

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ  
ТАВРІЙСЬКИЙ ДЕРЖАВНИЙ АГРОТЕХНОЛОГІЧНИЙ УНІВЕРСИТЕТ

Кафедра Іноземні мови

## АНГЛІЙСЬКА МОВА

### НАВЧАЛЬНО-МЕТОДИЧНИЙ ПОСІБНИК З ПОЗААУДИТОРНОГО ЧИТАННЯ

для студентів ОКР «Бакалавр»

спеціальності «Облік та аудит»

денної форми навчання

## HISTORY OF ACCOUNTING



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## Передмова

Навчально-методичний посібник “History of Accounting” призначений для позааудиторного читання для студентів факультету економіки та бізнесу за спеціальністю «Облік і аудит». Посібник розрахований на студентів, які вже мають знання нормативної граматики англійської мови та словниковий запас науково-професійної лексики.

Матеріали методичних розробок пов’язані з матеріалами навчального посібника “Introduction to Accounting” і дають додаткову інформацію до тем, викладених у посібнику.

Методичний посібник “History of Accounting” складається з трьох частин, що включають наукові тексти про історію бухгалтерського обліку.

Методичні розробки мають на меті забезпечення розвитку навичок самостійного читання, розуміння і перегляду наукових текстів на англійській мові в галузі бухгалтерського обліку, а також розвинення навичок усного мовлення, формування професійного словника та навичок ведення бесіди у рамках професійної тематики.

Для полегшення роботи з даними методичним посібником надається словник науково-професійної лексики та глосарій всіх бухгалтерських понять, що використовуються у текстах. Після кожного розділу надано по десять тестових завдань для перевірки засвоєння змісту та бухгалтерської термінології.

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*It is important to understand the history of business  
in order to understand the future of business*

## **Unit I**

# **BUSINESS AND ACCOUNTING: A PARTNERSHIP AS OLD AS TIME**

### **PREFACE**

The history of accounting is as old as civilization, among the most important professions in economic and cultural development, and fascinating. That's right, **fascinating!** Accountants invented writing, developed money and banking, innovated the double entry bookkeeping system that fueled the Italian Renaissance, were needed by Industrial Revolution inventors and entrepreneurs for survival, helped develop the capital markets necessary for big business so essential for capitalism, turned into a profession that brought credibility for complex business practices that sparked the economic boom of the 20<sup>th</sup> century, and are central to the information revolution that is now transforming the global economy. Twenty-first century accounting will resemble rocket science and will continue to be among the critical professions of the new century. Accountants have not excelled in public relations, but their story is fascinating.

There are no household names among the accounting innovators; in fact, virtually no names survive before the Italian Renaissance. It took archaeologists to dig up the early history and scholars from many fields to demonstrate the importance of accounting to so many aspects of economics and culture.

An overview places accounting in perspective. In some ways accounting hasn't changed since Pacioli wrote the first textbook in 1494. On the other hand, accounting has led the information revolution. Many aspects of 21<sup>st</sup> century accounting will be unrecognizable by today's professional leaders. Understanding the role of financial needs today and in the future requires an understanding of the past. The role of accounting in the ancient world is coming into clearer focus with new archaeological discoveries and innovative interpretations of the artifacts. It is now evident that writing developed over at least five thousand years—by accountants. The roles of trade, money, and credit also have long and complex histories. It is difficult to overestimate the importance of double entry bookkeeping. It was central to the success of the Italian merchants, necessary to birth of the Renaissance. The Industrial Revolution depended on inventors and entrepreneurs, not accountants. It is the survival of their firms that required innovative accounting and, later, the development of a profession. Big business, particularly the railroads, required capital markets that depended on accurate and useful information. This was supplied by the expanding accounting profession. The What we do today in accounting is based on a 10,000-year history. Understanding this history is necessary to comprehending the linkages of accounting to career potential, financial

regulation, tax, accounting systems, and management decision issues. This history also is a powerful tool to predict the accounting of the next generation.

## **BUSINESS AND ACCOUNTING**

Business is the exchange of goods, services, and money, that results in mutual benefit or profit for both parties involved. An individual engages in business because he or she believes that the rewards, or possible future benefits, of business are greater than the risks, or possible future sacrifices, of business.

For as long as there have been people who engaged in buying and selling goods, there has been a need for ways to hold other people accountable for their actions—to provide some assurance that they will behave or perform as expected. In the broadest sense, accountability is responsibility. When we hold someone accountable for his or her actions, we assume that the individual is responsible or answerable for certain actions.

This need for accountability has evolved over time into the need for accounting systems that provide information to hold people and, therefore, businesses accountable for the resources entrusted to them by others. An accounting system is a set of methods, plans, and procedures used to identify, analyze, measure, record, summarize, and communicate relevant economic information to interested parties.

For example, if you were a merchant 1,000 years ago and needed goods to sell, you might send a trusted friend to make a trade for you and to arrange for the delivery of the traded goods. In order to protect your investment in these goods, you would need a way to determine how much you have invested, who has control of the goods you are trading, and how much you are receiving in return for your investment. Likewise, your trusted friend needs a way to determine the amount of goods traded and how much is received in trade. Finally, the person with whom you are trading needs a way to indicate how much they received in the trade as well as what they have given to you. A system that protects these business parties by providing the economic information necessary to evaluate and control business transactions is called an accounting system.

Accounting systems have evolved over many centuries as the needs for information about business have changed. It is important to understand the evolution of accounting because accounting is not a science such as physics. Rather accounting is a discipline that changes as the needs of its users change. The accounting systems used hundreds of years ago are not adequate today. Likewise, today's accounting systems will be inadequate at some point in the future.

To understand the evolution of accounting we will travel back in time to consider important business and accounting eras. This will illustrate the changes that have occurred in business and accounting.

## Ancient Accountants of Egypt, Mesopotamia, Greece and Rome



Ancient Egyptian bookkeepers kept meticulous records of the inventory of goods kept in royal storehouses. The accuracy of these records was assured by the swift and severe penalty that came if mistakes were ever discovered.

