜːvɪs laɪf/ noun the period during which an asset will bring benefit to a company.

service potential /ˈsɜːvɪs pəˈtenʃ(ə)l/ noun future benefits that an asset is expected to bring.

services /ˈsɜːvɪsɪz/ plural noun 1. benefits which are sold to customers or clients, e.g. transport or education. ○ We give advice to companies on the marketing of services.

set /set/ adjective fixed, or which cannot be changed ○ There is a set fee for all our consultants. ■ verb to fix or to arrange something ○ We have to set a price for the new computer ○ The price of the calculator has been set low, so as to achieve maximum unit sales. (NOTE: setting – set)

set against phrasal verb to balance one group of figures against another group to try to make them cancel each other out ○ to set the costs against the sales revenue ○ Can you set the expenses against tax?

set off /ˌset əf/ verb to use a debt owed by one party to reduce a debt owed to the other party ○ set-off ○ noun an agreement between two parties to balance one debt against another or a loss against a gain.

settle /ˈsetəl/ verb to place a property in trust.

settle on phrasal verb to leave property to someone when you die ○ He settled his property on his children.

settlement /ˈsetəlmənt/ noun 1. the payment of an account ○ we offer an extra 5% discount for rapid settlement we take a further 5% off the price if the customer pays quickly. 2. an agreement after an argument ○ a settlement ○ settlement day noun 1. the day on which shares which have been bought must be paid for. On the London Stock Exchange the account period is three business days from the day of trade. (NOTE: The US term is settlement date) 2. in the
US, the day on which securities bought actually become the property of the purchaser.

**seven-day money** /ˌsɛv(ə)n deɪˈmiːni/ noun an investment in financial instruments which mature in seven days’ time

**severally** /ˈsiːvərəli/ adverb separately, not jointly

**severance pay** /ˌsiːvərəns ˈpeɪ/ noun money paid as compensation to an employee whose job is no longer needed

**SFA** abbreviation Securities and Futures Authority

**SFAS** abbreviation Statement of Financial Accounting Standards

**SFO** abbreviation Serious Fraud Office

**shadow director** /ˈʃeɪdəʊ daɪˈrɛktər/ noun a person who is not a director of a company, but who tells the directors of the company how to act

**shadow economy** /ˈʃeɪdəʊ ɪˈkɒnəmɪ/ noun a part of something that has been divided up among several people or groups 1, one of many equal parts into which a company’s capital is divided

**share** /ʃeər/ noun 1. a right or group of shares in a company which employs them, often at a special price 2. a company’s capital which is invested by shareholders, who thus become owners of the company

**share option scheme** /ʃeər əˈpærʃən ˈskwɛm/ noun a scheme that gives company employees the right to buy shares in the company which employs them, often at a special price

**share disposals** /ʃeər ˈdiːspəlz/ plural noun the selling of shares, which is often subject to conditions

**shareholder** /ʃeərˈhəʊldər/ noun a person who owns shares in a company 1. to call a shareholders’ meeting (NOTE: The US term is stockholder.) 2. the company’s capital which is the property of its ordinary shareholders, and is based on the premise that discounted cash flow growth, calculated as the present value of future free cash flows of the business discounted at the weighted average cost of the capital of the business less the market value of its debt

**shareholder value analysis** /ʃeərˈhəʊldər ˈvləriənələs/ noun a calculation of the value of a company made by looking at the returns it gives to its shareholders. It assumes that the objective of a company director is to maximise the wealth of the company’s shareholders, and is based on the premise that discounted cash flow principles can be applied to the business as a whole. Abbreviation **SVA**

**shareholding** /ʃeərˈhəʊldɪŋ/ noun a group of shares in a company owned by one owner

**share incentive scheme** /ʃeər ɪˈnentʃi ˈskwɛm/ noun same as **share option scheme**

**share option** /ʃeər əˈpærʃən/ noun a right to buy or sell shares at an agreed price at a time in the future

**share option scheme** /ʃeər əˈpærʃən ˈskwɛm/ noun a scheme that gives company employees the right to buy shares in the company which employs them, often at a special price
share premium /ˈʃeə prɪəmɪəm/ noun
an amount to be paid above the nominal value of a share in order to buy it

share purchase scheme /ˈʃeə pɜːtʃəs skɪm/ noun
a scheme that allows employees to buy shares in a company at a favourable rate

share quoted ex dividend /ˈʃeə kwəʊtɪd ɪks 'divɪnd/ noun
a share price not including the right to receive the next dividend

share register /ˈʃeə ˈredʒɪstr/ noun
a list of shareholders in a company with their addresses

share split /ˈʃeə split/ noun
the act of dividing shares into smaller denominations

share warrant /ˈʃeə wɜːrənt/ noun
a document which says that someone has the right to a number of shares in a company

sharp practice /ˈʃɑːrp ˈpræktɪs/ noun
a way of doing business which is not honest, but is not illegal

shell registration /ˈʃel ˈredʒɪstrəʃ(ə)n/ noun
a registration of a corporation with the SEC some time (up to two years is allowed) before it is offered for sale to the public

shell company /ˈʃeɪl ˈkeɪmpəni/ noun
a company that has ceased to trade but is still registered, especially one sold to enable the buyer to begin trading without having to set up a new company

...shell companies, which can be used to hide investors’ cash, figure largely throughout the twentieth century’ [Times]

short /ʃɔrt/ adjective, adverb 1. for a small period of time 2. less than what is expected or desired o The shipment was three items short. o My change was £2 short. o when we cashed up we were £10 short we had £10 less than we should have had to sell. o to short to sell short to agree to sell at a future date something (such as shares) which you do not possess, but which you think you will be able to buy for less before the time comes when you have to sell them

short bill /ʃɔrt bɪl/ noun
a bill of exchange payable at short notice

short-change /ʃɔrt ˈtʃændʒ/ verb
to give a customer less change than is right, either by mistake or in the hope that it will not be noticed

short credit /ʃɔrt 'kredɪt/ noun
terms which allow the customer only a little time to pay

short-dated bill /ʃɔrt 'deɪtɪd 'bɪl/ noun
a bill which is payable within a few days

short-dated gilts /ʃɔrt 'deɪtɪd 'ɡɪltz/ plural noun same as shorts

shorten /ʃɔrt(ə)n/ verb o to shorten credit terms o to shorten at credit period

shortfall /ʃɔrtfɔl/ noun
an amount which is missing which would make the total expected sum o We had to borrow money to cover the shortfall between expenditure and revenue.

short-form report /ʃɔrt fɔrm rɪ'pɔːt/ noun
a standard brief auditor’s report summarising the work done and the findings

short lease /ʃɔrt 'liːz/ noun
a lease which runs for up to two or three years o We have a short lease on our current premises.

short position /ʃɔrt pə'zɪʃ(ə)n/ noun
a situation where an investor sells short, i.e. sells forward shares which he or she does not own. Compare long position

shorts /ʃɔrts/ plural noun
government stocks which mature in less than five years’ time

short-term /ʃɔrt ˈtɜːm/ adjective 1. for a period of weeks or months o to place money on short-term deposit o She is employed on a short-term contract. 2. for a short period in the future o We need to recruit at once to cover our short-term manpower requirements.

short-term capital /ʃɔrt tɜːm 'kæpɪt(ə)l/ noun
funds raised for a period of less than 12 months. o working capital

short-term debt ratio /ʃɔrt tɜːm ˈdɛt rɪˈʃɔːrəl/ noun
an indicator of whether or not a company will be able to settle its immediate obligations

short-term forecast /ʃɔrt tɜːm ˈʃɔːrtfɔːsɛt/ noun
a forecast which covers a period of a few months

short-term investment /ʃɔrt tɜːm ɪnˈvɛstmənt/ noun
a section of a company’s account that lists investments that will expire within one year

short-term loan /ʃɔrt tɜːm ˈloʊn/ noun
a loan which has to be repaid within a few weeks or some years

short-term security /ʃɔrt tɜːm ˈsɪkərɪti/ noun
a security which matures in less than 5 years

shrinkage /ˈʃrɪŋkædʒ/ noun
1. the amount by which something gets smaller o to allow for shrinkage 2. losses of stock through
slush fund

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death, especially by the shop’s own staff (informal)
SIB abbreviation Securities and Investments Board
sick pay /ˈsɪk paɪ/ noun pay paid to an employee who is sick, even if he cannot work
sight deposit /ˈsaɪt dɪˈpɑ:st/ noun a bank deposit which can be withdrawn on demand
sight draft /ˈsaɪt drɑft/ noun a bill of exchange which is payable when it is presented
sign /sain/ verb to write your name in a special way on a document to show that you have written it or approved it ○ The letter is signed by the managing director. ○ Our company cheques are not valid if they have not been signed by the finance director.
signatory /ˈsɪgnətri/ noun a person who signs a contract, etc. ○ You have to get the permission of all the signatories to the agreement if you want to change the terms. ○ All our company’s cheques need two signatures.
simple average cost /ˈsɪmpl ˈævərɪdʒ ˈkɒst/ noun the average cost of stock received during a period calculated at the end of the period as the average unit price of each delivery of stock, rather than an average price of each unit delivered as in weighted average price
simple interest /ˈsɪmpl ˈɪntərst/ noun interest calculated on the capital invested only, as distinct from compound interest which is calculated on capital and accumulated interest
simple rate of return /ˈsɪmpl ˈreɪt əv riˈtʊrn/ noun a measure of a company’s profitability calculated by dividing the expected future annual net income by the required investment
single-entry bookkeeping /ˈsɪŋɡəl ˈɛntri ˈbʊkkiːtɪŋ/ noun a method of bookkeeping where payments or sales are noted with only one entry per transaction, usually in the cash book
single-figure inflation /ˈsɪŋɡəl ˈfɪɡʃər ɪnˈfləsʜən/ noun inflation rising at less than 10% per annum
single-parent allowance /ˈsɪŋɡəl ˈpærənt əˈleɪəns/ noun a former name for the tax allowance which can be claimed by a single person who has a child of school age living with them, now called the ‘additional personal allowance’
single premium policy /ˈsɪŋɡəl ˈprɪmɪəm ˈprɪmətn/ noun an insurance policy where only one premium is paid rather than regular annual premiums
sink /sɪŋk/ verb 1. to go down suddenly ○ Prices sank at the news of the closure of the factory. 2. to invest money into something ○ He sank all his savings into a car-hire business. (NOTE: sinking – sank – sunk)
sinking fund /ˈsɪŋkɪŋ fʌnd/ noun a fund built up out of amounts of money put aside regularly to meet a future need, such as the repayment of a loan
sinking fund method /ˈsɪŋkɪŋ fʌnd ˈmɛθəd/ noun a method of providing for depreciation of an asset which links it to an annuity that, at the end of the asset’s life, will have a value equal to the acquisition cost of the asset
sister company /ˈsɪstə ˈkɒmpəni/ noun a company that is part of the same group as another
sitting tenant /ˈsɪtɪŋ ˈtenənt/ noun a tenant who is occupying a building when the freehold or lease is sold ○ The block of flats is for sale with four flats vacant and two with sitting tenants.
skimming /ˈskɪmɪŋ/ noun the unethical and usually illegal practice of taking small amounts of money from accounts that belong to other individuals or organisations
sleeping partner /ˈsliːpɪŋ ˈpɑːtnər/ noun a partner who has a share in the business but does not work in it
slide /slaɪd/ verb to move down steadily ○ Prices slid after the company reported a loss. (NOTE: sliding – slid)
slower /ˈslaʊər/ adj a person or company that does not pay debts on time ○ The company is well known as a slow payer.
slump /slʌm/ noun 1. a rapid fall ○ the slump in the value of the pound ○ We experienced a slump in sales or a slump in profits. 2. a period of economic collapse with high unemployment and loss of trade ○ We are experiencing slump conditions. ○ verb to fall fast ○ Profits have slumped. ○ The pound slumped on the foreign exchange markets.
slush fund /ˈslʌf fʌnd/ noun money kept to one side to give to people to persuade them to do what you want ○ The party was accused of keeping a slush fund to pay foreign businessmen.
small business

small and medium-sized enterprises (SMEs) organisations that have between 10 and 250 employees and are usually in the start-up or growth stage of development. Abbreviation SMEs

small business (SMs) noun a company which has an annual turnover of less than £5.6 million and does not employ more than 50 staff

Small Business Administration (SBA) noun a federal agency that advises small businesses and helps them obtain loans to finance their businesses. Abbreviation SBA

small businessman (SMs) noun a man who owns a small business

small change (SMs) noun coins

small claim (SMs) noun a claim for less than £5000 in the County Court

small claims court (SMs) noun a court which deals with disputes over small amounts of money

small companies rate (SMs) noun a rate of corporation tax charged on profits of small companies

small company (SMs) noun same as small business

SMEs (small and medium-sized enterprises) abbreviation

SMP (statutory maternity pay) noun

social /'səʊʃ(ə)l/ adjective referring to society in general

social audit (SMs) noun a systematic assessment of an organisation’s effects on society or on all those who can be seen as its stakeholders. A social audit covers such issues as internal codes of conduct, business ethics, human resource development, environmental impact, and the organisation’s sense of social responsibility. ○ The social audit focused on the effects of pollution in the area. ○ The social audit showed that the factory could provide jobs for five per cent of the unemployed in the small town nearby.

Social Charter (SMs) noun same as European Social Charter

social impact statement (SMs) noun an assessment of the impact of the non-profit activities of an organisation on a specific social area

social security contributions (SMs) noun regular payments by employees and employers to the National Insurance scheme

society /'sə:sətri/ noun the way in which the people in a country are organised

soft currency (SMs) noun the currency of a country with a weak economy, which is cheap to buy and difficult to exchange for other currencies. Opposite hard currency

soft landing (SMs) noun a change in economic strategy to counteract inflation, which does not cause unemployment or a fall in the standard of living, and has only minor effects on the bulk of the population

soft loan (SMs) noun a loan from a company to an employee or from one government to another at a very low rate of interest or with no interest payable at all

sole agency (SMs) noun an agreement to be the only person to represent a company or to sell a product in a particular area. ○ He has the sole agency for Ford cars.

sole agent (SMs) noun a person who has the sole agency for a company in an area. ○ She is the sole agent for Ford cars in the locality.

sole distributor (SMs) noun a retailer who is the only one in an area who is allowed to sell a product

sole owner (SMs) noun a person who owns a business on their own, with no partners, and has not formed a company

sole proprietor (SMs) noun a person who runs a business, usually by him- or herself, but has not registered it as a company

solvency (SMs) noun the state of being able to pay all debts on due date. Opposite insolvency

solvency margin (SMs) noun a business’s liquid assets that exceed the amount required to meet its liabilities

solvency ratio (SMs) noun the ratio of assets to liabilities, used to measure a company’s ability to meet its debts

solvent (SMs) noun having enough money to pay debts. ○ When she bought the company it was barely solvent.

sort code (SMs) noun a combination of numbers that identifies a bank branch on official documentation, such as bank statements and cheques. (Note: the US term is routing number.)
source /ˈsɔrəs/ noun the place where something comes from.  
What is the source of her income?  ○ You must declare income from all sources to the tax office.

source and application of funds statement /ˌsɜːsəs ənd ˌæplɪkeɪʃən əv ˈfʌndz ˌstɛstmənt/ noun a statement in a company’s annual accounts, showing where new funds came from during the year, and how they were used.

does not meet our specifications.

detail the specifications of a computer system

specification /ˌspɛksɪˈfɪkeɪʃən/ noun detailed information about what or who is needed or about a product to be supplied.  ○ To detail the specifications of a computer system.  ○ The work is not up to specification or does not meet our specifications.

specific order costing /ˈspɛsɪfɪk ˈɔrdr kɔstiŋ/ noun same as job costing

spend /spend/ verb to state clearly what is needed.  ○ To specify full details of the goods ordered.  ○ Do not include VAT on the invoice unless specified. (NOTE: specifies – specifying – specified)

special audit /ˈspɛʃəl əˈdɪt/ noun an audit with a narrow remit specified by a government agency.