Archeologist Dr. Gunter Dreyer of the German Institute of Archaeology discovered 5,300-year-old bone labels inscribed with marks and attached to bags of oil and linen in the Abydos, Egyptian tomb of King Scorpion I.

Describing inventory owners, amounts, and suppliers, these labels of antiquity are known to be the ancient origin of the counting systems that would

eventually develop into the sophisticated accounting methods we're familiar with today.

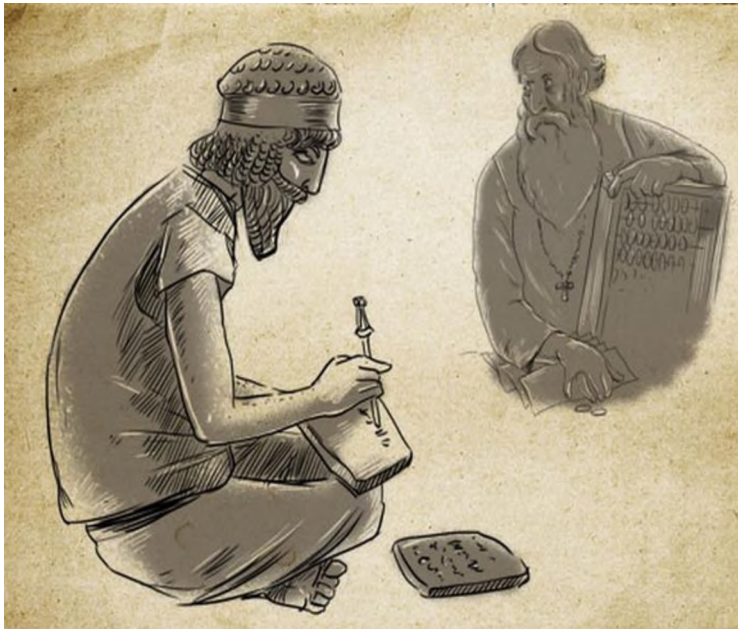
Other ancient societies also used accounting methods, including scribes in Mesopotamia who kept records of commerce on clay tablets. In ancient Greece, the account books of bankers show that they changed and loaned money and helped people make cash transfers through affiliate banks in other cities. In ancient Rome, government and banking accounts grew out of records kept by the heads of families.

### EARLY BUSINESS DEVELOPMENT

The first leg of our journey takes us to the first dynasty of Babylonia (2285-2242 BC), a rich farming area located between the Tigris and Euphrates rivers in what is now the country of Iraq. Babylonia is ruled by the Code of Hammurabi, which requires that a merchant selling goods must give the buyer a sealed memorandum quoting prices, or the trade is not legally enforceable. However, there is one problem—most of the citizens of Babylonia are illiterate.

Assume you are a merchant in Babylonia. How will you conduct business? You are operating as a sole proprietorship, that is, a business owned by one person, and your personal belongings are at risk if your business fails. You also are operating as a merchandising company, that is, a company that obtains and distributes goods to consumers, so you must find both a supplier of and a buyer for your goods. Since the chances are very good that all of you are illiterate, how will you record your business transactions?





First, you must find a scribe who is probably sitting outside the city gates. Next, you explain to him your agreed-upon transaction and he records it in a small mound of clay. Then, since neither you nor your buyer can read or write, you affix your "signatures" to the agreement by impressing your signature amulet on the clay document. This holds both parties accountable for the transaction.

The clay record is allowed to dry in the sun, or, if the transaction must be carried out quickly, the records can be kiln-dried. Obviously, the scribe's integrity is crucial. This scribe is the predecessor to the 20th century accountant.

## VENTURE TRADING

The next stop on our journey is the trading centers of medieval Italy, which developed partly as a result of the Crusades from the 11th to the 13th centuries. Literacy is more widespread, arabic numerals are beginning to be used, an international banking system exists, and the use of credit is prevalent. Banks are also business enterprises operating as service firms, which exist to provide services such as loaning money and performing other services for their customers.

At this time, it is commonplace for a partnership to be formed for a single venture. A partnership is a business owned by two or more individuals who agree to share both the risks and rewards of the business. How would you conduct business in such an environment? First you must find a partner. Then, each of you would contribute goods to be traded with others in foreign countries. Note that your personal belongings are still at risk if the business fails, but now you share this risk with one or more additional individuals.

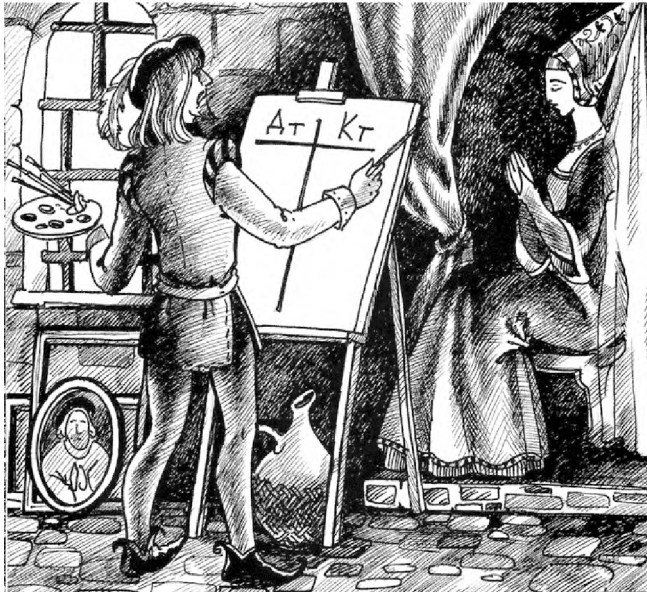
Next, you hire an agent to ship the goods to the foreign land. When the ship returns from trading, it is loaded with goods of the foreign land, which you and your partner divide between yourselves. How do you determine the proper allocation of the goods acquired? You need a partnership agreement, which stipulates the rights and obligations of each partner and describes how to divide the goods (partnership profits).

Then, your accounting system provides the information to help you determine your individual share of the goods received by the partnership. The accounting system also reflects the information to hold the trading agent accountable for making a profitable trade. However, your accounting records do not distinguish



between business and personal affairs, so at the end of each individual trading venture, it is necessary to terminate the business and divide the goods between the partners.

## GROWTH OF COMMERCE



Gradually, such one-venture partnerships gave way to businesses organized with the idea of continuing for more than one venture. In addition, businesses grew in size and became more geographically dispersed as the population became more mobile. At that time accounting systems were required to (1) measure each partner's share of the ongoing business and (2) control business associates in remote locations.

At this point, we begin to see the development of two very important accounting concepts (theories): (1) the business entity concept and (2) the going concern concept. The business entity concept requires that an accounting system reflect information that identifies and summarizes only those economic events that pertain to a particular entity. That is, business and personal affairs should be kept separate. This concept is particularly important so that each partner can receive the correct share of the business's profit.

The going concern concept assumes that, absent any information to the contrary, the business will continue into the foreseeable future. That is, the business does not terminate at the end of a venture. This concept is important because it allows business records to continue from one venture and time period to another.

## PACIOLI AND THE METHOD OF VENICE

Next, we venture to 15th century Venice, Italy, where business is commonly conducted using currency rather than barter (goods). The arabic number system is widely used, enabling addition and subtraction to be done easily, and illiteracy is greatly reduced, allowing more people to become involved in business. The double-entry accounting system—in which for every "debet dare" there is a "debet habere"—has evolved to the point where it is very much like the present-day system. *Debet dare* and *debet habere* are Latin terms meaning "should give" and "should have," respectively.

The first published work on the double-entry accounting system occurs in 1494 when several chapters concerning accounting are included in a mathematics book written by Luca Pacioli, who is commonly called the father of accounting.

Pacioli is well respected in Italy and his book is one of the first printed works using movable type. Pacioli does not invent double-entry accounting. Rather he reports what merchants are commonly doing. This accounting method becomes known as the method of Venice. Because movable type allows easy reproduction, the availability of Pacioli's work encourages the use of the double-entry system throughout Europe.

At this point, two other important accounting concepts emerge: (1) the monetary unit concept and (2) the periodicity concept. The monetary unit concept asserts that money is the common measurement unit of economic activity. This concept is crucial to accounting because it enables records to be kept based on a common denominator. For example, rather than recording the number of cows and sheep available for trade, the accounting system reflects the monetary value of the livestock, whether it is lira, pesos, francs, yen, or another designated monetary unit. This makes determination of profit easier because monetary values, unlike sheep and cattle or other bartered goods that differ, can be added and subtracted.

The periodicity concept requires that the profits of the business be determined at regular intervals throughout the life of the business. This means the business does not have to end before determining its profits. This concept makes admission of new partners and departure of old partners easier because business profits are calculated at regular intervals. Thus, partners and potential partners can evaluate the success of the business while the business remains in operation.

## **COMPREHENSION**

### **I. Answer the questions.**

1. What is business?
2. How has the need for accountability evolved?
3. What is accounting system?
4. Have the accounting system changed?
5. How did a merchant in Babylonia conduct?
6. When were arabic numerals first used?
7. What two very important theories were developed?
8. Who was the author of the first published work on the double-entry accounting system?
9. Why is this method called the method of Venice?
10. What does the periodicity concept require?
11. If you were a merchant in Babylonia how would you conduct your business?

**II. Write a summary of the text “Pacioli and the Method of Venice”.**

**III. Talking points.**

1. Accounting systems have evolved over many centuries. Explain the main changes in accounting.
2. The four basic accounting concepts (business entity, going concern, periodicity, and monetary unit) are related. Describe how.
3. Describe why the four basic accounting concepts (business entity, going concern, periodicity, and monetary unit) are necessary in order for corporations to exist.

**TEST**

**I. Complete the sentences with the right word or word combination from the box.**

a) service firms	b) money	c) economic events
d) accounting systems	e) partnership	

1. The need for account ability has evolved over time into the need for ... .
2. Banks are business enterprises operating as ... .
3. A ... is a business owned by two or more individuals who agree to share both risks and rewards of the business.
4. The business entity concept requires that an accounting system reflect information that summarizes ... that pertain to a particular entity.
5. The monetary unit concept asserts that is the common measurement unit of economic activity.

**II. Match the accounting terms with their definitions.**

1. partnership	a. a company that obtains and distributes goods to consumers
2. merchandising company	b. a set of methods, plans, used to identify, analyze, measure, record, summarize, and communicate economic information to interested parties
3. accounting system	

4. business	c. a business owned by one person
5. sole proprietorship	d. a business owned by two or more individuals who agree to share both the risks and rewards of the business e. exchange of goods, services, and money, that results in mutual benefit or profit for both parties involved

## **Unit II**

### **THE ROLES OF ACCOUNTING AND BUSINESS**

#### **ADVENT OF THE CORPORATION**

Now we travel to the end of the 18th century when important economic and institutional changes have taken place. The Industrial Revolution which started during the latter part of the 18th century in England has been responsible for technological developments that eventually lead to changes in the systems of production, marketing, and financing.

Manufacturing firms that produce products from raw materials for sale to consumers are commonplace and distribution systems for these products are increasingly sophisticated. The development and use of machinery allow for mass production of inexpensive goods. Revolutions in transportation, such as railroads, create access to new markets for the goods. These changes precipitate the need for additional sources of funds, and financial institutions grow to meet this need. More elaborate accounting systems evolve in order to respond to the requirements of management and owners as well as those of the financial institutions that provide funds to the business.

As business increases, it is possible to accumulate wealth and have funds available for investment purposes. Corporations emerge to provide opportunities for investing in businesses without the obligation to oversee the day-to-day business operations. A corporation is a business entity that is legally separate and distinct from its owners. Corporations are attractive business ventures because they provide investors with limited liability, that is, the investors are not personally liable for the debts of the business. If the business fails, the most an investor can lose is the amount of his or her investment because the corporation's creditors cannot demand any additional monies from investors.

The advent of the corporation places additional requirements on the accounting system because investors, called shareholders or stockholders, have invested primarily for the return (profit) that the business operations generate. Thus, there is a need for frequent, periodic reporting on the status of the business and its operations since it is not feasible for investors to personally oversee operations. Therefore, investors must rely on the information generated by the accounting system to hold the managers accountable.