Special Commissioner /ˌspɛʃəl ˈkəmɪʃənər/ noun an official appointed by the Treasury to hear cases where a taxpayer is appealing against an income tax assessment.

special purpose entity /ˌspɛʃəl ˈpɜːrəps ˈentəti/ noun a separate business entity created to carry out a specific transaction or business unrelated to a company’s main business.  
Abbreviation SPE, SPV.

special resolution /ˌspɛʃəl ˈrezəlʃən/ noun a resolution concerning an important matter, such as a change to the company’s articles of association which is only valid if it is approved by 75% of the votes cast at a meeting.
spot price

‘...with most of the world’s oil now traded on spot markets, Opec’s official prices are much less significant than they once were’ [Economist]

spot price /'spɔt prɑs/, spot rate /'spɔt rɛt/ noun a current price or rate for something which is delivered immediately. Also called cash price

‘...the average spot price of Nigerian light crude oil for the month of July was 27.21 dollars per barrel’ [Business Times (Lagos)]

spread /spred/ noun 1. same as range 2. the difference between buying and selling prices, i.e. between the bid and offer prices

■ verb to space something out over a period of time or to spread payments over several months

‘...dealers said markets were thin, with gaps between trades and wide spreads between bid and ask prices on the currencies’ [Wall Street Journal]

‘to ensure an average return you should hold a spread of different shares covering a wide cross-section of the market’ [Investors Chronicle]

spreading /'spredɪŋ/ noun an action of spacing income from artistic work such as royalties over a period of time, and not concentrating it in the year in which the money is received

spreadsheet /'spredʃi/ noun a computer printout or program that shows a series of columns or rows of figures

SPV abbreviation special purpose vehicle

Square Mile /'skwɛs 'mɑːl/ noun the City of London, the British financial centre

squeeze /'skwiːz/ noun government control carried out by reducing the availability of something

‘...the real estate boom of the past three years has been based on the availability of easy credit. Today, money is tighter, so property should bear the brunt of the credit squeeze’ [Money Observer]

SSAPs abbreviation Statements of Standard Accounting Practice

staff incentives /'stɑ/ noun in 'sentvɪz/ plural noun higher pay and better conditions offered to employees to make them work better

stag /'stæɡ/ noun a person who buys new issues of shares and sells them immediately to make a profit

staged payments /'stådʒd ˈpɛmənts/ plural noun payments made in stages

stagger /'stæɡə/ verb to arrange holidays or working hours so that they do not all begin and end at the same time

stagnant /'stæɡənt/ adjective not active, not increasing ○ Turnover was stagnant for the first half of the year. ○ A stagnant economy is not a good sign.

stagnate /'stæɡənet/ verb not to increase, not to make progress ○ The economy is stagnating.

stagnation /'stæɡənərən/ noun the state of not making any progress, especially in economic matters ○ The country entered a period of stagnation.

stake /'steik/ noun an amount of money invested

‘...her stake, which she bought at $1.45 per share, is now worth nearly $10 million’ [Times]

‘...other investments include a large stake in a Chicago-based insurance company, as well as interests in tobacco products and hotels’ [Lloyd’s List]

stakeholder /'stɛrkhausld/ noun a person or body that is directly or indirectly involved with a company or organisation and has an interest in ensuring that it is successful (NOTE: A stakeholder may be an employee, customer, supplier, partner, or even the local community within which an organisation operates.)

‘...the stakeholder concept is meant to be a new kind of low-cost, flexible personal pension aimed at those who are less well-off. Whether it will really encourage them to put aside money for retirement is a moot point. Ministers said companies would be able to charge no more than 1 per cent a year to qualify for the stakeholder label’ [Financial Times]

stakeholder pension /'stɛrkhəuld 'pɛnʃən/ noun a pension, provided through a private company, in which the income a person has after retirement depends on the amount of contributions made during their working life (NOTE: Stakeholder pensions are designed for people without access to an occupational pension scheme.)

stakeholder theory /'stɛrkhəuld θrɪəri/ noun the theory that it is possible for an organisation to promote the interests of its shareholders without harming the interests of its other stakeholders such as its employees, suppliers and the wider community

stamp duty /'stæmp, dʒuːtɪ/ noun a tax on legal documents such as those used, e.g.,
starting salary /ˈstɑːtɪŋ ˈsælərɪ/ noun a salary for an employee when he or she starts work with a company

start-up /ˈstɑːt ʌp/ noun the beginning of a new company or new product ○ We went into the red for the first time because of the costs for the start-up of our new subsidiary.

It’s unusual for a venture capitalist to be focused tightly on a set of companies with a common technology base, and even more unusual for the investment fund manager to be picking start-ups that will be built on a business he’s currently running. [InformationWeek]

start-up financing /ˈstɑːt ʌp ˌfæmənˈsɪŋ/ noun the first stage in financing a new project, which is followed by several rounds of investment capital as the project gets under way

state /stɛt/ noun 1. an independent country 2. a semi-independent section of a federal country such as the US ○ verb to say clearly ○ The document states that all revenue has to be declared to the tax office. □ as per account stated the same amount as shown on the account or invoice

‘…the unions had argued that public sector pay rates had slipped behind rates applying in state and local government areas’ [Australian Financial Review]

state bank /stɛt ˈbæŋk/ noun in the US, a commercial bank licensed by the authorities of a state, and not necessarily a member of the Federal Reserve system. Compare national bank

state benefits /stɛt ˈbenɪfɪts/ plural noun payments which are made to someone under a national or private scheme

state capital /stɛtst ˈkeɪpɪt(ə)l/ noun the amount of a company’s capital contributed by shareholders

State Earnings-Related Pension Scheme /ˈstɛtst ərɪnəls ˈrɛltərɪd ˈpenʃən ˈskɛm/ noun a State Second Pension statement /ˈstɛstmənt əv ˈɛstɪmɛtɪŋ əv ˈɛstɪmætɪŋ/ noun something said or written which describes or explains something clearly

statement of account /ˈstɛstmənt əv ˈɛstɪmənt əv ˈɛstɪmənt əv ˈɛstɪmənt/ noun a financial statement drawn up when a person is insolvent

Statement of Auditing Standards /ˈstɛstmənt əv ˈstɑːtɪŋ ˌstændədəz/ noun an auditing standard, issued by the Auditing Practices Board, containing prescriptions as to the basic principles and practices which
members of the UK accountancy bodies are expected to follow in the course of an audit. Abbreviation SAS

**statement of cash flows** /ˈstɛmənt əv ˈkɑf, ˈfləʊz, /ˈmeθəd/ noun a statement that documents actual receipts and expenditures of cash

**statement-of-cash-flows method** /ˈstɛmənt əv ˈkɑf, ˈfləʊz, /ˈmeθəd/ noun a method of accounting that is based on flows of cash rather than balances on accounts

**statement of changes in financial position** /ˈstɛmənt əv ˈfɛinərəl pəˈzɪʃən/ noun a financial report of a company’s incomes and outflows during a period, usually a year or a quarter

**Statement of Financial Accounting Standards** /ˈstɛmənt əv fi,ˈnɛn(ə)l ˈstændədz/ noun in the US, a statement detailing the standards to be adopted for the preparation of financial statements. Abbreviation **SFAS**

**Statement of Principles** /ˈstɛmənt əv ˈprɪnsəplz/ noun a document in which the Accounting Standards Board sets out the principles governing the carrying out of financial reporting in the UK and the Republic of Ireland

**statement of realised and liquidation** /ˈstɛmənt əv ˈriːəlɪzənd ˈlɪdɪkʃən/ noun a statement of the financial position of a company going out of business

**statement of retained earnings** /ˈstɛmənt əv ˈriːtənd ˈɛnərɪngz/ noun a statement accompanying a balance sheet and giving details of the movement of retained earnings during an accounting period

**Statements of Standard Accounting Practice** /ˈstɛmənts əv ˈsteɪndərd əˈkaʊntɪŋ ˈpræktɪs/ plural noun rules laid down by the Accounting Standards Board for the preparation of financial statements. Abbreviation **SSAPs**

**state of indebtedness** /ˈstɛt əv ɪnˈdɪtəndəs/ noun the fact of being in debt, owing money

**state pension** /ˈstɛt ˈpenʃən/ noun a pension that is provided by the state and funded from National Insurance payments

**state retirement pension** /ˈstɛt ˌrɪtəˈreɪʃən ˈpenʃən/ noun a pension paid by the state to people when they reach the statutory retirement age

**State Second Pension** /ˈstɛt, ˌsɛkɔnd ˈpenʃən/ noun a state pension that is additional to the basic retirement pension and is based on average earnings over an employee’s career, formerly called the State Earnings-related Pension Scheme or SERPS

**statistical** /ˈstætɪstɪk(ə)l/ adjective based on statistics ○ **statistical information** ○ **They took two weeks to provide the statistical analysis of the opinion-poll data.**

**statistical discrepancy** /ˈstætɪstɪk(ə)l ˈdɪskrɪpʃən/ noun the amount by which sets of figures differ

**statistical quality control** /ˈstætɪstɪk(ə)l ˈkwɒlətɪ kənˈtrɔl/ noun the process of inspecting samples of a product to check that quality standards are being met

**statistician** /ˈstætɪstɪʃən/ noun a person who analyses statistics

**statistics** /ˈstætɪstɪks/ plural noun 1. facts or information in the form of figures ○ to examine the sales statistics for the previous six months ○ Government trade statistics show an increase in imports. ○ The statistics on unemployment did not take school-leavers into account. 2. the study of facts in the form of figures (NOTE: takes a plural verb)

**status quo** /ˈstætəs ˈkwɔː/ noun the act of checking on a customer’s credit rating

**status quo** /ˈstætəs ˈkwɔː/ noun the state of things as they are now ○ The contract does not alter the status quo.

**statute** /ˈstætʃuːt/ noun an established written law, especially an Act of Parliament. Also called **statute law**

**statute-barred** /ˈstætʃuːt ˈbɑːrd/ adjective referring to legal action which cannot be pursued because the time limit for it has expired

**statute book** /ˈstætʃuːt bʊk/ noun all laws passed by Parliament which are still in force

**statute law** /ˈstætʃuːt lɔː/ noun same as **statute**

**statutory** /ˈstætʃuəri/ adjective fixed by law ○ There is a statutory period of probation of thirteen weeks. ○ Are all the employees aware of their statutory rights?

**statutory audit** /ˈstætʃuəri ˌɔdɪt/ noun an audit carried out on the instructions of, and with a remit set by, a governmental agency

**statutory auditor** /ˈstætʃuərəri ˈɔdɪtər/ noun a professional person qualified to carry out an audit required by the Companies Act
statutory books /ˈstætʃjuəri boks/ plural noun company records required by law, e.g. a register of members

statutory instrument /ˈstætʃjuəri ɪnstrəmənt/ noun an order which has the force of law, made under authority granted to a minister by an Act of Parliament

statutory maternity pay /ˈstætʃjuəri məˈtræməti peɪ/ noun in the UK, payment made by an employer to an employee who is on maternity leave, for a continuous period up to 39 weeks. Abbreviation SMP

statutory regulations /ˈstætʃjuəri ˈrɛɡjʊləri ʒənərəl/ plural noun regulations covering financial dealings which are based on Acts of Parliament, such as the Financial Services Act, as opposed to the rules of self-regulatory organisations which are non-statutory

stay of execution /ˈstei əv ɪkˈskjuːʃən/ noun the temporary stopping of a legal order. The court granted the company a two-week stay of execution.

stepped costs /ˈstɛpt ˌkɒsts/ plural noun costs which remain fixed up to some level of activity but then rise to a new, higher level once that level of activity is exceeded

sterling /ˈstɛrlɪŋ/ noun the standard currency used in the United Kingdom to quote prices in sterling or to quote sterling prices

’s...it is doubtful that British goods will price themselves back into world markets as long as sterling labour costs continue to rise faster than in competitor countries’ [Sunday Times]

sterling area /ˈstɛrlɪŋ ˈeəriə/ noun formerly, the area of the world where the pound sterling was the main trading currency

sterling balances /ˈstɛrlɪŋ ˈbælənsəz/ plural noun a country’s trade balances expressed in pounds sterling

sterling crisis /ˈstɛrlɪŋ ˈkrəsɪs/ noun a fall in the exchange rate of the pound sterling

sterling index /ˈstɛrlɪŋ ˈɪndeks/ noun an index which shows the current value of sterling against a basket of currencies

stock /stɒk/ noun 1. the available supply of raw materials or large stocks of oil or coal or the country’s stocks of butter or sugar. Especially UK the quantity of goods for sale in a warehouse or retail outlet. Also called inventory. 3. shares in a company. 4. investments in a company, represented by shares or fixed interest securities. a verb to hold goods for sale in a warehouse or store. The average supermarket stocks more than 4500 lines.

’s US crude oil stocks fell last week by nearly 2.5m barrels’ [Financial Times]

’s...the stock rose to over $20 a share, higher than the $18 bid’ [Fortune]

stockbroker /ˈstɒkbbrəʊkər/ noun a person who buys or sells shares for clients

stockbroking /ˈstɒkbbrəʊkɪŋ/ noun the business of dealing in shares for clients or a stockbroking firm.

stock certificate /ˈstɒk ˌsɛrɪfɪkət/ noun a document proving that someone owns stock in a company

stock company /ˈstɒk kəmənpi/ noun a company that has its capital divided into shares that are freely tradable

stock control /ˈstɒk ˈkɒntrəl/ noun the process of making sure that the correct level of stock is maintained, to be able to meet demand while keeping the costs of holding stock to a minimum

stock controller /ˈstɒk ˈkɒntrələ/ noun a person who notes movements of stock

stock depreciation /ˈstɒk ˌdɪprɪʃən/ noun a reduction in value of stock which is held in a warehouse for some time

Stock Exchange /ˈstɒk ˈɛksən/ noun a place where stocks and shares are bought and sold. He works on the Stock Exchange. Shares in the company are traded on the Stock Exchange.