#### **19th Century – The Beginnings of Modern Accounting in Europe and America**

The modern, formal accounting profession emerged in Scotland in 1854 when Queen Victoria granted a royal charter to the Institute of Accountants in Glasgow, creating the profession of chartered accountant (CA). Today, the longest standing societies of public accountants are found in Scotland.

In the late 1800s, chartered accountants from Scotland and Britain came to the U.S. to audit British investments. Some of these accountants stayed in the U.S., setting up accounting practices and becoming the origins of several U.S. accounting firms.

The first national U.S. accounting society was set up in 1887. The American Association of Public Accountants was the forerunner to the current American Institute of Certified Public Accountants (AICPA).

## **STANDARDIZATION OF ACCOUNTING**

The last leg of our journey brings us to the 20th century when two principal events propel standardization of accounting in the United States: (1) the Sixteenth Amendment to the Constitution in 1913 and (2) the stock market crash of 1929.

**Sixteenth Amendment.** The Sixteenth Amendment establishes a system of federal income taxation, which requires the periodic determination of income by individuals and businesses. It has a profound effect on the accounting profession because it requires records to support the determination of taxable income, which essentially makes accounting systems mandatory. It propels standardization in accounting because it limits the number of reporting options to make income determination more uniform across companies. However, it conflicts in many ways with generally accepted accounting practices of the time. For example, it requires businesses to report income on a calendar-year basis, which conflicts with the acceptability of reporting income on a fiscal-year basis in the accounting profession. A fiscal year is a year-long period that encompasses a natural business cycle and allows a business to prepare its required accounting information during its slowest business period. All businesses must compute and report income for tax purposes; however, only corporations are actually taxed on business income. Sole proprietorship and partnership income is taxed at the individual owner's level.

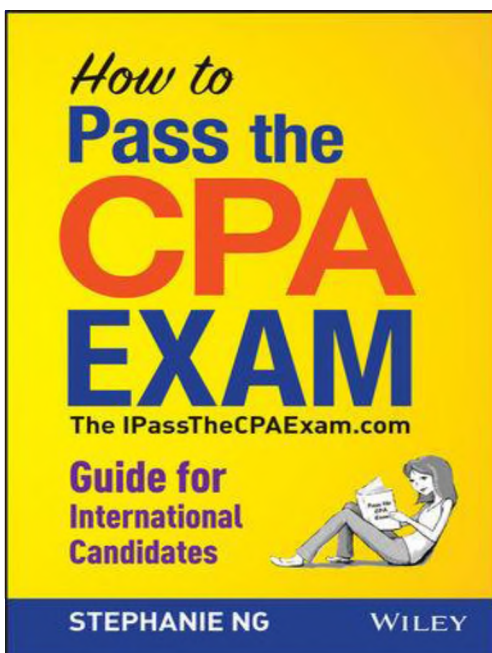
**Stock Market Crash.** The stock market crash of 1929, followed by the Depression of the 1930s, leads to federal regulation of the securities market. Such regulation appears in the form of the Securities and Exchange Act of 1933, which requires that all companies issuing capital stock (shares of companies that indicate ownership rights) to the public must register with the Federal Trade Commission (FTC) and disclose to the public certain financial information. The Securities and Exchange Act of 1934 requires the submission of annual financial information for all publicly owned corporations to a new commission called the Securities and Exchange Commission (SEC). This regulation limits the reporting options available for companies and requires full disclosure of financial results so that investors can compare companies. In general, the SEC allows the accounting profession to determine accounting rules for businesses.

The Financial Accounting Standards Board (FASB) is the third accounting rule-making body. The FASB is a full-time, paid group of professionals who are responsible for developing accounting standards for reporting to external financial statement users (investors and others outside the business).

The pronouncements of the FASB are referred to as Statements of Financial Accounting Standards (*SFAS*). In addition to numerous accounting standards, the

FASB has developed six Statements of Financial Accounting Concepts, which serve as a common framework for the development of future Statements of Financial Accounting Standards. The SFASs, as well as the bulletins, opinions, and principles issued by the CAP and APB, comprise what are known as generally accepted accounting principles (GAAP). These principles direct acceptable accounting practice and are based on the four basic concepts (business entity, going concern, monetary unit and periodicity) described previously.

The SEC officially recognizes GAAP as being authoritative and requires that the information filed with the SEC comply with GAAP. If a company's financial information is audited by a certified public accountant, it must comply with GAAP. Auditing is the process of examining a company's financial records by a CPA to ascertain whether they complied with GAAP.



The American Institute of Certified Public Accountants (AICPA) is a national organization which is actively involved in the development of accounting standards and sets auditing standards for public accounting firms. The AICPA, which administers the CPA examination, is the professional organization for all certified public accountants.

In recent years, the idea of standardization in financial accounting for external users has become internationalized. The International Accounting Standards Committee (IASC) is leading the way toward standardization of international accounting for external reporting. To date, compliance with international standards is voluntary, but a growing number of companies and countries are complying to

improve comparability among international companies operating in various countries throughout the world.

## INVESTING IN BUSINESS

While the basic purpose of business has not changed, the business world is very different today than it was a thousand years ago. For one thing, there were no stock exchanges (markets for buying and selling stocks) then. Take a look at your local newspaper and turn to the business section. Here, you can follow the "stocks" of literally thousands of companies organized as corporations. A share of stock is a certificate that represents ownership in the corporation. You'll see thousands of companies listed along with their stock prices, highs and lows for the year, ratio of price of the stock to earnings of the company. Some of these companies trade on the New York Stock Exchange, the American Stock Exchange, and various regional stock exchanges.

Billions of shares of stock trade every year in these markets. If you have as little as a few hundred dollars, you can buy shares of stock in your favorite company



and follow its progress every day in the newspaper. You are part owner of that company.

With your shares of stock, you may have voting rights that allow you to express your opinion on major issues facing the company. To make sure that your interests are represented, public companies are audited by CPA firms, and the results are published in the company's annual report, which is mailed to shareholders.

Companies also issue bonds to the public. A bond is a certificate, usually in denominations of \$1,000, that represents the debt of the company. An initial issue (original sale) of bonds (or stocks) is typically accomplished through an investment banker who assists the company in selling the bonds to investors. Bonds pay interest—a series of payments that compensate the lender for the risk and the trouble of making the loan. Bonds can be held to maturity, or they can be traded in the secondary market, like stocks. A secondary market is an exchange where bonds (also stocks) are bought and sold after the initial issue. When interest rates rise, bond prices fall, because the fixed cash flow stream that the bond offers is less desirable compared to that offered by new bonds.

Because of the booming number of companies with bonds outstanding and shares of stock, another industry has arisen in recent years: mutual funds. A mutual fund is an investment company that pools the money from many individual investors and invests it for the common goal of receiving a quality rate of return. A mutual fund is an excellent vehicle for many people who would not be able to buy bonds or shares of stock on their own.

## **MANUFACTURING, MERCHANDISING AND SERVICE**

A manufacturer takes a raw material such as steel and turns it into a finished product, such as a car. A merchandiser, such as an automobile dealer or a clothing retailer, buys finished goods from a manufacturer and sells them to consumers. A service company does not actually manufacture anything, rather, it performs a service. For example, an advertising agency develops a marketing strategy for the automakers and implements it by, among other things, buying commercial time on television.

Accounting firms, banks, hospitals, hotels, and utilities are other examples of companies that provide a service.

Certain types of businesses are more susceptible to swings in the economy than others. Manufacturers tend to do as well as the economy. That means that their successes are cyclical. As a result, their stocks sell for a lower price than companies that are less affected by the economy. Another economic variable that affects big-ticket manufacturers such as automakers and homebuilders is the level of interest rates. Interest rates are the costs of borrowing money for a variety of time periods. As interest rates rise, automakers and homebuilders tend to suffer slower sales. The reason: people usually need to borrow money to buy their goods.

To a lesser extent, retailers are impacted by a sluggish economy. If, for

example, the general population is lacking confidence in the future, then consumers will be less likely to spend a lot of money during the holiday season. In addition, retailers slash prices when business is slow. Although this stimulates sales, it cuts profitability. Service companies tend to weather changes in the economy the best. Certainly, hospitals see just as many sick people when the economy is slow as when it is booming. Entertainment companies such as Disney tend to sell just as many movie tickets when the economy is slow.

### **ACCOUNTING TOWARD THE 21<sup>ST</sup> CENTURY: WHERE ARE WE NOW? HOW DID WE GET HERE?**

Accounting at any point in time and place can represent the level of civilization then and there. As civilization began around villages and developed into empires, scribes invented record keeping systems and kept running inventories of wealth, trade, and tribute payments. Accountants invented writing using abstract record keeping as temple (and later imperial) wealth and complexity expanded.

Beginning in the 19<sup>th</sup> century the rise of the accounting profession benefited business and investors, especially big business, banks, and other institutional investors. Accounting expertise added both knowledge and credibility to complex financial transactions.



The first mammoth monopoly was Standard Oil, organized as a holding company in 1870. The first billion-dollar corporation was U. S. Steel, formed in 1902. Henry Ford's moving assembly line turned the automobile industry into a gigantic industry. Autos are useful to analyze the dominance of American big business in the first half of the 20<sup>th</sup> century and many of the problems in the second half. These include several accounting topics—both successes and stubborn problems.

The current world of business and accounting is based on the computer and the Information Revolution, which has been ongoing for nearly 50 years and is exploding into the 21<sup>st</sup> century. The computer proved to be a perfect fit to business. Computers efficiently crunch the repetitive transactions of accounts receivable and payable, inventories, and payrolls.

Capital markets are complex, global, operate 24 hours a days, and rely on accounting information. The role of accounting expands as technology advances. Soon, virtually any information can be transmitted instantaneously across the globe. Who will be up to the challenge? The visionaries will most likely succeed, those with 20<sup>th</sup> century blinders likely to drop by the wayside.

To understand accounting today and predict tomorrow, one must know the history of accounting. That accounting history parallels the rise and development of civilization. Accounting has been surprisingly inter-connected with technology.

## **COMPREHENSION**

### **I. Answer the questions**

1. What is the Industrial Revolution responsible for?
2. What creates access to new markets?
3. Why does the advent of corporation place additional requirements on the accounting system?
4. Is an accounting firm a merchandiser, manufacturer or service firm?
5. Why were the Sixteenth Amendment and the stock market crash important to the development of accounting?
6. What is GAAP and why is it important?
7. What is the difference between a stock and a bond? Which is better for the investor? Why?
8. Does the economy affect service companies, merchandisers, and manufacturers differently? Why or why not?
9. What is the purpose of the International Accounting Standards Committee?

### **II. Talking points**

1. There are three primary ownership structures discussed in this unit. List the advantages and disadvantages of each. If you were a business owner, which ownership structure would you choose? Why?
2. Describe companies from your hometown that have the following ownership structures:
  - (1) sole proprietorship,
  - (2) partnership,
  - (3) corporation.
3. List as many well-known companies as you can think of that have the following ownership structures:

- (1) sole proprietorship,
- (2) partnership,
- (3) corporation.

## **TEST**

### **I. Match each word with an appropriate synonym.**

- |                |               |
|----------------|---------------|
| 1. manufacture | a. sale       |
| 2. business    | b. produce    |
| 3. trade       | c. enterprise |
| 4. run         | d. goods      |
| 5. merchandise | e. manage     |

### **II. Substitute the words by the definition.**

- 1. They produce products from raw materials for sale.
- 2. They are legally separate and distinct from its owners.
- 3. They constantly evolve in order to respond to the requirements of management.
- 4. They are markets for buying and selling stocks.
- 5. They don't manufacture anything, they perform different services.

**Unit III**  
**ACCOUNTING AND RELATED CAREERS**  
**A FORMULA FOR SUCCESS**

Regardless of the form or size of a business, there are certain attributes that most successful businesses possess. The business has to define a market and serve that market. It has to have a competitive advantage—a patent, a superior technology, or special skills. It has to sell or market itself to that market. And most importantly, it has to spend less money than it takes in.