’s...the news was favourably received on the Sydney Stock Exchange, where the shares gained 40 cents to A$9.80’ [Financial Times]

Stock Exchange listing /ˈstɒk ˈɛksən ˈlɪstɪŋ/ noun the fact of being on the official list of shares which can be bought or sold on the Stock Exchange. The company is planning to obtain a Stock Exchange listing.

stock figures /ˈstɒk ˈfɪɡərz/ plural noun details of how many goods are in the warehouse or store

stock ledger /ˈstɒk ˌlɛdʒər/ noun a book which records quantities and values of stock
stock level /ˈstrɒk ˈlev(ə)l/ noun the quantity of goods kept in stock. We try to keep stock levels low during the summer.

stock market /ˈstrɒk ˈmɑːrkɪt/ noun a place where shares are bought and sold, i.e. a stock exchange. The stock market price or price on the stock market.

stock market valuation /ˈstrɒk ˈmɑːrkɪt ˈveɪljuˈeɪʃ(ə)n/ noun the value of a company based on the current market price of its shares.

stock option /ˈstrɒk ˈɒpʃən/ noun US same as share option.

stocks and shares /ˈstrɒks ənd ˈʃeəz/ plural noun shares in ordinary companies.

stocktaking /ˈstrɒktiŋ/ noun the counting of goods in stock at the end of an accounting period. The warehouse is closed for the annual stocktaking.

stocktaking sale /ˈstrɒktiŋ ˌseɪl/ noun a sale of goods cheaply to clear a warehouse before stocktaking.

stock transfer form /ˈstrɒk ˈtɜːnfer ˌfɔːm/ noun a form to be signed by the person transferring shares.

stock turn /ˈstrɒk ˈtɜːrn/ noun the average number of times stocks are sold in a year divided by sales in stock.

stock valuation /ˈstrɒk ˈveɪljuˈeɪʃ(ə)n/ noun an estimation of the value of stock at the end of an accounting period.

stop-loss order /ˈstɔp ˈlɒs ˈɔ:da/ noun an instruction to a stockbroker to sell a share if the price falls to a specified level. The stop loss order.

storage capacity /ˈstɔːrɪdʒ ˈkeɪ,piːstɪ/ noun the space available for storage.

store card /ˈstɔːr kɑːrd/ noun a credit card issued by a large department store, which can only be used for purchases in that store.

straddle /ˈstrɔːd/ noun 1, a spread, the difference between bid and offer price. 2, the act of buying a put option and a call option at the same time.

straight line depreciation /ˈstreɪt ˈliːn dɪˈpreʃ(ə)n/ noun a form of depreciation that divides the cost of a fixed asset evenly over each year of its anticipated lifetime.

strategic cost management /ˈstræ ˈtɪdʒɪk ˈkɒst ˈmeɪndʒmənt/ noun the use of cost information made by management to achieve the aims of a company.

strategic management accounting /ˈstræ ˈtɪdʒɪk ˈmeɪndʒmənt əˈkaʊntɪŋ/ noun a form of management accounting in which emphasis is placed on information which relates to factors external to the firm, as well as non-financial information and internally generated information.

strategy /ˈstrætədʒi/ noun a course of action, including the specification of resources required, to achieve a specific objective. A financial strategy or a pricing strategy. Part of the company's strategy to meet its marketing objectives is a major recruitment and retraining programme. (NOTE: The plural is strategies.)

strike /strɪk/ verb a deal was struck at £25 a unit we agreed the price of £25 a unit.

strong /strɒŋ/ adjective with a lot of force or strength. This Christmas saw a strong demand for mobile phones. The company needs a strong chairman...

strongbox /ˈstrɒŋbɒks/ noun a heavy metal box which cannot be opened easily, in which valuable documents and money can be kept.

strong currency /ˈstrɒŋ ˈkærənsi/ noun a currency which has a high value against other currencies.

strong pound /ˈstrɒŋ ˈpaʊnd/ noun a pound which is strong against other currencies.

structure /ˈstrɔːktʃər/ noun the way in which something is organised. The company's organisational structure.

subject to /ˈsʌbdʒɪkt tu/ adjective depending on.

sublease /ˈsʌblɛz/ verb to lease a leased property from another tenant. They subleased a small office in the centre of town.
sublessee /ˈsæbləsɪ/ noun a person or company that takes a property on a sublease
subsessor /ˈsæbəsər/ noun a tenant who leases a leased property to another tenant
sublet /ˈsʌbliːt/ verb to let a leased property to another tenant ○ We have sublet part of our office to a financial consultancy.
(Note: subletting) sublet
subordinated debt /ˈsʌbəˌdɔːməntid/ noun a loan that has less of a claim on assets or earnings than another debt
subordinated loan /ˈsʌbəˌlɔn/ noun a loan which ranks after all other borrowings as regards payment of interest or repayment of capital
subscribe /ˈsʌbəˈskrɪb/ verb to subscribe for shares, to subscribe to a share issue to apply for shares in a new company subscription /ˈsʌbəˈskrɪpʃən/ noun 1. a money paid in advance for a series of issues of a magazine, for membership of a society, for access to information on a website ○ Did you remember to pay the subscription to the computer magazine? ○ She forgot to renew her club subscription. 2. subscription to a new share issue application to buy shares in a new company ○ the subscription lists close at 10.00 on September 24th no new applicants will be allowed to subscribe for the share issue after that date subscription price /ˈsʌbəˈskrɪpʃən pɜːrəs/ noun the price at which new shares in an existing company are offered for sale
subsequent event /ˈsʌbsɛkwənt/ noun an event with an important financial impact that occurs between the publication of a financial statement and the publication of an audit report, and that should therefore be disclosed in a footnote subsidiary /ˈsʌbəˈsɪdəri/ adjective less important ○ They agreed to most of the conditions in the contract but queried one or two subsidiary items. noun same as subsidiary company ○ Most of the group profit was contributed by the subsidiaries in the Far East.
subsidiary account /ˈsʌbəˌsɪdɪəri əˈkaʊnt/ noun an account for one of the individual people or organisations that jointly hold another account subsidiary company /ˈsʌbəˌsɪdɪəri ˈsɛmpərɪ/ noun a company which is more than 50% owned by a holding company, and where the holding company controls the board of directors subsidiary company accounting /ˈsʌbəˌsɪdɪəri ˈsɛmpərɪ ˈækəʊntɪŋ/ noun the accounting methods that are used at a subsidiary for recording transactions with its parent company
subsidise /ˈsʌbsɪdɪz/ verb to help by giving money ○ The government has refused to subsidise the car industry.
subsidiary accommodation /ˈsʌbəˌsɪdɪəri əˌkɔməˈdəʃən/ noun cheap accommodation which is partly paid for by an employer or a local authority subsidy /ˈsʌbsɪdi/ noun 1. money given to help something which is not profitable ○ The industry exists on government subsidies. ○ The government has increased its subsidy to the car industry. 2. money given by a government to make something cheaper ○ the subsidy on rail transport (note: The plural is subsidies.) subtenancy /ˈsʌbˌtenənsi/ noun an agreement to sublet a property subtenant /ˈsʌbˌtenənt/ noun a person or company to which a property has been sublet subtotal /ˈsʌbˌtəʊt(ə)l/ noun the total of one section of a complete set of figures ○ She added all the subtotals to make a grand total.
subtract /ˈsʌbtrækt/ verb to take away something from a total ○ The credit note should be subtracted from the figure for total sales. ○ If the profits from the Far Eastern operations are subtracted, you will see that the group has not been profitable in the European market.
subtraction /ˈsʌbtrækʃən/ noun an act of taking one number away from another subvention /ˈsʌbˌvɛnʃən/ noun same as subsidy succeed /ˈsʌkstʃid/ verb 1. to do well, to be profitable ○ The company has succeeded best in the overseas markets. ○ Her business has succeeded more than she had expected. 2. to do what was planned ○ She succeeded in passing her computing test. ○ They succeeded in putting their rivals out of business. 3. to take over from someone in a post ○ Mr Smith was succeeded as chairman by Mrs Jones. ○ to succeed to a property to become the owner of a property by inheriting it from someone who has died success /ˈsʌksəs/ noun 1. an act of doing something well ○ The launch of the new model was a great success. ○ The company has had great success in the Japanese market. 2. an act of doing what was intended ○ We had no success in trying to sell the lease. ○ She has been looking for a job for six months, but with no success.

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sum /sam/ noun 1. a quantity of money ○ A sum of money was stolen from the human resources office. ○ He lost large sums on the Stock Exchange. ○ She received the sum of £5000 in compensation. 2. the total of a series of figures added together ○ The sum of the various subtotals is £18,752.

sum at risk /sam æt 'risk/ noun the amount of any given item, such as money, stocks or securities that an investor may lose

sum of digits method /sam ov 'dɪgɪts əˈmeɪd/ noun a method of depreciating a fixed asset where the cost of the asset less its residual value is multiplied by a fraction based on the number of years of its expected useful life. The fraction changes each year and charges the highest costs to the earliest years.

sum-of-the-year’s-digits depreciation /sam ov ˈdɪˌɡɪts dɪˈpriʃiˈeɪʃn/ noun a method of recognising depreciation that assigns more depreciation early in an asset’s useful life than in the later years

sums chargeable to the reserve /sʌmz ˈtʃɑrɪəbl ti ðə rɪˈzɜr v/ plural noun sums which can be debited to a company’s reserves

sundry /ˈsʌndri/ adjective various

sunk cost /ˈsʌŋk kɒst/ noun a cost which has been irreversibly incurred or committed prior to a decision point and which cannot therefore be considered relevant to subsequent decisions. Also called consumed cost

superannuation /ˌsjuːprənjuˈeɪʃn/ noun a pension paid to someone who is too old or ill to work any more

supplementary benefit /ˌsʌplɪˌmenˈtɛri benˈɛfit/ noun formerly, payments from the government to people with very low incomes. It was replaced by income support.

supplementary statement /ˌsʌplɪˌmentəri ˈstɛmtmənt/ noun a statement that elaborates on an earlier financial statement

supplier /ˈsəʊplər/ noun a person or company that supplies or sells goods or services ○ We use the same office equipment supplier for all our stationery purchases. ○ They are major suppliers of spare parts to the car industry. Also called producer

supply and demand /səˈplɛrd æn dəmˈdɛnd/ noun the amount of a product which is available and the amount which is wanted by customers

supply chain /səˈplɛt fəˈɛm/ noun the manufacturers, wholesalers, distributors, and retailers who produce goods and services from raw materials and deliver them to consumers, considered as a group or network. ‘Only companies that build supply chains that are agile, adaptable, and aligned get ahead of their rivals.’ [Harvard Business Review]

supply chain management /səˈplɛt fəˈɛm ˌmeɪntʃəˈmænt/ noun the work of coordinating all the activities connected with supplying finished goods. (NOTE: Supply chain management covers the processes of materials management, logistics, physical distribution management, purchasing, and information management.)

supply price /səˈplɛt prəs/ noun the price at which something is provided

support price /səˈpɔːt prəs/ noun a price in the EU at which a government will buy agricultural produce to stop the price falling

surcharge /ˈsʌrtʃər/ noun an extra charge

surrey /ˈsʊərəri/ noun 1. a person who guarantees that someone will do something ○ to stand surety for someone 2. deeds, share certificates, etc., deposited as security for a loan

surplus /ˈsɜːpləs/ noun more of something than is needed

‘Both imports and exports reached record levels in the latest year. This generated a $371 million trade surplus in June, the seventh consecutive monthly surplus and close to market expectations’ [Dominion (Wellington, New Zealand)]

surrender /səˈrɛndər/ noun the act of giving up of an insurance policy before the contracted date for maturity

surrender value /səˈrɛndər ˈvɜːrədʒ/ noun the money which an insurer will pay if an insurance policy is given up

surtax /ˈsɜːrteɪks/ noun an extra tax on high income

suspend /səˈspend/ verb to stop doing something for a time ○ We have suspended payments while we are waiting for news from our agent. ○ Work on the construction project has been suspended.

suspense account /səˈspens əˈkɒunt/ noun an account into which payments are put temporarily when the accountant cannot be sure where they should be entered

suspension /səˈspensʃən/ noun an act of stopping something for a time ○ There has
been a temporary suspension of payments. ○
We are trying to avoid a suspension of deliveries during the strike.
SVA abbreviation shareholder value analysis

swap /swɔp/ noun an exchange of one thing for another
sweetener /ˈswɛtə(n)ər/ noun an incentive offered to help persuade somebody to take a particular course of action (informal)
switch /swɪtʃ/ verb 1. to change from one thing to another ○ to switch funds from one investment to another ○ The job was switched from our British factory to the States. 2. to change, especially to change investment money from one type of investment to another

SWOT analysis /ˈswɔt əˌnæləsis/ noun a method of assessing a person, company or product by considering their Strengths, Weaknesses, and external factors which may provide Opportunities or Threats to their development. Full form Strengths, Weaknesses, Opportunities, Threats
syndicate /ˈsɪndɪkət/ verb to arrange for a large loan to be underwritten by several international banks

‘...over the past few weeks, companies raising new loans from international banks have been forced to pay more, and an unusually high number of attempts to syndicate loans among banks has failed' [Financial Times]
system /ˈsɪstəm/ noun an arrangement or organisation of things which work together ○ Our accounting system has worked well in spite of the large increase in orders.

systematic sampling /ˌsɪstəˈmætɪk ˈsʌmplɪŋ/ noun an auditing technique that selects a number of random samples of data in a systematic way, instead of a pure random sample
systems analysis /ˈsɪstəmz əˌnæləsis/ noun the process of using a computer to suggest how a company can work more efficiently by analysing the way in which it works at present
systems analyst /ˈsɪstəmz əˌnəlist/ noun a person who specialises in systems analysis

system weakness /ˈsɪstəm wiˈkwəsn/ noun weakness in an accounting system that leads to a risk that financial statements will be flawed or that budgets will be miscalculated
T+ noun an expression of the number of days allowed for settlement of a transaction
tab /tæb/ noun same as tabulator (informal)
tabulate /tæbjuˈleɪt/ verb to set something out in a table
tabulation /tæbjuˈleɪʃ(ə)n/ noun the arrangement of figures in a table
tabulator /tæbjuˈleɪtə/ noun a feature on a computer which sets words or figures automatically in columns
T account /ˈtiːəkənt/ noun a way of drawing up an account, with a line across the top of the paper and a vertical line down the middle, with the debit and credit entries on either side
take /teɪk/ noun 1. the money received in a shop ○ Our weekly take is over £5,000. 2. a profit from any sale ■ verb 1. to receive or to get ○ the shop takes £2,000 a week; the shop receives £2,000 a week in cash sales ○ she takes home £450 a week her salary, after deductions for tax, etc. is £450 a week 2. to perform an action 3. to need a time or a quantity ○ It took the factory six weeks or the factory took six weeks to clear the backlog of orders. (Note: taking – took – has taken)
take away phrasal verb to remove one figure from a total ○ If you take away the home sales, the total turnover is down.
take off phrasal verb to start to do something in place of someone else ○ Miss Black took over from Mr Jones on May 1st.
take-home pay /teɪk həʊm ˈpɛti noun same as disposable personal income ○ After all the deductions, her take-home pay is only £600 a week.
take-out /ˈteɪk aʊt/ noun the act of removing capital which you had originally invested in a new company by selling your shares.
takeover /teɪkəˈouə/ noun an act of buying a controlling interest in a business by buying more than 50% of its shares. Compare acquisition

takeover bid /teɪkəˈouə bid/ noun an offer to buy all or a majority of the shares in a company so as to control it ○ They made a takeover bid for the company. ○ She had to withdraw her takeover bid when she failed to find any backers. ○ Share prices rose sharply on the disclosure of the takeover bid.

Takeover Code /teɪkəˈouə kəʊd/ noun the code of practice which regulates how takeovers should take place. It is enforced by the Takeover Panel.

Takeover Panel /teɪkəˈouə ,pɛn(ə)l/ noun a non-statutory body which examines takeovers and applies the Takeover Code. Also called City Panel on Takeovers and Mergers.

takeover target /teɪkəˈouə ,tæɡət/ noun a company which is the object of a takeover bid

take up rate /teɪk əp ˈrɛt/ noun the percentage of acceptances for a rights issue
takings /ˈteɪkɪŋz/ plural noun the money received in a shop or a business ○ The week’s takings were stolen from the cash desk.
tally /ˈtæli/ noun a note of things counted or recorded ○ to keep a tally of stock movements or of expenses ■ verb to agree, to be the same ○ The invoices do not tally. ○ The accounts department tried to make the figures tally.
tally sheet /ˈtæli ʃiʃ/ noun a sheet on which quantities are noted
tangible assets /ˈtændʒərəbl(ə)l ˈeɪsitɪz/ noun assets, tangible fixed assets /ˈtændʒərəbl(ə)l ˈfɪkst ˈeɪsitɪs/, tangible property /ˈtændʒərəbl(ə)l ˈprɒpətɪ plərəl ˈnɔːn/ noun assets that are physical, such as buildings, cash and stock. Leases and securities, although not physical in themselves, are classed as tangible assets because the underlying assets are physical.
tangible asset value /ˈtændʒərəbl(ə)l ˈeɪset ˈvæljuː, ˈtændʒərəbl ˈnet wɜːθ/ noun the value of
all the assets of a company less its intangible assets, e.g. goodwill, shown as a value per share

tangible book value /'tæŋgəbl bʊk ˈvælju/ noun the book value of a company after intangible assets, patents, trademarks and the value of research and development have been subtracted

taper relief /ˈteɪpə rɪˈliːf/ noun the relief for capital gains on assets sold after being held for some period of time. The longer the assets have been held, the more relief is given against capital gains.

target company /ˈteɪɡtə kæmp(ə)ri/ noun same as takeover target

‘...in a normal leveraged buyout the acquirer raises money by borrowing against the assets of the target company’ [Fortune]

target cost /ˈteɪɡtə kɒst/ noun a product cost estimate derived by subtracting a desired profit margin from a competitive market price. This may be less than the planned initial product cost, but will be expected to be achieved by the time the product reaches the mature production stage.

target market /ˈteɪɡtə mɑːkt/ noun the market in which a company is planning to sell its goods

target pricing /ˈteɪɡtə prəˈprɑːtʃŋ/ noun the setting of a selling price with the aim of producing a particular rate of return on investment for a specific volume of production

tariff /ˈtɑːrɪf/ noun a tax to be paid on imported goods. Also called customs tariff

tax /ˈteɪks/ noun 1. money taken by the government or by an official body to pay for government services 2. an amount of money charged by government as part of a person’s income or on goods bought ○ to levy or impose a tax to make a tax payable ○ The government has imposed a 15% tax on petrol. ■ verb to make someone pay a tax, to impose a tax on something ○ Businesses are taxed at 40%. ○ Income is taxed at 35%. ○ Luxury items are heavily taxed.

tax abatement /ˈteɪks əˈbiːtmen/ noun a reduction of tax

taxable /ˈteɪksəbl/ adjective able to be taxed

taxable base /ˈteɪksəbl bæs/ noun the amount subject to taxation

taxable benefit /ˈteɪksəbl ˈbenifɪt/ noun a benefit which is included in a person’s taxable income and is subject to tax

taxable income /ˈteɪksəbl ˈɪnkəm/ noun income on which a person has to pay tax

taxable items /ˈteɪksəbl ɪtəmz/ plural noun items on which a tax has to be paid

taxable matters /ˈteɪksəbl ˈmɑːtərɪz/ plural noun goods or services that can be taxed

taxable person /ˈteɪksəbl ˈpɜːrs(ə)n/ noun a person who is registered for VAT, and who charges VAT on goods or services supplied

taxable supply /ˈteɪksəbl ˈsʌpəl/ noun a supply of goods which are subject to VAT

tax adjustments /ˈteɪks əˌdʒʌstmenz/ plural noun changes made to tax

tax adviser /ˈteɪks əˈdvaɪzər/ tax consultant /ˈteɪks ənˈsaɪlənt/ noun a person who gives advice on tax issues and problems

tax allowance /ˈteɪks əˌləʊns/ noun part of the income which a person is allowed to earn and not pay tax on

tax assessment /ˈteɪks əˌsɛsment/ noun a calculation by a tax inspector of the amount of tax a person owes

taxation /ˈteɪksəˈteɪʃən/ noun the system of raising revenue for public funding by taxing individuals and organisations, or the amount of revenue raised

tax at source /ˈteɪks əˌsɔrs/ verb to deduct tax from earnings before they are paid to the recipient

tax auditor /ˈteɪks əˌdəʊtər/ noun a government employee who investigates taxpayers’ declarations

tax avoidance /ˈteɪks əˌvɔɪdəns/ noun the practice of legally trying to pay as little tax as possible

tax bracket /ˈteɪks ˈbreɪkt/ noun the section of people paying a particular level of income tax

tax code /ˈteɪks ˈkɔd/ noun a number given to indicate the amount of tax allowance a person has

tax collector /ˈteɪks ˈkəltəkter/ noun a person who collects taxes which are owed

tax concession /ˈteɪks ˌkənsəˈʃən/ noun an act of allowing less tax to be paid

tax consultant /ˈteɪks ˌkonsəˈlɛnt/ noun a tax adviser

tax credit /ˈteɪks ˌkredɪt/ noun 1. a sum of money which can be offset against tax 2. the part of a dividend on which the company has already paid tax, so that the shareholder is not taxed on it
tax date /ˈteɪks dət/ noun the date on which a transaction occurs for tax purposes, particularly relevant to invoices on which VAT is charged

tax-deductible /ˈteɪks ˈdɪdəktəb(ə)l/ adjective possible to deduct from an income before tax is calculated

tax deposit certificate /ˈteɪks dɪˌproʊzɪt səˌtrɪkt/ noun a certificate showing that a taxpayer has deposited money in advance of a tax payment. The money earns interest while on deposit.

tax dodge /ˈteɪks dədʒ/ noun an illegal method of paying less tax than an individual or company is legally obliged to pay

tax domicile /ˈteɪks ˈdɒmɪsəuli/ noun the place that a government levying a tax considers to be a person’s home

tax evasion /ˈteɪks əˈvɛʒən/ noun the practice of illegally trying to not pay tax

tax-exempt /ˈteɪks ɪmˈzɛmp/ adjective 1. referring to a person or organisation not required to pay tax 2. not subject to tax

tax exemption /ˈteɪks ɪmˈzɛmpʃən/ noun 1. the fact of being free from payment of tax 2. US the part of income which a person is allowed to earn and not pay tax on

tax exemption cut-off /ˈteɪks ɪmˈzɛmpʃənt ˈkʌt-ˌɔf/ noun a limit on tax exemption because of high income

tax-exempt special savings account /ˌteɪks ɪmˈzɛmp ˌspeʃəl ˈsɛvərəs əˈkaʊnt/ noun a now-discontinued form of interest-free savings account largely superseded by the ISA. Abbreviation TESSA

tax form /ˈteɪks fɔrm/ noun a blank form to be filled in with details of income and allowances and sent to the tax office each year

tax-free /ˈteɪks ˈfriː/ adjective with no tax having to be paid ○ tax-free goods

tax harmonisation /ˈteɪks ˈhɑrəmənəzəʃən/ noun the enactment of taxation laws in different jurisdictions, such as neighbouring countries, provinces, or states of the United States, that are consistent with one another

tax haven /ˈteɪks ˈhevn/ noun a country or area where taxes are low, encouraging companies to set up their main offices there

tax holiday /ˈteɪks ˈhɔlɪdeɪ/ noun a period when a new business is exempted from paying tax

tax incentive /ˈteɪks ɪnˌsɛnˈtɪv/ noun a tax reduction afforded to people for particular purposes, e.g., sending their children to college

tax inspector /ˈteɪks ɪnˌspektər/ noun a government employee who investigates taxpayers' declarations

tax law /ˈteɪks ˈlɔː/ noun the body of laws on taxation, or one such law

tax liability /ˈteɪks ˈlɪbləti/ noun the amount of tax that a person or organisation has to pay

tax loophole /ˈteɪks ˌluˌpʰəʊl/ noun a legal means of not paying tax

tax loss /ˈteɪks ˈlɔs/ noun a loss made by a company during an accounting period, for which relief from tax is given

tax loss carry-back /ˈteɪks ˈlɔs ˈkærɪ bæk/ noun the reduction of taxes in a previous year by subtraction from income for that year of losses suffered in the current year

tax loss carry-forward /ˈteɪks ˈlɔs ˈkærɪ fɔrˌwɔrd/ noun the reduction of taxes in a future year by subtraction from income for that year of losses suffered in the current year

tax obligation /ˈteɪks əˈblɪɡəʃən/ noun the amount of tax a person or company owes

tax office /ˈteɪks ˈɒfɪs/ noun a local office of the Inland Revenue. It does not necessarily deal with the tax affairs of people who live locally.

tax on capital income /ˈteɪks ɒn ˈkæpɪtəl ˈɪnkəm/ noun a tax on the income from sales of capital assets

tax payable /ˈteɪks ˈpəʊsb(ə)l/ noun the amount of tax a person or company has to pay

taxpayer /ˈteɪksˈpeɪər/ noun a person or company that has to pay tax ○ basic taxpayer or taxpayer at the basic rate ○ Corporate taxpayers are being targeted by the government.

tax planning /ˈteɪks ˈplænɪŋ/ noun planning how to avoid paying too much tax, by investing in, e.g., tax-exempt savings schemes or offshore trusts

tax point /ˈteɪks ˈpɔɪnt/ noun the date on which goods or services are supplied, which is the date when VAT becomes due

tax pressure /ˈteɪks ˈpreʃər/ noun the financial difficulty that a company may face because of the taxes it must pay

tax rates /ˈteɪks ˈreɪts/ plural noun percentage rates of tax on different bands of taxable income

tax rebate /ˈteɪks ˈrɪbɛt/ noun money returned by the Inland Revenue because it was overpaid
tax reform /ˈteɪks ri: fɔrn/ noun changes to tax provisions made by a revenue authority

tax refund /ˈteɪks rɪˈfʌnd/ noun US same as remission of taxes

tax relief /ˈteɪks rɪˈliːf/ noun reductions in tax liability that are allowed in line with necessary business expenditure

tax return /ˈteɪks rɪˈtɜrn/ noun a completed tax form, with details of income and allowances

tax revenue /ˈteɪks ˌrevənjuː/ noun money that a government receives in taxes

tax schedules /ˈteɪks ˌʃedjʊlz/ plural noun six types of income as classified for tax

tax shelter /ˈteɪks ˌʃeltər/ noun a financial arrangement such as a pension scheme where investments can be made without tax

tax system /ˈteɪks ˌsɪstəm/ noun the methods used by a government in imposing and collecting taxes

tax threshold /ˈteɪks ˈθresfəʊld/ noun a point at which another percentage of tax is payable ○ The government has raised the minimum tax threshold from £4,000 to £4,500.

tax treaty /ˈteɪks ˈtrɪti/ noun an international agreement that deals with taxes, especially taxes by several countries on the same individuals

tax voucher /ˈteɪks ˌvɔːrʃər/ noun a document detailing various items of financial information, issued to shareholders at the time dividends are paid

tax year /ˈteɪks ˈjɪə/ noun a twelve month period on which taxes are calculated. In the UK this is 6th April to 5th April of the following year.

T-bond /ˈtiː bɔnd/ noun same as Treasury bond

technical /ˈtekənɪk(ə)l/ adjective referring to influences inside a market, e.g., volumes traded and forecasts based on market analysis, as opposed to external factors such as oil-price rises, wars, etc.

‘...market analysts described the falls in the second half of last week as a technical correction' [Australian Financial Review]

‘...at the end of the day, it was clear the Fed had not loosened the monetary reins, and Fed Funds forged ahead on the back of technical demand' [Financial Times]

technical analysis /ˌtekənɪk(ə)l əˌnələˈzaʃən/ noun a study of the price movements and volumes traded on a stock exchange

technical correction /ˌtekənɪk(ə)l əˈrekʃən/ noun an adjustment to the price of a share or the value of a currency

technical decline /ˌtekənɪk(ə)l drˈklən/ noun a fall in share prices because of technical analysis

technical reserves /ˌtekənɪk(ə)l ɪnˈzɜrviz/ plural noun the assets that an insurance company maintains to meet future claims

tee ming and lading /ˈtiːmɪŋ ən ˈlædɪŋ/ noun an attempt to hide missing funds by delaying the recording of cash receipts in a business’s books

telephone banking /ˌteləˈfoun ˈbeɪŋkɪŋ/ noun a service by which a bank customer can carry out transactions over the phone using a password. It may involve direct contact with a bank representative or may be automated using the phone’s keypad.

teller /ˈtɛlər/ noun a person who takes cash from or pays cash to customers at a bank

tenancy /ˈtenənsi/ noun an agreement by which a tenant can occupy a property

tenant /ˈtenənt/ noun a person or company which rents a house, flat or office to live or work in ○ The tenant is liable for repairs.

tender /ˈtendər/ noun an offer to do something for a specific price ○ a successful tender ○ an unsuccessful tender ○ to put a project out to tender ○ to ask for or invite tenders for a project to ask contractors to give written estimates for a job ○ to put in or submit a tender to make an estimate for a job

tenderer /ˈtendərər/ noun a person or company that puts forward an estimate of cost ○ The company was the successful tenderer for the project. (NOTE: The US term is bidder.)

tendering /ˈtendərɪŋ/ noun the act of putting forward an estimate of cost ○ To be successful, you must follow the tendering procedure as laid out in the documents. (NOTE: The US term is bidding.)

tender offer /ˈtendər əˈfər/ noun a method of selling new securities or bonds by asking investors to make offers for them, and accepting the highest offers

10-K /ˌtiːn ˈkeɪ/ noun the filing of a US company’s annual accounts with the New York Stock Exchange

tenor /ˈtenər/ noun the life of a financial instrument, between the time it is taken out and the maturity date.
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10-Q /ten/'auzi/ noun the filing of a US company’s quarterly accounts with the New York Stock Exchange
term /tərm/ noun a period of time when something is legally valid or during his term of office as chairman or the term of a lease. We have renewed her contract for a term of six months. The term of the loan is fifteen years.
term deposit /tərm dɪˈpɔzɪt/, term account /tərm əˈkaʊnt/ noun money invested for a fixed period at a higher rate of interest
terminal bonus /tərmɪnəl ˈboʊnəs/ noun a bonus received when an insurance contract comes to an end
terminal clause /tərmɪnəl kluːz/ noun a clause which explains how and when a contract can be terminated
term loan /tərm ˈləʊn/ noun a loan for a fixed period of time

terms /tərmz/ plural noun the conditions or duties which have to be carried out as part of a contract, or the arrangements which have to be agreed before a contract is valid or to negotiate for better terms. She refused to agree to some of the terms of the contract. Or By or Under the terms of the contract, the company is responsible for all damage to the property.

…companies have been improving communications, often as part of deals to cut down demarcation and to give everybody the same terms of employment [Economist]

…the Federal Reserve Board has eased interest rates in the past year, but they are still at historically high levels in real terms [Sunday Times]
term shares /tərm ʃeəz/ plural noun a type of building society deposit that offers a comparatively high rate of interest for a fixed period of time
terms of reference /tərmz əv ˈrefərəns/ plural noun the specific areas which a committee or an inspector can deal with. Or Under the terms of reference of the committee, it cannot investigate complaints from the public. Or The committee’s terms of reference do not cover exports.
terms of sale /tərmz əv ˈseɪl/ plural noun the conditions attached to a sale

TESSA /ˈtesə/ abbreviation tax-exempt special savings account
testamentary /ˈtestəməntərɪ/ adjective referring to a will

testamentary disposition /ˈtestəməntərɪ diˈspəzəʃən/ noun the passing of property to people in a will
testate /ˈtestɛst/ adjective having made a will or Did he die testate?
testator /ˈtestətər/ noun someone who has made a will
testatrix /ˈtesttrɪks/ noun a woman who has made a will

theory of constraints /θɪərɪ əv kənˈstrʌktəs/ noun an approach to production management that aims to maximise sales revenue by focusing on constraining factors such as bottlenecks
third party /θɜːd ˈpɑːti/ noun a person other than the two main parties involved in a contract, e.g., in an insurance contract, anyone who is not the insurance company nor the person who is insured
third quarter /θɜːd ˈkwɔːrtər/ noun the period of three months from July to September

3i abbreviation Investors in Industry

threshold /ˈθreʃhɔuld/ noun the point at which something changes

threshold agreement /ˈθreʃhɔuld əˈgrɛmənt/ noun a contract which says that if the cost of living goes up by more than an agreed amount, pay will go up to match it

thrifty /ˈθrɪfti/ adjective careful not to spend too much money

throughput /ˈθruːput/ noun the amount of work done or of goods produced in a certain time. We hope to increase our throughput by putting in two new machines.

throughput accounting /ˈθruːput əˈkaʊntɪŋ/ noun a management accounting system that seeks to maximise the return on bottleneck activity
tied financial adviser /ˈtaid fərˌnɪər/ noun a qualified professional who gives advice on the financial products offered by a single company, as distinct from an independent financial adviser who
advises on the products of various companies.

tighten /ˈtaɪtən/ verb to make something tight, to control something ○ The accounts department is tightening its control over departmental budgets.