To be successful, a business must have capable employees empowered to do their jobs successfully. These employees provide five basic functions for business—marketing; human resources; production and operations; finance; and accounting and information systems.

The marketing functional area determines the wants and needs of consumers and devises a system for distributing the goods and services the customers demand. It is customer focused and governed by the four P's—product, price, promotion, and physical distribution. Marketing is concerned with issues such as global markets and customer satisfaction.

Human resources management is the function responsible for ensuring that capable employees are given the opportunities to succeed in the workplace. Human resources must be concerned with issues such as diversity in the workplace and employee empowerment.

The production and operations management function is responsible for planning, organizing, directing, and controlling the operations of the business. Production and operations occur at all levels throughout the company, from line managers responsible for overseeing production to the chief executive officer responsible for overseeing the entire company.

Finance is the functional area responsible for managing the financial resources of the business. It is concerned with issues such as when and how to raise money for the company and where to invest that capital.

Finally, accounting and information systems is the functional area responsible for providing the information for the other functional areas to enable them to do their jobs and for reporting the results to interested parties. This function is crucial since, without it, the other functional areas cannot operate. This is why accounting is commonly called the language of business.

**WHY ACCOUNTING?**

Accountants are in demand by many different types of industries and perform diverse duties, ranging from preparing accounting reports to overseeing a company's quality control program.

An accounting course is like a course in English or history — it provides

general knowledge that will make it easier for you to understand the world when you graduate from college. After taking this course, you should be able to use accounting software programs for your business and understand the impact of accounting transactions. On a more personal level, you should be able to gain insights and skills in handling your own business decisions. And you should be able to read an annual report so that you can be an intelligent consumer of various companies' stocks.

By taking this course, you may be embarking on the first of many accounting courses leading up to the certified public accountant (CPA) exam, the certified management accountant (CMA) exam, or other professional exams. You may use your accounting background as a lawyer, an engineer, a management consultant, a real estate broker, a hospital administrator, a professional athlete, a doctor, an entrepreneur, or someone with a financial responsibility of some kind. A larger dose of accounting is required for bankers and stockbrokers. The banker needs to be able to read financial statements with a critical eye to make sure that it is prudent to loan a company money. The stockbroker has to be able to read a company's financial statements to decide whether the company would be a wise investment. Are sales growing? Are profits growing? The answers to these and many other financial questions are provided by the accounting function.

### **ACCOUNTING USEFUL FOR ALL PROFESSIONALS**

Accounting courses are certainly useful for a variety of careers within a company— purchasing agents, sales and marketing specialists, human resource managers, computer experts, and operations managers. All of these people need to understand the impact of their decisions on the company's profitability. The purchasing agent's skill in negotiating the prices of raw materials has a direct impact on the cost of goods produced. The degree to which the sales and marketing people cut prices in order to close deals has a direct impact on the company's total sales in dollars for the year. The human resource manager's decisions regarding employee benefits has a direct impact on the company's ability to attract key people, as well as the cost of hiring them. The computer specialists—otherwise known as management information services professionals—have a direct impact on the efficiency of the organization by providing top management with timely reports with which to make crucial business decisions. Finally, the operations manager must be familiar with budgets and how they relate to the quantity and price of raw materials, labor, and other costs. The information necessary to make these crucial business decisions is provided to these internal users by the accounting function.

If you decide to take even more accounting courses, then you'll be preparing yourself for several financial careers within the business environment. The controller is the company's chief accounting officer, responsible for preparing the company's financial statements, tax returns, payroll, and operating budgets. The treasurer is responsible for investing the company's money and for securing financing from creditors. The chief financial officer (CFO) is the member of top management of the company to whom the controller, treasurer, and internal auditor report. He or she works hand in hand with the company's chief executive

officer.

Regardless of what career you choose, accounting can be one of the most valuable disciplines to study because it provides a good foundation for many occupations.

## **THE IMPORTANCE OF ACCOUNTING IN TODAY'S WORLD**

In the business world, accounting is one discipline of study that all people, regardless of job position, should have some knowledge of. Its concepts can be applied to all job specialties, its importance has been promoted in recent years, and it is useful in people's everyday lives.

First, an accounting education is important because it can be applied in all job specialties. Secretaries must use accounting skills to manage the company check book and orders, auditors have to study financial statements to evaluate the accuracy and integrity of the business, and executives need to judge the success of their business using accounting statements from the past and present. These are just a few of the many possible positions where an understanding of accounting is necessary.

Another reason all business students should have some background in accounting is because in recent years, people in the business world have been held more accountable for their financial practices. Companies require some basic knowledge of accounting to avoid any future misstatements unintentionally occurring.

Additionally, it is vital that everyone, not just business students, acquire an understanding of accounting for personal benefit. People use accounting in their daily lives when they study financial statements to make investment decisions, assess interest rates to pay off their house mortgages, and calculate rates for car payments. In the business world, accounting is utilized in much greater depth, but each individual encounters some activities in his/her everyday life that requires knowledge of accounting principles. Accounting is the most basic framework of business. Without an accounting education, students would be unprepared for the real world.

## **ACCOUNTING CAREERS**





Accountants are in demand by many different companies. Some accountants work for private companies, some work for public accounting firms, and others work in government or other not-for-profit entities.

Private accounting refers to accounting in the individual business unit. For example, an individual may be employed as an accountant for Walt Disney Company. More accountants devote their time to private accounting than to either of the other two groups. IBM, United Telecom and other large companies employ thousands of people who perform accounting duties. On the other hand, the smallest organizations also have accounting needs that may be fulfilled by one or two individuals. The CMA (Certified Management Accountant) designation is issued by the Institute of Management Accountants to persons demonstrating competence in the subject areas included in the field of management accounting. Management accountants provide information to internal stakeholders. The CIA (Certified Internal Auditor) designation is issued by the Institute of Certified Internal Auditors to persons demonstrating competence in internal auditing. Internal auditors are private accountants who assess the company's internal control system help external auditors and provide assistance in designing and implementing accounting information systems. Private accountants frequently possess one or both of these certifications as well as the certified public accountant designation.