‘...the decision by the government to tighten monetary policy will push the annual inflation rate above the previous high’ [Financial Times]

tighten up on phrasal verb to control something more strictly ○ The government is tightening up on tax evasion. ○ We must tighten up on the reps’ expenses.

tight money /ˈtaɪt mʌni/ noun same as dear money

tight money policy /ˌtaɪt ˈmʌniˌpɒləsi/ noun a government policy to restrict money supply

till /tɪl/ noun a drawer for keeping cash in a shop

time /ˈtaɪm/ noun 1. a period during which something takes place, e.g. one hour, two days, or fifty minutes ○ something takes place, e.g. one hour, two days, or fifty minutes ○ anything ○ The time before something happens ○ The time allowed to complete work ○ The time limit allowed. ○ The time limit on applications to the industrial tribunal is three months.

time limitation /ˈtaɪm ˈlɪmɪteɪʃən/ noun the restriction of the amount of time available

time rate /ˈtaɪm ˈreɪt/ noun a rate for work which is calculated as money per hour or per week, and not money for work completed

timescale /ˈtaɪmˌskɛl/ noun the time which will be taken to complete work ○ Our timescale is that all work should be completed by the end of August. ○ He is working to a strict timescale.

time sheet /ˈtaɪm ʃiːt/ noun a record of when an employee arrives at and leaves work, or one which shows how much time a person spends on different jobs each day

time work /ˈtaɪm ˈwɜːk/ noun work which is paid for at a rate per hour or per day, not per piece of work completed

title /ˈtaɪtəl/ noun a right to own a property ○ She has no title to the property. ○ He has a good title to the property.

title deeds /ˈtaɪtəl ˈdiːdz/ plural noun a document showing who is the owner of a property

token charge /ˈtaʊkən ˈʃɑːdʒ/ noun a small charge which does not cover the real costs ○ A token charge is made for heating.

token payment /ˈtaʊkən ˈpeɪmənt/ noun a small payment to show that a payment is being made

token rent /ˈtaʊkən ˈrɛnt/ noun a very low rent payment to show that some rent is being asked

toll /ˈtaʊl/ noun a payment for using a service, usually a bridge or a road ○ We had to cross a toll bridge to get to the island. ○ You have to pay a toll to cross the bridge.

toll call /ˈtaʊl kɔl/ noun US a long-distance telephone call

toll free /ˈtaʊl frɪk/ adjective, adverb, adjective US without having to pay a charge for a long-distance telephone call ○ to call someone toll free ○ a toll-free number

top-hat pension /ˈtɒp hæt ˈpɛnsən/ noun a special extra pension for senior managers

total /ˈtaʊləl/ adjective complete, or with everything added together ○ The company has total assets of over £3bn. ○ The total amount owed is now £1,000. ○ Our total income from exports rose last year. [Note: total is spelled -ing when used as a verb to add up to ○ costs totalling more than £25,000 (Note: total is spelled -ing)]
total absorption costing

total absorption costing /ˈtəʊtəl əbˈzɔːrpoʊʃən kɒstɪŋ/ noun a method used by a cost accountant to price goods and services, allocating both direct and indirect costs. Although this method is designed so that all of an organisation’s costs are covered, it may result in opportunities for sales being missed because it results in high prices.

marginal costing

total assets /ˈtəʊtəl əˈsetz/ plural noun the total net book value of all assets

total asset turnover ratio /ˈtəʊtəl əˈset ˈtɜːrnətərɪ ˈrəʊʃən/ noun a measure of the use a business makes of all its assets. It is calculated by dividing sales by total assets.

total invoice value /ˈtəʊtəl ˈɪnvəs ˈvəljuː/ noun the total amount on an invoice, including transport, VAT, etc.

total manufacturing costs /ˈtəʊtəl ˈmænjuːfæktʃərɪŋ ˈkɒstz/ plural noun the total figure for costs of materials, labour and overheads incurred during an accounting period

total overhead cost variance /ˈtəʊtəl ˌəʊvəˈhɛad kɒst ˈvərɪəns/ noun the difference between the overhead cost absorbed and the actual overhead costs, both fixed and variable

total productivity /ˈtəʊtəl ˈprɒdəktɪvɪti/ noun a figure that represents the value of total output divided by the cost of all input

total quality control /ˈtəʊtəl ˈkwɪləti kənˈtrɔːl/ noun a manufacturing approach that aims at turning out products that are consistently defect-free

return /rɪˈtɜːrn/ noun the total percentage change in the value of an investment over a specified time period, including capital gains, dividends and the investment’s appreciation or depreciation

traceability /trəˈseɪəbɪlɪti/ noun the extent to which a cost can be directly assigned to an activity or object

traceable cost /trəˈseɪəbl kɒst/ noun a cost that is directly assigned to an activity or object

tracker fund /ˈtrækər fʌnd/ noun a fund which tracks one of the stock market indices, such as the FTSE

tracking stock /ˈtrækɪŋ stɒk/ noun shares on which the level of dividend payments is linked to the performance of a subsidiary of the company

trade /tred/ noun 1. the business of buying and selling. 2. a particular type of business, or people or companies dealing in the same type of product

He’s in the secondhand car trade.

verb to buy and sell, to carry on a business.

We trade with all the countries of the EU.

The company has stopped trading.

…a sharp setback in foreign trade accounted for most of the winter slowdown. The trade balance sank $17 billion...[Fortune]

…at its last traded price, the bank was capitalized around $1.05 billion...[South China Morning Post]

…with most of the world’s oil now traded on spot markets, Opec’s official prices are much less significant than they once were...[Economist]

…the London Stock Exchange said that the value of domestic UK equities traded during the year was £1.4066 trillion, more than the capitalization of the entire London market and an increase of 36 per cent compared with previous year’s total of £1.037 trillion...[Times]

…trade between Britain and other countries which comprise the Economic Community has risen steadily from 33% of exports to 50% last year...[Sales & Marketing Management]

trade agreement /ˈtred ə ˈɡrɪmənt/ noun an international agreement between countries over general terms of trade

trade association /ˈtred əˈsoʊsərəˈʃən/ noun a group which links together companies in the same trade

trade barrier /ˈtred əˈbærər/ noun a limitation imposed by a government on the free exchange of goods between countries (NOTE: NTBs, safety standards, and tariffs are typical trade barriers.)

trade bill /ˈtred bɪl/ noun a bill of exchange between two companies who are trading partners. It is issued by one company and endorsed by the other.

trade credit /ˈtred əˈkredɪt/ noun the provision of goods or services to another company with an agreement to invoice them later, which is a major source of capital for many businesses

trade creditors /ˈtred əˈkredɪtəz/ plural noun companies which are owed money by a company. The amount owed to trade creditors is shown in the annual accounts.

trade cycle /ˈtred əˈsɜːk/ noun a period during which trade expands, then slows down, then expands again

trade date /ˈtred ˈdeɪt/ noun the date on which an enterprise becomes committed to buy a financial asset
trade debt /ˈtrɛd dɛt/ noun a debt that originates during the normal course of trade
trade deficit /ˈtrɛd dɪfɪsɪt/ noun the difference in value between a country's low exports and higher imports. Also called balance of payments deficit, trade gap
trade description /trɪd dɪˈskrɪpʃən/ noun a description of a product to attract customers
trade discount /ˈtrɛd ˈdɪskrænt/ noun a reduction in price given to a customer in the same trade
traded options /ˈtrɛdɪd ˈɒpʃənz/ plural noun options to buy or sell shares at a specific price on a specific date in the future, which themselves can be bought or sold
trade fair /ˈtrɛd fɛə/ noun a large exhibition and meeting for advertising and selling a specific type of product. There are two trade fairs running in London at the same time – the carpet manufacturers' and the mobile telephone companies'.
trade gap /ˈtrɛd ɡæp/ noun same as trade deficit
trademark /ˈtrɛdmerk/; trade name /ˈtrɛd ˈnɛm/ noun same as registered trademark
trade-off /ˈtrɛd ˈɔf/ noun an act of exchanging one thing for another as part of a business deal (NOTE: The plural is trade-offs.)
trade price /ˈtrɛd prɑs/ noun a special wholesale price paid by a retailer to the manufacturer or wholesaler
trader /ˈtrɛdər/ noun a person who does business
trade surplus /ˈtrɛd səˈsʌrpləs/ noun the difference in value between a country’s high exports and lower imports
Brazil’s trade surplus is vulnerable both to a slowdown in the American economy and a pick-up in its own [Economist]
trade terms /ˈtrɛd tɜːmz/ plural noun a special discount for people in the same trade
trade-weighted index /ˈtrɛd, ˈtrɛd ˈwɛtɪd ˌɪndeks/ noun an index of the value of a currency calculated against a basket of currencies
trading /ˈtrɛdɪŋ/ noun 1. the business of buying and selling. 2. an area of a brokerage firm where dealing in securities is carried out by phone, using monitors to display current prices and stock exchange transactions
trading, profit and loss account /ˈtrɛdɪŋ ˌprɒfɪt ən ˈlɒs ˌkeɪntə/ noun an account which details the gross profit or loss made by an organisation for a given period

transaction
transaction costs /transˈzekʃən kɔsts/ noun incremental costs that are directly attributable to the buying or selling of an asset. Transaction costs include commissions, fees and direct taxes.

transaction cycle /transˈzekʃən sərk(ə)l/ noun any of three aspects of business activity regarded as occurring in cycles: revenue, buying and production

transaction date /transˈzekʃən dət/ noun the date on which control of an asset passes from the seller to the buyer

transaction exposure /transˈlekʃən eks(pərəˈzaʊər)/ noun the risk that an organisation may suffer the effects of foreign exchange rate changes during the time it takes to arrange the export or import of goods or services. Transaction exposure is present from the time a price is agreed until the payment has been made or received in the domestic currency.

transfer noun /transˈfərzər/ an act of moving an employee to another job in the same organisation. She applied for a transfer to our branch in Scotland. "verb transfer /transˈfərzər/ to move someone or something to a different place, or to move someone to another job in the same organisation. The accountant was transferred to our Scottish branch.

She transferred his shares to a family trust. "She transferred her money to a deposit account.

transferable /transˈfərzərəb(ə)l/ adjective possible to pass to someone else

transfer of property /transˈfərzər əv ˈprɒpərti/ transfer of shares /transˈfərzər əv ˈʃeərz/ the act of moving the ownership of property or shares of stock from one person to another

transferor /transˈfərzərər/ noun a person who transfers goods or property to another

transfer price /transˈfərzər ˈprɑːsər/ noun the price at which a transaction is carried out between related companies

transfer pricing /transˈfərzər ˈprɑːsərɪŋ/ noun prices used in a large organisation for selling goods or services between departments in the same organisation; also used in multinational corporations to transfer transactions from one country to another to avoid paying tax

transferred charge call /transˈfərzəd tʃərʤ ˈkɔl/ noun a phone call where the person receiving the call agrees to pay for it

transferred-in costs /transˈfərzəd ˈɪn ˈkɔsts/ plural noun the cost of switching the processing of a product or delivery of a service from one department of an organisation to another

translate /transˈleɪt/ verb to put something which is said or written in one language into another language. "He asked his secretary to translate the letter from the German agent.

We have had the contract translated from French into Japanese.

translation /transˈleɪʃən/ noun something which has been translated. "She passed the translation of the letter to the accounts department.

translation exposure /transˈleɪʃən eks(pərəˈzaʊər)/ noun the risk that the balance sheet and income statement may be adversely affected by foreign exchange rate changes

transparent market /transˈpɜːrəntˈmɑːrkɪt/ noun a market in which financial and operational information is shared openly between shareholders, investors and company officials

traveller’s cheques /trævərlz ˈkeɪʃəz/ plural noun cheques bought by a traveller which can be cashed in a foreign country

travelling expenses /ˈtrævəlɪŋ ekˌspərənsi/ plural noun money spent on travelling and hotels for business purposes.

treasurer /ˈt瑞zərər/ noun 1. a person who looks after the money or finances of a club or society, etc. 2. a company official responsible for finding new finance for the company and using its existing financial resources in the best possible way.

3. US the main financial officer of a company. 4. (in Australia) the finance minister in a government department Treasury /ˈt瑞zərɪ/ noun 1. a government department which deals with the country’s finance. (NOTE: The term is used in both the UK and the US; in most other countries this department is called the Ministry of Finance.) 2. the department of a company or corporation that deals with all financial matters

Treasury bill /ˈt瑞zərɪ bɪl/ noun a short-term financial instrument which does not give any interest and is sold by the government at a discount through the central bank. In the UK, their term varies from three to six months, in the US, they are for 91 or 182 days, or for 52 weeks. (NOTE: In the US they are also called a T-bill)

Treasury bond /ˈt瑞zərɪ bɔnd/ noun a long-term bond issued by the British or US government. Also called T-bond
treasury management /ˈt瑞zərɪ,ˈtreɪnədʒmənt/ noun an entity’s method of
dealing of its financial matters, including...

treasury products /ˈtreʒəri ˈprɔdʌkts/ plural noun any financial items produced by a government for sale, such as bonds
Treasury Secretary /ˈtreʒəri ˈsektrəri/ noun same as Secretary of the Treasury
Treasury stocks /ˈtreʒəri ʃtɒks/ plural noun stocks issued by the British government. Also called Exchequer stocks

trend /trend/ noun a general way in which things are developing ○ a downward trend in investment ○ The report points to inflationary trends in the economy. ○ We have noticed an upward trend in sales.

trillion /ˈtrɪlɪən/ noun one million millions (NOTE: In the UK, trillion now has the same meaning as in the US; formerly in UK English it meant one million million millions, and it is still sometimes used with this meaning; see also the note at billion.)

...if land is assessed at roughly half its current market value, the new tax could yield up to £10 trillion annually' [For Eastern Economic Review]

...behind the decline was a 6.1% fall in exports to ¥47.55 trillion, the second year in a row behind the decline was a 6.1% fall in exports to ¥47.55 trillion, the second year of falling. Automobiles and steel were among categories showing particularly conspicuous drops’ [Nikkei Weekly]

...the London Stock Exchange said that the value of domestic UK equities traded during the year was £1.4066 trillion, more than the capitalization of the entire London market and an increase of 36 per cent compared with previous year’s total of £1.037 trillion’ [Times]

true and fair view /ˌtroːi nd ˈfeər viː/ noun a correct statement of a company’s financial position as shown in its accounts and confirmed by the auditors


true copy /ˌtruː ˈkəopi/ noun an exact copy of a legal document, as attested by a notary public ○ I certify that this is a true copy. ○ It is certified as a true copy.

trust /traʊst/ noun 1. the fact of being confident that something is correct or will work 2. a legal arrangement to pass goods, money or valuables to someone who will look after them well ○ She left her property in trust for her grandchildren. 3. the management of money or property for someone ○ They set up a family trust for their grandchildren. 4. US a small group of companies which control the supply of a product

trust company /ˈtraʊst ˌkaʊmpəni/ noun US an organisation which supervises the financial affairs of private trusts, executes wills, and acts as a bank to a limited number of customers

trust deed /ˈtraʊst ˌdɪd/ noun a document which sets out the details of a private trust

trustee /trɛsti/ noun a person who has charge of money in trust ○ the trustees of the pension fund

trustee in bankruptcy /ˈtrɛsti ɪn ˈbæŋkbrəkstʃər/ noun a person who is appointed by a court to run the affairs of a bankrupt and pay his or her creditors

trust fund /ˈtræst fʌnd/ noun assets such as money, securities or property held in trust for someone

turn /tɜːn/ noun 1. a movement in a circle, or a change of direction 2. a profit or commission ○ She makes a turn on everything he sells.

turn down phrasal verb to refuse something ○ The bank turned down their request for a loan. ○ The application for a licence was turned down.

turn over phrasal verb 1. to have a specific amount of sales ○ We turn over £2,000 a week. 2. US to pass something to someone ○ She turned over the documents to the lawyer. (NOTE: In this meaning, the usual UK term is hand over.)

turn round phrasal verb to make a company change from making a loss to becoming profitable ○ they turned the company round in less than a year they made the company profitable in less than a year

turnaround /ˈtɜːrnərənd/ noun especially US same as turnaround

turnover /ˈtaʊnəvər/ noun 1. the amount of sales of goods or services by a company ○ The company’s turnover has increased by 235%. ○ We based our calculations on the
turnover of labour  

forecast turnover. 2. the number of times something is used or sold in a period, usually one year, expressed as a percentage of a total

turnover of labour /ˌtɜːrnəv əv ˈleɪər/ noun same as labour turnover

turnover ratio /ˌtɜːrnəv ər ˈreɪʃəʊ/ noun  
a measure of the number of times a business’s stock is turned over in a given year, calculated as the cost of sales divided by the stock’s average book value

turnover tax /ˌtɜːrnəv ər ˈteɪks/ noun same as VAT

turnround /ˈtɜːrnraʊnd/ noun 1. the value of goods sold during a year divided by the average value of goods held in stock. 2. the act of making a company profitable again

(Note: [all senses] The US term is turn-around.)

two-way analysis /ˈtuː wiː ˈeɪnəlɪsɪs/ noun  
an analysis of business activity that looks at price and quantity in relation to materials and labour, and budget and volume in relation to overheads, but does not consider spending and efficiency
authorized access to the company's records
Several thousand units are unaccounted for
unaccounted for

unauthorised expenditure
unauthorised access to the company's records
unauthorised expenditure

unbalanced /'æn'bælənd/ adjective referring to a budget which does not balance or which is in deficit

unbanked /'æn'bæŋkt/ adjective referring to a person who does not have a bank account

uncalled /'æn'kɔːld/ adjective referring to capital which a company is authorised to raise and has been issued but for which payment has not yet been requested

uncommitted credit lines /'æn'kɒmmɪtɪd 'kredɪt ,lɛnts/ plural noun a borrowing arrangement that a bank provides but may choose to withdraw at any time

unconsolidated /'æn'kɒnsəlɪdeɪtɪd/ adjective not grouped together, as of shares or holdings

unconsolidated subsidiary /'æn'kɒnsəlɪdeɪtɪd 'səbə'ʃəriə/ noun a subsidiary that is not included in the consolidated financial statements of the group to which it belongs. An unconsolidated subsidiary would appear on a consolidated balance sheet as an investment.

uncontrollable /'æn'kɔntrələbl/ adjective not possible to control or uncontrollable inflation

uncommitted costs /'æn'kɒmɪtɪd 'kɔstz/ plural noun costs appearing on a management accounting statement that are regarded as not within the control of that particular level of management

uncrossed cheque /'æn'kroʊst 'ʃeɪk/ noun a cheque which does not have two lines across it, and can be cashed anywhere (NOTE: They are no longer used in the UK, but are still found in other countries.)

undated /'ʌn'deɪtɪd/ adjective with no date indicated or written ○ She tried to cash an undated cheque.

undated bond /'ʌn'deɪtɪd 'bɔnd/ noun a bond with no maturity date
underabsorbed overhead 230

underabsorbed overhead noun an absorbed overhead which ends up by being lower than the actual overhead incurred

underabsorption noun a situation where the actual overhead incurred is higher than the absorbed overhead. Opposite overabsorption

undercapitalised /ˌʌndəˈkeɪpɪtəlɪzaɪd/, undercapitalized adjective without enough capital  "The company is severely undercapitalised.

undercharge /ˌʌndəˈtʃɑːrd/ verb to ask someone for too little money  "She undercharged us by £5.

underemployed capital /ˌʌndərmɪplɪd/ 'kept(ə)/ noun capital which is not producing enough interest

underlease /ˌʌndərliːz/ noun a lease from a tenant to another tenant

underlying inflation rate /ˌʌndəˈlaɪnɪŋ ɪnˈfləʃn ˈreɪt/ rate/ noun the basic inflation rate calculated on a series of prices of consumer items, petrol, gas and electricity, and interest rates. Compare headline inflation rate

underspend /ˌʌndəˈspend/ verb to spend less than you should have spent or were allowed to spend

understandability /ˌʌndəˈstændəbiliti/ noun when referring to financial information, the quality of being sufficiently clearly expressed as to be understood by anybody with a reasonable knowledge of business

understate /ˌʌndəˈstreɪt/ verb to enter in an account a figure that is lower than the actual figure  "The company accounts understates the real profit.

undersubscribed /ˌʌndəsəˈskraɪbd/ adjective referring to a share issue in which applications are not made for all the shares on offer, and part of the issue remains with the underwriters

undertake /ˌʌndəˈteɪk/ verb to agree to do something  "We asked the research unit to undertake an investigation of the market.

undertaking /ˌʌndəˈtɛknɪŋ/ noun 1. a business  "He is the MD of a large commercial undertaking. 2. a promise, especially a legally binding one  "They have given us a written undertaking not to sell their products in competition with ours.

undervaluation /ˌʌndəˈvɛljuəˈʃən/ noun the state of being valued, or the act of valuing something, at less than the true worth

undervalued /ˌʌndəˈvɛljuəd/ adjective not valued highly enough  "The dollar is undervalued on the foreign exchanges. 3. The properties are undervalued on the company’s balance sheet.

…in terms of purchasing power, the dollar is considerably undervalued, while the US trade deficit is declining month by month” [Financial Weekly]

underwrite /ˌʌndəˈraɪt/ verb 1. to accept responsibility for something 2. to insure, to cover a risk  "to underwrite an insurance policy 3. to agree to pay for costs  "The government has underwritten the development costs of the project. (NOTE: underwriting – underwrote – has underwritten)

…under the new program, mortgage brokers are allowed to underwrite mortgages and get a much higher fee” [Forbes Magazine]

underwriter /ˌʌndəˈraɪtər/ noun a person or company that underwrites a share issue or an insurance

underwriting /ˌʌndəˈraɪtɪŋ/ noun the action of guaranteeing to purchase shares in a new issue if no one purchases them

underwriting fee /ˌʌndəˈraɪtɪŋ fi/ noun a fee paid by a company to the underwriters for guaranteeing the purchase of new shares in that company

underwriting syndicate /ˌʌndəˈraɪtɪŋ sɪndɪkət/ noun a group of underwriters who insure a large risk

undischarged bankrupt /ˌʌndɪsˈfɔːrd/ 'bæŋkrəpt/ noun a person who has been declared bankrupt and has not been released from that state

undistributable profit /ˌʌndɪstrɪˈbjuːtəbl/ 'prɒfɪt/ noun profit that is not legally available for distribution to shareholders as dividends

undistributable reserves /ˌʌndɪstrɪˈbjuːtəbl/ rɪˈzɜːvz/ plural noun same as capital reserves

undistributed profit /ˌʌndɪstrɪˈbjuːtɪd 'prɒfɪt/ noun profit which has not been distributed as dividends to shareholders

unearned income /ˌʌnˈɜːrnɪd/ 'ɪnkəm/ noun same as investment income

unemployed /ˌʌnˈɪmplɔɪd/ adjective not having any paid work

unemployment /ˌʌnˈɪmpləʊmənt/ noun 1. the state of not having any work 2. the number of people in a country or region who are willing to work but cannot find jobs

книга выложена группой vk.com/englishlibrary
unit /ˈjuːnɪt/ noun 1. a single product for sale 2. a single share in a unit trust
unitary taxation /juːnɪtəri ˈtæks/ noun a method of taxing a corporation based on its worldwide income rather than on its income in the country of the tax authority
unit contribution margin /juːnɪt ˈkɒntrɪbjuːʃən ˈmærɡɪn/ noun the profit made on each unit sold
unit cost /ˈjuːnɪt kɒst/ noun the cost of one item, i.e. the total product costs divided by the number of units produced
unit holder /ˈjuːnɪt, ˈhəʊldər/ noun a person who holds units in a unit trust
uniting of interests /juːnɪtɪŋ əv ɪnˈɜːriːts/ noun the international accounting standards term for merger accounting
unit level activities /ˈjuːnɪt ˌlevəl ˈæk.tɪvɪtiz/ plural noun business activities undertaken each time a unit is produced
unit-linked insurance /juːnɪt lɪŋkt ɪnˈʃʊərəns/ noun an insurance policy which is linked to the security of units in a unit trust or fund
unit of account /juːnɪt əv əˈkaʊnt/ noun a standard unit used in financial transactions among members of a group, e.g. SDRs in the IMF
unit price /ˈjuːnɪt prɑːs/ noun the price of one item
units of production method of depreciation /juːnɪts əv prəˈdəʊʃən ˈmeθəd əv deˈpriːʃiəʃən/ noun a method of calculating depreciation that determines the cost of an asset over its useful economic life according to the number of units it is expected to produce over that period
unit trust /ˈjuːnɪt trəst/ noun an organisation which takes money from small investors and invests it in stocks and shares for them under a trust deed, the investment being in the form of shares (or units) in the trust (note: the US term is mutual fund)
unlawful /ʌnˈləʊfəl/ adjective against the law, not legal
unlimited company /ˌʌnˈlɪmɪtɪd ˈkʌmpəni/ noun a company where the shareholders have no limit as regards liability
unlimited liability /ˌʌnˈlɪmɪtɪd ˈlɪərəli/ noun a situation where a sole trader or each partner is responsible for all a firm's debts with no limit on the amount each may have to pay
unliquidated claim

unliquidated claim /ˌʌnˌlɪkwaɪdɪtɪd kˈliːmə/ noun a claim for unliquidated damages

unliquidated damages /ˌʌnˌlɪkwaɪdɪtɪd ˈdeɪmdʒɪz/ plural noun damages which are not for a fixed amount of money but are awarded by a court as a matter of discretion

unlisted company /ˈʌnˌlistɪd ˈkæmpənɪ/ noun a company whose shares are not listed on the Stock Exchange

unlisted securities /ˈʌnˌlistɪd ˈsɪkʃərɪti/ plural noun shares that are not listed on the Stock Exchange

unpaid /ˈʌnˈpeɪd/ adjective not paid

unprofitable /ˈʌnˌprɔfɪtəbəl/ adjective not profitable

unquoted company /ˌʌnˌkwɔːtɪd ˈkæmpənɪ/ noun a company whose shares are not listed on the stock exchange

unquoted investments /ˌʌnˌkwɔːtɪd ɪnˈvestmənts/ plural noun investments which are difficult to value, e.g. shares which have no stock exchange listing or land of which the asset value is difficult to estimate

unquoted shares /ˌʌnˌkwɔːtɪd ˈʃeəz/ plural noun shares that have no Stock Exchange quotation

unrealisable gains /ˌʌnˌrɪəˈzəlɪstəb(ə)l/ plural noun apparent increases in the value of assets that could not be turned into realised profit

unrealised capital gain /ˌʌnˌrɪəˈzɪliʒtɪd ˈkeɪpitol gən/ noun an investment which is showing a profit but has not been sold

unrealised loss /ˌʌnˌrɪəˈzɪliʒtɪd ˈlɒs/ noun same as paper loss

unsecured profit /ˌʌnˌsɪkɜrd ˈprɒfit/ noun same as paper profit

unredeemed pledge /ˌʌnˌrɪdəmd ˈpledʒ/ noun a pledge which the borrower has not claimed back because he or she has not paid back the loan

unregistered /ˌʌnˌrɪˈdʒɪstrəd/ adjective used for describing a company that has not been registered on the official list of companies held, in the UK, at Companies House

unrestricted income funds /ˌʌnˌrɪstrɪktɪd ˈɪnfəʊk/ plural noun a charity's funds that are available to its trustees to use for the purposes set out in the charity's governing document

unsecured creditor /ˌʌnˌsɪkɜrd ˈkredɪtə/ noun a creditor who is owed money, but has no security from the debtor for the debt

unsecured debt /ˌʌnˌsɪkɜrd ˈdɛt/ noun a debt which is not guaranteed by a charge on assets or by any collateral

unsecured loan /ˌʌnˌsɪkɜrd ˈloʊn/ noun a loan made with no security

unsubsidised /ˈʌnˌsʌbsɪdɪzd/ adjective with no subsidy

unused allowances /ˈʌnˌjuːzd əˈlaʊənsiz/ plural noun part of the married couple's allowance or the blind person's allowance which is not used because the recipient does not have enough income, and which can then be passed to their spouse

up front /ʌp ˈfrʌnt/ adverb in advance ○ money up front payment in advance ○ They are asking for £100,000 up front before they will consider the deal. ○ He had to put money up front before he could clinch the deal.

upside potential /′ʌpˌsaɪd pəˈtenʃəl/ noun the possibility for a share to increase in value. Opposite downside risk

upturn /ˌʌptɔrn/ noun a movement towards higher sales or profits ○ an upturn in the economy ○ an upturn in the market

Urgent Issues Task Force /ˌɜːrdʒ ˈɪssuəz ˈteɪsk fɔːr/ noun a committee of the UK Accounting Standards Board that considers major urgent and emerging accounting issues. Its pronunciations are known as UITF Abstracts. Abbreviation UITF

usage method /ˌdʒuːʒiˈmeθəd/ noun a method of depreciating a machine, by dividing its cost less residual value by the number of units it is expected to produce or the length of time it is expected to be used

useful economic life /ˌdʒuːʃəl ˈekənəmɪk lajf/ noun the period during which an entity expects to derive economic benefit from using an asset such as a machine and over which it can be depreciated. Also called depreciable life

usury /′juːsəri/ noun the lending of money at high interest

utilisation /ˌjuːtələˈzeʃən/ noun the act of making use of something ○...control permits the manufacturer to react to changing conditions on the plant floor and to keep people and machines at a high level of utilisation [Duns Business Month]

utilise /juːˈtɪlaɪz/, utilize verb to use something
vacant possession /vækənt pəˈzeʃən/ adjective being able to occupy a property immediately after buying it because it is empty. The property is to be sold with vacant possession.

valuation /vəˈljuːʃən/ noun an estimate of how much something is worth to ask for a valuation of a property before making an offer for it.

valuation of a business /vəˈljuːʃən əv əˈbiznɪs/ noun the act of estimating the value of a business. This can be done on various bases, such as an assets basis, its break-up value, its value as a going concern, etc.

value /ˈvæljuː/ noun the amount of money which something is worth. The fall in the value of sterling. She imported goods to the value of £2500. The valuer put the value of the stock at £25,000. The valuer did the valuation of the stock at £25,000. We are having the jewellery valued for insurance.

value added /ˈvæljuː dəd/ noun 1. the difference between the cost of the materials purchased to produce a product and the final selling price of the finished product 2. the amount added to the value of a product or service, being the difference between its cost and the amount received when it is sold. Also called net output.

value-added activity /ˈvæljuː dəd ˈveɪtʃəd əkˈtɪvɪti/ noun business activity that improves a product or service at a cost that the customer is willing to pay.

value-added statement /ˈvæljuː dəd ˈstɛrnəmt/ noun a simplified financial statement that shows how much wealth has been created by a company. A value-added statement calculates total output by adding sales, changes in stock, and other incomes, then subtracting depreciation, interest, taxes, dividends, and the amounts paid to suppliers and employees.

Value Added Tax /ˈvæljuː tæks/ noun full form of VAT.

value-adding cost /ˈvæljuː kəst/ noun a business cost that increases the market value of a product or service.

value analysis /ˈvæljuː əˈvæljuəsɪs/ noun analysis by a producer of all aspects of a finished product to determine how it could be made at minimum cost. Value analysis showed an excessive amount of rubber was used in manufacturing the product.

value chain /ˈvæljuː ʃeɪn/ noun the sequence of activities a company carries out as it designs, produces, markets, delivers, and supports its product or service, each of which is thought of as adding value.