Public accounting refers to a variety of accounting services provided by an accounting firm for many different types of businesses. Instead of working for one particular business, a public accountant most often provides his or her services to a variety of clients. Public accountants provide three primary services—auditing, taxation, and management consulting. Auditing services involve an independent assessment of whether a company's financial statements are prepared in accordance with generally accepted accounting principles. External auditors issue an opinion, which is part of the annual report that companies provide to external users. A "clean" opinion means that, in the opinion of the auditor, the financial information has been fairly presented in accordance with GAAP. Taxation services include tax preparation and planning. Management consultants provide advice on the design of accounting systems, evaluation of computer systems, and evaluation of controls used to safeguard the company's resources.

Public accountants who provide auditing services must possess a certified public accountant (CPA) certificate issued by the American Institute of Certified Public Accountants. A CPA certificate demonstrates competence in the field of public accounting, although many accountants in private as well as governmental accounting also possess a CPA certificate. Only a CPA can attest to the presentation of a publicly held company's financial information.

In the diagram one can see the main responsibilities and opportunities in accounting.



## **ACCOUNTING REFORM IN UKRAINE**

The CIPA Examination in Ukraine Project assisted the Cabinet of Ministers with development of a strategy for implementing International Financial Reporting Standards for all listed joint stock companies, banks, and insurance companies starting 2010.

The project assisted the Ministry of Finance in completing its license agreement with International Accounting Standards Board allowing the Government of Ukraine the rights to publish International Financial Reporting Standards (IFRS) in Ukrainian.

Two professional associations of accountants and auditors established with project support: 1) the Ukrainian Federation of Professional Accountants and Auditors (UFPAA) and 2) the Ukrainian Association of Certified Accountants and Auditors (UACAA). UACAA membership has grown from 42 members (in 2004) to about 1,120 (in 2010). UACAA has become a center of excellence among practicing accountants and auditors, and is self-sustaining.

## **THE GLOBALISATION OF THE ACCOUNTANCY PROFESSION**

During the last twenty years, in most countries of the world even more in emergent economies - the accounting profession has undergone significant changes. Liberalization policies, privatization of state corporate companies, increasing foreign investment and stock market activity, new tax regulations have stimulated the demand for accountancy, audit, and financial services. Laws on accounting standards systems are progressively replaced by the adoption of international accountancy and audit standards. The activities of international audit firms have developed with the expansion of transnational corporation, the multiplication of

joint ventures, and franchised companies.

The consequences of these changes have taken different forms in different contexts.

There is a clear emphasis on the need for fundamental change in every aspect of business from governance and leadership through to approaches to innovation. Globalization is seen to create both opportunities and challenges. Key managerial challenges highlighted for the next decade include the importance of reputation management, the level of foreign direct investment, public expectations of the profession, its attractiveness and definition of its role. Importance is also placed on the flexibility and suitability of accountancy training. Particular attention is given to building capacity in transitional economies and developing entrepreneurial skills and business awareness. Other factors highlighted include establishing the role of industry associations in developing markets and the impact of entrants from outside the profession on the accountancy services sector.

Traditionally, the accounting profession has been focused on the preparation and auditing of financial accounting statements. Yet outside of the United States, the discipline of management accounting has been well recognized as an important segment of the accounting profession, much more so than it has within the U.S. There are significant implications of this situation for U.S. accountants, but before addressing those implications, it is important to distinguish management accounting from financial accounting. Here are some of the many ways in which the two disciplines differ. First, management accounting deals with both financial and non-financial data to support a wide range of managerial decisions in contrast to financial accounting's focus solely on financial data to support investors' and creditors' capital allocation decisions. Second, management accounting looks forward as well as backward, whereas financial accounting is oriented solely towards history. Forecasting, planning, and budgeting are typical management accounting activities. Third, management accounting looks outward as well as inward, whereas financial accounting is focused solely on what happens internally within an enterprise. Management accounting involves proactively seeking and identifying opportunities and threats that an enterprise faces from customers, competitors, suppliers, regulatory agencies, and other external parties.

Globalization has eliminated national borders, technology has increased communication between countries while making time extraneous, and free trade and outsourcing have opened up many business opportunities for new and existing businesses. Because of the Internet and technology, a person can own a firm in France, be located in India and do their business mainly with the US and China. These new business opportunities mean that the CPA needed to perform the firm's financial work needs the knowledge of the standards of each of the countries. Accounting is predominantly known as the profession that analyzes the past, but because of globalization it is important to look into the future. As a result, it is important to educate the accounting field on the standards of other countries. The future will also hold the mandatory adoption of International Financial Reporting Standards (IFRS) in the U.S. which will change reporting from rules-based US GAAP to principles-based IFRS standards.

The number of globalized businesses in the world is vast and increasing, which emphasizes the importance of achieving a common accounting language. Richard Stolz points out that although nearly fifty percent of the top accounting firms in the US have multinational clients and have been working with IFRS for years, it is increasingly important that second-tier firms and their clients also become familiar with these standards. A level of preparedness is needed for this coming transition to international standards. Failure to prepare will increasingly lead to accounting opportunities being given to foreign, English-speaking accountants and firms who are trained and experienced with international standards. It is important to consider the question of how accounting education should change. Accounting education at the high school, college, CPA and professional levels will all have to be modified in accordance to IFRS. Should both accounting standards be taught in the future? To teach both accounting standards will require more education hours for students and practicing professionals will have to be educated which will be costly.

The worldwide increase of globalization has a profession-changing effect on the accounting field. A complete change of accounting language is going to occur, and the entire country needs to prepare for it. I believe that enforcing this transition will also benefit the economy. Keeping the accounting field adaptable and employable may prevent outsourcing, prevent rising unemployment rates for the accounting profession, and will make business transactions between the US and other countries easier.

So globalization isn't necessary a bad thing, it is getting the accounting world close and making the accountants a true global professional.