‘Competition is no longer limited to the realm of the enterprise. Entire value chains are now starting to act as formidable entities, competing against each other for similar markets.’ [Harvard Business Review]

value chain costing /ˈvæljuː ˈveɪtʃəd kəstɪŋ/ noun a costing model that takes into account all aspects of the chain of production, from design to after-sales.

value in use /ˈvæljuː ɪn juːs/ noun the present value of the estimated future net cash flows from an object, including the amount expected from its disposal at the end of its useful life. Value in use replaces book value when an asset suffers impairment.

valuer /ˈvæljuər/ noun a person who estimates how much money something is worth.

variable annuity /ˈveərəbəl əˈnjuːəti/ noun an annuity based on funds invested in common stock, which varies with the value of the stock, as opposed to a fixed annuity.

variable costing /ˈveərəbəl kəstɪŋ/ noun a method of recording inventoried costs that records only the variable manufacturing costs, not the fixed costs.

variable cost percentage /ˈveərəbəl kəst pəˈsentɪd/ noun a ratio arrived at by dividing total variable costs by total sales.

marketing costs /ˈmærkɪtɪŋ kəstz/ plural noun production costs which increase
variable rate

with the quantity of the product made, e.g.,
wages or raw materials

variable rate /ˌvɛəriəb(ə)r/ noun a
rate of interest on a loan which is not fixed,
but can change with the current bank interest
rates. Also called floating rate

variable rate loan /ˌvɛəriəb(ə)l/ noun
a bank loan carrying an interest
rate that varies according to fluctuations in
a particular index

variance /ˌvɛəriəns/ noun the discrepancy
between the actual cost of an asset or busi-
ness activity and the standard or expected
cost

variance accounting /ˌvɛəriəns ə
ˈkauント/ noun a method of accounting by
means of which planned activities (quantifi-
ted through budgets and standard costs and
revenues) are compared with actual results

VAT /vɪt/ noun a tax on goods
and services, added as a percentage to the
invoiced sales price. The invoice includes
VAT at 17.5%. The government is propos-
ing to increase VAT to 22%. Some items
(such as books) are zero-rated for VAT. He
does not charge VAT because he asks for
payment in cash. Full form Value Added

Tax

‘...the directive means that the services of
stockbrokers and managers of authorized
unit trusts are now exempt from VAT; previ-
ously they were liable to VAT at the
standard rate. Zero-rating for stockbro-
kers’ services is still available as before,
but only where the recipient of the service
belongs outside the EC. [Accountancy]

VAT declaration /ˈvæt ˌdekələrəʃən/ noun
a statement declaring VAT income to
the VAT office

VAT group /ˈvæt gruːp/ noun in the
United Kingdom, a group of related compa-
nies that is treated as one taxpayer for VAT
purposes

VAT inspection /ˈvæt ɪnˈspekʃən/ noun
a visit by officials of HM Revenue and
Customs to see if a company is correctly
reporting its VAT

VAT inspector /ˈvæt ˌɪnˈspektər/ noun a
government official who examines VAT
returns and checks that VAT is being paid

VAT invoice /ˈvæt ˌɪnˈvıːs/ noun an
invoice which includes VAT

VAT invoicing /ˈvæt ˌɪnˈvıːsɪŋ/ noun
the sending of an invoice including VAT

VATman /ˈvætmeɪn, ˌvætmən/ noun a VAT
inspector (informal)

VAT office /ˈvæt ˈɔfɪs/ noun the govern-
ment office dealing with the collection of
VAT in an area

VAT paid /ˈvæt ˈpɛd/ adjective with the
VAT already paid

VAT receivable /ˈvæt ˈriːsɪvəbl/ adjective
with the VAT for an item not yet
collected by a taxing authority

VAT registration /ˈvæt ˌrɛdzɪstrəʃən/ noun
the process of listing a company with
a European government as eligible for the
return of VAT in certain cases

VC abbreviation venture capitalist

VCT abbreviation venture capital trust

vending /ˈvɛndɪŋ/ noun selling

vendor /ˈvendər/ noun 1. a person who
sells something, especially a property. The
solicitor acting on behalf of the vendor
2. a person who sells goods

venture /ˈvɛntʃə/ noun a commercial deal
which involves a risk. They lost money on
several import ventures. She’s started a
new venture – a computer shop.

venture capital /ˈvɛntʃər ˈkærptəl/ noun
a fund which invests in finance houses providing venture capital

‘...the Securities and Exchange Board of
India allowed new companies to enter the
primary market provided venture capital
funds took up 10 per cent of the equity. At
present, new companies are allowed to
make initial public offerings provided
their projects have been appraised by
banks or financial institutions which take
up 10 per cent of the equity.’ [The Hindu]

venture capitalist /ˈvɛntʃər ˈkærptəlɪst/ noun a finance house or pri-
vate individual specialising in providing
venture capital. Abbreviation VC

...along with the stock market boom of
the 1980s, the venture capitalists piled
more and more funds into the buyout busi-
ness, backing bigger and bigger deals with
ever more extravagant financing struc-
tures.' [Guardian]

venture capital trust /ˈvɛntʃər ˈkærptəl ˈtrʌst/ noun a trust which invests
in smaller firms which need capital to grow.

Abbreviation VCT

vertical equity /ˌvɜːrtɪk(ə)l ˈɛkwəti/ noun the principle that people with different
incomes should pay different rates of tax

vertical form /ˌvɜːrtɪk(ə)l ˈfɔːrm/ noun one
of the two styles of presenting a balance
sheet allowed by the Companies Act. See Comment at balance sheet. Also called report form
vertical integration /ˈvɜːtrɪˌɡrɛɪʃən/ noun same as backward integration
vested interest /ˈvestɪd ɪntəst/ noun a special interest in keeping an existing state of affairs
visible /ˈvɪzəbil/ adjective referring to real products which are imported or exported
visible imports /ˈvɪzəb(ə)lˈɪmپɔːrts/ plural noun real products which are imported, as opposed to services
visible trade /ˈvɪzəb(ə)lˈtreɪd/ noun trade involving visible imports and exports
volume /ˈvɑːljuːm/ noun a quantity of items
volume discount /ˈvɒljuːm ˈdɪskəuント/ noun the discount given to a customer who buys a large quantity of goods
volume of output /ˈvɑːljuːm əv ˈaʊtpt/ noun the number of items produced
volume variances /ˈvɒljuːm ,veərɪənəs/ plural noun differences in costs or revenues compared with budgeted amounts, caused by differences between the actual and budgeted levels of activity
voluntary /ˈvɒlənt(ə)ri/ adjective 1. done freely without anyone forcing you to act 2. done without being paid
voluntary arrangement /ˈvɒlənt(ə)ri əˈrɛndʒmənt/ noun same as scheme of arrangement
voluntary liquidation /ˈvɒlənt(ə)ri ˈlɪkwərədʒ(ə)n/ noun a situation where a company itself decides it must close and sell its assets
voluntary redundancy /ˈvɒlənt(ə)ri ˈrendəndʒənsi/ noun a situation where the employee asks to be made redundant, usually in return for a large payment
voluntary registration /ˈvɒlənt(ə)ri ˈredʒɪstreɪʃ(ə)n/ noun in the United Kingdom, registration for VAT by a trader whose turnover is below the registration threshold. This is usually done in order to reclaim tax on inputs.
voucher /ˈvɔːtʃər/ noun 1. a piece of paper which is given instead of money 2. a written document from an auditor to show that the accounts are correct or that money has really been paid
vouching /ˈvʌtʃɪŋ/ noun the process of checking accounting accuracy by matching vouchers and other documents with the details recorded in an account
wage /ˈweɪdʒ/ noun the money paid to an employee in return for work done, especially when it is paid weekly and in cash. She is earning a good wage or good wages for a young person. (Note: The plural wages is more usual when referring to the money earned, but wage is used before other nouns.)

‘European economies are being held back by rigid labor markets and wage structures.’ [Duss Business Month]

‘…real wages have been held down dramatically; they have risen at an annual rate of only 1% in the last two years.’ [Sunday Times]

wage adjustments /ˈweɪdʒ əˌdjʊstmənts/, plural noun changes made to wages

wage claim /ˈweɪdʒ klem/ noun an act of asking for an increase in wages

wage differentials /ˈweɪdʒ dɪˈfɜːrəntɪəls/, plural noun same as pay differentials

wage-earner /ˈweɪdʒ ,ɪərˈnər/ noun a person who earns a wage

wage indexation /ˈweɪdʒ ɪnˈdɛksəʃən/ noun the linking of increases to the percentage rise in the cost of living

wage scale /ˈweɪdʒ skel/ noun same as pay scale

wages costs /ˈweɪdʒ kəsts/ plural noun the costs of paying employees’ salaries. Along with other costs such as pension contributions and salaries, these costs typically form the largest single cost item for a business.

wages payable account /ˌweɪdʒz ˈpɛərəb(ə)l əˌkaʊnt/ noun an account showing gross wages and employer’s National Insurance contributions paid during a period

wages policy /ˈweɪdʒz ˈpɒlisi/ noun a government policy on what percentage increases should be paid to workers

wall safe /ˈweɪd sæf/ noun a safe installed in a wall

warehouse /ˈweɪrəhuːz/ noun a large building where goods are stored

warehouse capacity /ˈweɪrəhuːz kəˈpæsətɪ/ noun the space available in a warehouse

warrant /ˈwɔrənt/ noun 1. an official document which allows someone to do something 2. a share warrant a verb to guarantee. ‘…the rights issue will grant shareholders free warrants to subscribe for further new shares.’ [Financial Times]

warrantee /ˌwɔrənti/ noun a person who is given a warranty

warrantor /ˌwɔrəntɔr/ noun a person who gives a warranty

warranty /ˈwɔrənti/ noun 1. a legal document which promises that a machine will work properly or that an item is of good quality 2. The car is sold with a twelve-month warranty. 3. The warranty covers spare parts but not labour costs. 2. a promise in a contract 3. a statement made by an insured person which declares that the facts stated by him are true

wasting asset /ˈweɪstɪŋ əˈset/ noun an asset which becomes gradually less valuable as time goes by, e.g. a short lease on a property

watchdog /ˈwɔtʃdɒg/ noun an independent person or organisation whose task is to police a particular industry, ensuring that member companies do not act illegally

watered stock /ˈweɪtəd stɔk/ noun shares that are worth less than the total capital invested in the company

WDA abbreviation 1. writing-down allowance 2. written-down allowance

WDV abbreviation written-down value

wealth tax /ˈwelθ tæks/ noun a tax on money, property or investments owned by a person

wear and tear /ˈweər ən ˈteər/ noun the deterioration of a tangible fixed asset as a
result of normal use. This is recognised for accounting purposes by depreciation.

**web** /web/ noun same as World Wide Web **weight** /wɛt/ noun a measurement of how heavy something is **verb** to give an extra value to a factor

**weighted average** /wɛtɪd 'ævəriʤ/ noun an average which is calculated taking several factors into account, giving some more value than others

**weighted average cost** /wɛtɪd 'ævərɪdʒ kɒst/, **weighted average price** /wɛtɪd 'ævərɪdʒ prɒs/ noun the average price per unit of stock delivered in a period calculated either at the end of the period ("periodic weighted average") or each time a new delivery is received ("cumulative weighted average")

**weighted average cost of capital** /wɛtɪd 'ævərɪdʒ kɒst əv 'kept(ɪ)ŋ/ noun the average cost of a company’s borrowing in relation to its total capital

**weighted index** /wɛtɪd 'ɪndeks/ noun an index where some important items are given more value than less important ones

**weighting** /wɛtɪŋ/ noun an additional salary or wages paid to compensate for living in an expensive part of the country. **verb** to give more weight to something

**Wheat Report** /'wɪt rt,prɒst/ noun a report produced by a committee in 1972 that set out to examine the principles and methods of accounting in the United States. Its publication led to the establishment of the FASB.

**White knight** /wɔ:t nat/ noun a person or company which rescues a firm in financial difficulties, especially one which saves a firm from being taken over by an unacceptable purchaser

**White Paper** /wɔ:t pitəs/ noun a report issued by the UK government as a statement of government policy on a particular problem. Compare **Green Paper**

**whole-life cost** /hɔul 'lɑf, kɒst/ noun a cost calculated as life-cycle costs plus any after-purchase costs

**whole-life insurance** /hɔul 'lɑf ɪn'sərəns/, **whole-life policy** /hɔul 'lɑf 'pɒlɪs/ noun an insurance policy where the insured person pays a fixed premium each year and the insurance company pays a sum when he or she dies. Also called **whole-of-life assurance**

**wholesale** /hɔulset/ adjective, **adverb** referring to the business of buying goods from manufacturers and selling them in large quantities to traders (retailers) who then sell in smaller quantities to the general public. **verb** to sell goods in bulk at a wholesale discount. **he** buys wholesale and sells retail he buys goods in bulk at a wholesale discount and then sells in small quantities to the public

**wholesale banking** /hɔulset bæŋkn/ noun banking services between merchant banks and other financial institutions, as opposed to retail banking

**wholesale dealer** /hɔulset dɪlər/ noun a person who buys in bulk from manufacturers and sells to retailers

**wholesale price** /hɔulset prɒs/ noun the price charged to customers who buy goods in large quantities in order to resell them in smaller quantities to others

**wholesale price index** /hɔulset prɒs 'ɪndeks/ noun an index showing the rises and falls of prices of manufactured goods as they leave the factory

**wholesaler** /hɔulselər/ noun a person who buys goods in bulk from manufacturers and sells them to retailers

**wholly-owned subsidiary** /hɔulli 'ʌnd sab'dɪsəri/ noun a subsidiary which belongs completely to the parent company

**will** /wɪl/ noun a legal document where someone says what should happen to his or her property when he or she dies. **verb** to leave something to someone in a will

**wind up** /wɪndʌp/ verb to end a meeting, or to close down a business or organisation and sell its assets. **she** wound up the meeting

**windfall profit** /wɪndfɔl prɒfɪt/ noun a sudden profit which is not expected

**windfall profits tax** /wɪndfɔl prɒfɪts tæks/, **windfall tax** /wɪndfɔl tæks/ noun a tax on companies that have made large profits because of circumstances outside their usual trading activities. A windfall tax was imposed on the privatised utility companies in 1997.

**winding up** /'wɪndɪŋ pʌŋ/ noun liquidation, the act of closing a company and selling its assets

**winding up petition** /'wɪndɪŋ pʌŋ pʃɪˈtʃən/ noun an application to a court for an order that a company be put into liquidation

**window dressing** /'wɪndəʊ dresɪŋ/ noun 1. the practice of putting goods on display in a shop window, so that they attract customers. 2. the practice of putting on a display to make a business seem better or more profitable or more efficient than it really is
window of opportunity

window of opportunity /ˈwɪndəʊ ɒv ˈɒpəˈtuːnɪti/ noun a short period which allows an action to take place

WIP abbreviation work in progress

withdraw /ˈwɪdˌraʊ/ verb 1. to take money out of an account  2. to withdraw money from the bank or from your account  3. You can withdraw up to £50 from any cash machine by using your card.

NOTE: withdrawing – withdrew

withdrawal /ˈwɪdˌraʊəl/ noun the act of removing money from an account  2. to give seven days' notice of withdrawal  3. Withdrawals from bank accounts reached a peak in the week before Christmas.

withholding tax /ˈwɪdˌhɔːlɪŋ ˈteɪks/ noun US a tax which removes money from interest or dividends before they are paid to the investor, usually applied to non-resident investors

with profits /wiðˈprɒftɪs/ adverb used to describe an insurance policy which guarantees the policyholder a share in the profits of the fund in which the premiums are invested

work cell /ˈwɜːk sɛl/ noun a unit of employees, or a set of machines, assigned to a particular manufacturing task

workforce /ˈwɜːkʃɔːs/ noun the total number of employees in an organisation, industry or country

working capital /ˈwɜːkɪŋ ˈkeɪpət(ə)l/ noun capital in the form of cash, stocks, and debtors but not credits, used by a company in its day-to-day operations. Also called circulating capital, floating capital, net current assets

working capital turnover /ˈwɜːkɪŋ ˈkeɪpət(ə)l ˌtaʊərən/ noun a figure equal to sales divided by average working capital

working partner /ˈwɜːkɪŋ ˈpɑːtner/ noun a partner who works in a partnership

work-in-progress /ˈwɜːk ɪn ˈprɔrəɡrəs/ noun inventory units that are only partially completed at the end of an accounting period

work in progress /ˈwɜːk ɪn ˈprɔrəɡrəs/ noun the value of goods being manufactured which are not complete at the end of an accounting period  2. Our current assets are made up of stock, goodwill and work in progress. Abbreviation WIP (NOTE: The US term is work in process.)

work permit /ˈwɜːk ˈpɜːmɪt/ noun an official document which allows someone who is not a citizen to work in a country.

works /wɜːks/ noun a factory  1. There is a small engineering works in the same street as our office.  2. The steel works is expanding. (NOTE: takes a singular or plural verb)

works committee /ˈwɜːks ˈkɒmɪtɪ/ noun a committee of employees and management which discusses the organisation of work in a factory

workstation /ˈwɜːk,steɪʃən/ noun a desk, usually with a computer terminal, printer, telephone and other office items at which an employee in an office works

World Bank /ˈwɜːld ˈbæŋk/ noun a central bank, controlled by the United Nations, whose funds come from the member states of the UN and which lends money to member states

World Wide Web /ˈwɜːld,wɛb/ web noun an information system on the Internet that allows documents to be linked to one another by hyperlinks and accommodates websites and makes them accessible. Also called web

worthless /ˈwɜːθləs/ adjective having no value  1. The cheque is worthless if it is not signed.

write down phrasal verb to note an asset at a lower value than previously  2. closing written-down value  3. opening written-down value  4. The car is written down in the company's books.

write-off phrasal verb to cancel a debt, or to remove an asset from the accounts as having no value  1. We had to write off £20,000 in bad debts.

$30 million from usual company borrowings will either be amortised or written off in one sum ' [Australian Financial Review]

write-down /ˈraɪt daʊn/ noun a reduction in the value of an asset as entered in the books of a business

write-off /ˈraɪt ˈɒff/ noun the total loss or cancellation of a bad debt, or the removal of an asset's value from a company’s accounts  1. to allow for write-offs in the yearly accounts

write-up /ˈraɪt ʌp/ noun a deliberate overvaluation of company assets

writing-down allowance /ˈrɪtaɪŋ ˈdaʊn əˌləʊəns/ noun a form of capital allowance giving tax relief to companies acquiring fixed assets which are written down on a year-by-year basis
written-down allowance /ˈwriːntəʊn daʊn əˈlaʊn/ noun an allowance which can be claimed on capital expenditure by a business or self-employed person in the years after the purchase was made. In the first year, the first year allowance (FYA) applies. Abbreviation WDA

written-down value /ˈwriːntəʊn  daʊn ˈveɪljuː/ noun same as net book value

written resolution /ˈwriːntəʊn ˈrɪzələn/ noun a decision to be reached by postal vote of the members of a UK private company equivalent to a resolution at a meeting
XYZ

xa abbreviation ex-all
XBRL /ˌɛks bɪˈɛrɛl/ noun a computer language used for financial reporting that allows companies to exchange or publish financial information through the Internet.

xd abbreviation ex-dividend

xa abbreviation ex-rights

year /ˈjɪər/ noun a period of twelve months. The accounts department has started work on the year-end accounts.

year-end adjustment /ˌjɪər ˈend ə ˌdʒæstment/ noun final adjustments to an entry in accounts to ensure complete accuracy in the presentation of a financial statement.

year-end closing /ˌjɪər ˈend ˈklaʊzn/ noun the financial statements issued at the end of a company’s fiscal (tax) year.

yearly /ˈjɪəli/ adjective happening once a year. Our payment of £1000. His insurance premium has risen to £550.

year of assessment /ˌjɪər əv ə ˈsɛsmənt/ noun a twelve-month period on which income tax is calculated. In the UK it is April 6th to April 5th of the following year.

year to date /ˈjɪə tə ˈdet/ noun the period between the beginning of a calendar or financial year and the present time. A variety of financial information, such as a company’s profits, losses or sales, may be displayed in this way. Abbreviation YTD.

Yield /jɪəld/ noun the money produced as a return on an investment, shown as a percentage of the money invested.

Yield to maturity /jɪəld tə məˈtʃɔrəti/ noun a calculation of the yield on a fixed-interest investment, assuming it is bought at a certain price and held to maturity.

YTD abbreviation year to date.

Zero /ˈziəru/ noun nought, the number 0. The code for international calls is 0 (00).

Zero-based budgeting /ˌziərə bevist ˈbʌdʒɪtɪŋ/ noun a method of budgeting which requires each cost element to be specifically justified, as though the activities to which the budget relates were being undertaken for the first time. Without approval, the budget allowance is zero.

Zero-coupon bond /ˌziərə kʊˈpɔrn bɔnd/ noun a bond which carries no interest, but which is issued at a discount and so provides a capital gain when it is redeemed at face value.

Zero inflation /ˌziərə ɪnˈfləʃən/ noun inflation at 0%.

Zero-rated /ˌziərə ˈretɪd/ adjective referring to an item which has a VAT rate of 0%.

Zero-rating /ˌziərə ˈretɪŋ/ noun the rating of a product or service at 0% VAT.

Yen /ˈjen/ noun a unit of currency used in Japan (Note: It is usually written as ¥ before a figure: ¥2,700 (say two thousand seven hundred yen)).
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Institute of Chartered Accountants of Scotland
CA House
21 Haymarket Yards
Edinburgh
EH12 5BH
T: 00 44 (0)131 347 0100
F: 00 44 (0)131 347 0105
Institute of Financial Accountants
Burford house
44 London Road
Sevenoaks
Kent
TN13 1AS
T: 00 44 (0)1732 458080
F: 00 44 (0)1732 455848
www.accountingweb.co.uk/ifa/journal/index.html

International

American Accounting Association (AAA)
5717 Bessie Drive
Sarasota, FL 34233-2399
USA
T: 00 1 (941) 921-7747
F: 00 1 (941) 923-4093
www.aaahq.org/index.cfm

Association of Chartered Accountants in the United States (ACAUS)
341 Lafayette Street
Suite 4246
New York, NY 10012-2417
USA
T: 00 1 (212) 334-2078

Australian Accounting Standards Board (AASB)
PO Box 204
Collins St West
VIC 8007
Australia
T: 00 61 (3) 9617 7600
T: 00 61 (3) 9617 7608

Institute of Chartered Accountants of New Zealand (ICANZ)
Level 2, Cigna House
40 Mercer Street
PO Box 11 342
Wellington 6034
New Zealand
T: 00 64 4 474 7840
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National Society of Accountants (NSA)
1010 North Fairfax Street
Alexandria, VA 22314
USA
T: 00 1 703 549 6400
F: 00 1 703 549 2984
Specimen Co Ltd

Profit and Loss Account for the Year to 31 December 2007

<table>
<thead>
<tr>
<th>Description</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Turnover</td>
<td>9,758</td>
</tr>
<tr>
<td>* Cost of sales</td>
<td>6,840</td>
</tr>
<tr>
<td>* Gross profit *</td>
<td>2,918</td>
</tr>
<tr>
<td>* Distribution costs</td>
<td>585</td>
</tr>
<tr>
<td>* Administrative expenses *</td>
<td>407</td>
</tr>
<tr>
<td></td>
<td>992</td>
</tr>
<tr>
<td></td>
<td>1,926</td>
</tr>
<tr>
<td>* Other operating income</td>
<td>322</td>
</tr>
<tr>
<td></td>
<td>2,248</td>
</tr>
<tr>
<td>* Income from shares in group companies</td>
<td>200</td>
</tr>
<tr>
<td>* Income from other fixed asset investments</td>
<td>75</td>
</tr>
<tr>
<td>* Other interest receivable and similar income</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>311</td>
</tr>
<tr>
<td></td>
<td>2,559</td>
</tr>
<tr>
<td>* Amounts written off investments</td>
<td>27</td>
</tr>
<tr>
<td>* Interest payable and similar charges</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>53</td>
</tr>
<tr>
<td>Profit on ordinary activities before taxation</td>
<td>2,506</td>
</tr>
<tr>
<td>* Tax on profit on ordinary activities</td>
<td>916</td>
</tr>
<tr>
<td>* Profit on ordinary activities after taxation</td>
<td>1,590</td>
</tr>
<tr>
<td>* Extraordinary income</td>
<td>153</td>
</tr>
<tr>
<td>* Extraordinary charges</td>
<td>44</td>
</tr>
<tr>
<td>* Extraordinary profit</td>
<td>109</td>
</tr>
<tr>
<td>* Tax on extraordinary profit</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>64</td>
</tr>
<tr>
<td>* Profit for the financial year</td>
<td>1,654</td>
</tr>
<tr>
<td>Transfers to Reserves</td>
<td>400</td>
</tr>
<tr>
<td>Dividends Paid and Proposed</td>
<td>750</td>
</tr>
<tr>
<td></td>
<td>1,150</td>
</tr>
</tbody>
</table>

Retained profit for the financial year                          | 504   |

* Figures are rounded to the nearest thousand.
About the Profit and Loss Account

While two vertical and horizontal formats are permissible, most UK companies use the vertical format illustrated. The horizontal profit and loss account format may be summarised as follows:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>X</td>
<td>Sales</td>
<td>X</td>
</tr>
<tr>
<td>Gross profit</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Expenses</td>
<td>X</td>
<td>Gross profit</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

In Germany and Italy only the vertical format is allowed.

According to the UK Companies Act a company must show all the items marked with * on the face of the profit and loss account. It must also disclose the value of certain items in the notes to the profit and loss account, such as:

a) interest owed on bank and other loans
b) rental income
c) costs of hire of plant and machinery
d) amounts paid to auditors
e) turnover for each class of business and country in which sales are made
f) number of employees and costs of employment
**Specimen Co Ltd**

**Balance Sheet for the Year to 31 December 2007**

<table>
<thead>
<tr>
<th>Category</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Intangible assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development costs</td>
<td>1,255</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>850</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Intangible assets</strong></td>
<td>2,105</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Tangible assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and buildings</td>
<td>4,758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>2,833</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>1,575</td>
<td></td>
<td>9,166</td>
</tr>
<tr>
<td><strong>Total Tangible assets</strong></td>
<td>9,166</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>730</td>
<td></td>
<td>12,001</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Stocks</td>
<td>975</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Debtors</td>
<td>2,888</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Cash at bank</td>
<td>994</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>4,857</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans</td>
<td>76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>3,297</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accruals</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Creditors: Amounts falling due within one year</strong></td>
<td>3,393</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td>1,464</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td>13,465</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debenture loans</td>
<td>1,875</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance leases</td>
<td>866</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank and other loans</td>
<td>124</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Creditors: Amounts falling after more than one year</strong></td>
<td>2,865</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* PROVISIONS FOR LIABILITIES AND CHARGES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation including deferred taxation</td>
<td>33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other provisions</td>
<td>557</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Provisions for Liabilities and Charges</strong></td>
<td>590</td>
<td></td>
<td>10,010</td>
</tr>
<tr>
<td><strong>CAPITAL AND RESERVES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Called-up share capital</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Share premium account</td>
<td>500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Revaluation reserve</td>
<td>1,158</td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Other reserves</td>
<td>262</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Capital and Reserves</strong></td>
<td>6,920</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PROFIT AND LOSS ACCOUNT</strong></td>
<td>3,090</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit and Loss</strong></td>
<td>10,010</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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About the Balance Sheet

While vertical and horizontal balance sheets are permissible, most UK companies prefer the vertical format as illustrated. The conventional form of horizontal balance sheet can be summarised as follows:

\[
\begin{array}{ccc}
\text{£} & \text{Capital brought forward} & \text{X} \\
\text{£} & \text{Profit for the year} & \text{X} \\
\text{£} & \text{Capital at year end} & \text{X} \\
\text{£} & \text{Long term liabilities} & \text{X} \\
\text{£} & \text{Current liabilities} & \text{X} \\
\text{£} & \text{Current Assets} & \text{X} \\
\end{array}
\]

In Germany and Italy only the horizontal format is allowed.

The UK Companies Act requires companies to show all the items marked with * in the example on the face of the balance sheet; the other items can be shown either on the balance sheet or in the notes to the accounts. In addition, the law requires companies to show the value of certain items in separate notes to the balance sheet, such as details of fixed assets purchased and sold during the year.

The notes to the published accounts almost always begin with a description of the accounting policies used by the company in the accounts, e.g. the depreciation policy. In the UK most accounts are prepared on a historical cost basis but this is not compulsory and other bases, such as current cost or historical cost modified by revaluation of certain assets, are also allowed.
Specimen Co Ltd

Statement of Source and Application of Funds

For the year to 31 December 2007

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>2,615</td>
<td></td>
</tr>
<tr>
<td>Adjustment for items not involving</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the movement of funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>772</td>
<td></td>
</tr>
<tr>
<td>Profit on the sale of fixed assets</td>
<td>(12)</td>
<td></td>
</tr>
<tr>
<td>Provision for bad debts</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Development expenditure</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td><strong>Total generated from operations</strong></td>
<td><strong>808</strong></td>
<td></td>
</tr>
</tbody>
</table>

| Funds from other sources             |          |          |
| Issue of shares                      | 250      |          |
| Sale of fixed assets                 | 75       |          |
| Dividends received                   | 240      |          |
| **Total**                            | **565**  |          |
| **Total generated from operations**  | **3,988**|          |

| Application of funds                 |          |          |
| Dividends paid                       | 550      |          |
| Taxation paid                        | 777      |          |
| Purchase of fixed assets             | 1,437    |          |
| **Total**                            | **2,764**|          |
| Increase in working capital          | 1,224    |          |
| Increase in stock                    | 82       |          |
| Decrease in debtors                  | 82       |          |
| Decrease in creditors                | 545      |          |
| **Total**                            | 383      |          |
| Decrease in bank overdraft           | 297      |          |
| Increase in cash balances            | 544      |          |
| **Total**                            | **841**  |          |
| **Total**                            | **1,224**|          |
Specimen Co Ltd  
Cash Flow Statement for the year to 31 December 2007

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash received from customers</td>
<td>8,804</td>
<td></td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>276</td>
<td></td>
</tr>
<tr>
<td>Cash paid to suppliers</td>
<td>(3,642)</td>
<td></td>
</tr>
<tr>
<td>Cash paid to and on behalf of employees</td>
<td>(1,789)</td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>(26)</td>
<td></td>
</tr>
<tr>
<td><strong>Net cashflow from operations</strong></td>
<td></td>
<td>3,423</td>
</tr>
<tr>
<td>Corporation tax paid</td>
<td>(777)</td>
<td></td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(866)</td>
<td></td>
</tr>
<tr>
<td>New fixed assets acquired</td>
<td>(1,437)</td>
<td></td>
</tr>
<tr>
<td>Sale of fixed assets</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td><strong>Net cashflow from investing activities</strong></td>
<td></td>
<td>(2,228)</td>
</tr>
<tr>
<td><strong>Financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New share capital</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>Repayment on finance leases</td>
<td>(65)</td>
<td></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(550)</td>
<td></td>
</tr>
<tr>
<td><strong>Net cashflow from financing activities</strong></td>
<td></td>
<td>(365)</td>
</tr>
<tr>
<td><strong>Net cash inflow</strong></td>
<td></td>
<td>53</td>
</tr>
</tbody>
</table>
Specimen Co Ltd

Statement of Value Added for the Year to 31 December 2007

£000   £000

Turnover  9,758
Bought-in materials and services  5,233
Value Added  4,525

Applied the following way:
To pay employees’ wages, pensions and other benefits  1,827
To pay providers of capital
Interest on loans  26
Dividends to shareholders  750

776

To pay government
Corporation tax payable  961
To provide for maintenance and expansion of assets
Depreciation  772
Retained Profits  189

961
4,525

About the Value Added Statement

Value added statements are not required by UK law or the SSAPs and are rarely found in company annual reports. However, many people consider them very useful indicators of a company’s operational efficiency and it is possible that they will become more widely reported in future.

‘Value added’ means the difference between the total value of output and the total cost of materials and services used in production. The value added statement shows how this added value is applied: to pay works and managers, taxes and dividends, to maintain operating capacity (i.e. depreciation) and the amount added to reserves.