## **COMPREHENSION**

### **I. Answer the questions**

1. What is successful business to your opinion?
2. What five basic functions do business employees provide?
3. Is accounting an important functional area for business?
4. Who are accounting courses important for all professionals?
5. What accounting careers do you know?
6. What problems do not-for-profit accounting units have?
7. What are the main responsibilities of internal auditors?
8. Who are the external and internal stakeholders of business?
9. What are customer satisfaction and employee empowerment?
10. How does globalization affect the accounting profession?

## II. Talking points.

1. Which occupational area would you like to work in our future job?
2. Explain the difference between private and public accounting?
3. Interview a marketing, management, or finance instructor to determine the role that individuals with these particular backgrounds play within an organization. Describe what you have discovered.

### TEST

#### I. Substitute the words by the definition.

1. It is concerned with issues such as global markets and customer satisfaction.	a. accounting
2. It is the functional area responsible for managing the financial resources of the business.	b. private accounting
3. It is often called the language of business.	c. public accounting
4. It provides such services as taxation, auditing, management consulting.	d. finance
5. It refers to accounting in the individual business unit.	e. marketing

#### II. Complete the summary with a phrase from the box using Unit III.

a. business	b. external	c. monetary unit concept
d. marketing	e. accounting principles	

Business has evolved as technology has changed and as the population has become more mobile. Accounting has developed over time as the needs of its users, both internal and 1... to the organization, have changed. Business in the 1990s is a dynamic environment characterized by global markets and rapidly changing technology. Accounting in the 1990s, as throughout history, is an integral part of 2...,

providing the information necessary for businesses to operate in a constantly changing environment.

There are four concepts crucial to accounting: business entity concept, going concern concept, 3..., and periodicity concept.

The accounting profession determines generally accepted 4... (GAAP), and the Financial Accounting Standards Board (EASE) is currently the standard-setting body of the accounting profession .

There are five functional areas in business: 5..., human resources management, production and operations management, finance and accounting and information systems.

## ***KEY TERMS***

**accountability** Responsibility

**accounting and information systems function** The functional area of business responsible for providing information to the other areas to enable them to do their jobs and for reporting the results to interested parties

**accounting system** A system used to identify, analyze, measure, record, summarize, and communicate relevant economic information to interested parties

**American Institute of Certified Public Accountants (AICPA)** The professional organization for all certified public accountants that is actively involved in the development of accounting standards and sets auditing standards for public accounting firms

**auditing** The process of examining a company's financial records by a CPA to ascertain whether they comply with generally accepted accounting principles

**bond** A certificate that represents the debt of a company

**business** The exchange of goods, services, and money on an arm's-length basis, that results in mutual benefit or profit for both parties involved

**business entity concept** The concept that requires that an accounting system reflect information that identifies and summarizes only those economic events that pertain to a particular entity

**certified public accountant (CPA)** An accountant who can attest to the presentation of financial information of a publicly held company

**chief financial officer (CFO)** A member of top management to whom the controller, treasurer, and internal auditor report

**controller** The company's chief accounting officer

**corporation** A business entity that is legally separate and distinct from its owners

**dividends** A distribution of corporate profits

**double taxation** A situation in which the profits of corporations are taxed twice—once at the business level and, again, at the stockholder level if the profits are distributed as dividends

**external stakeholders** Parties outside an organization who have an interest, or stake, in the organization, such as stockholders, creditors, suppliers, customers, and the general public

**finance function** The function responsible for managing the financial resources of the company

**Financial Accounting Standards Board (FASB)** The standard-setting body responsible for developing accounting standards for reporting to external financial statement users



**fiscal year** A year-long period that encompasses a natural business cycle and allows a business to prepare its required accounting information during its slowest business period

**generally accepted accounting principles (GAAP)** The *Statements of Financial Accounting Standards*, bulletins, opinions, and principles that direct acceptable accounting practice

**going concern concept** The concept that assumes that, absent information to the contrary, the business will continue into the foreseeable future

**human resources management function** The function responsible for ensuring that capable employees are given the opportunity to succeed in the workplace

**initial issue** The original sale of stocks or bonds to investors

**internal auditor** A private accountant responsible for assessing the company's internal control system

**internal stakeholders** Parties inside the organization who have an interest, or stake, in the organization, such as employees and management

**International Accounting Standards Committee (IASC)** The group that is leading the way toward standardization of international accounting for external reporting

**limited liability** The condition which indicates that investors are not personally liable for the debts of the business

**limited liability partnership (LLP)** A partnership in which the individual partners are responsible only for their own acts and the acts of those individuals under their control

**limited partnership** A partnership composed of one or more general partners and one or more limited partners

**management accountant** An individual who provides information to internal stakeholders

**manufacturing firm** A company that produces products from raw materials for sale to consumers

**marketing function** The function responsible for determining the wants and needs of consumers and devising a system for distributing the goods and services they demand

**merchandising company** A company that obtains and distributes goods to consumers

**monetary unit concept** The concept that asserts that money is the common measurement unit of economic activity

**mutual agency** A situation in which each partner has the power to act for all other partners

**mutual fund** An investment company that pools the money from many individual investors and invests it for a common goal

**partnership** A business owned by two or more individuals who agree to share both the risks and rewards of business

**partnership agreement** An agreement that stipulates the rights and obligations of each partner and describes how to divide the partnership profits

**periodicity concept** The concept that requires that the profits of the business be determined at regular intervals throughout the life of the business

**private accounting** Accounting in the individual business unit

**production and operations management function** The function that is responsible for planning, organizing, directing, and controlling the operations of business

**public accounting** A variety of accounting services provided by an accounting firm for many different types of businesses

**rate of return** A return on investment stated as a percentage of the investment

**return of investment** The return of the amount invested

**return on investment** The return, or profit, received on the owner's investment

**reward** Possible future benefits of an action

**risk** Possible future sacrifices of an action

**S corporation** A small business corporation owned by no more than 35 individuals in which the profits earned by the business are not subject to income tax at the corporate level

**secondary market** An exchange where bonds and stocks are bought and sold after the initial issue

**service firm** A company that provides services to customers

**share of stock** A certificate that represents ownership in a corporation

**sole proprietorship** A business owned by one person whose personal possessions are at risk

**Statements of Financial Accounting Standards (SFAS)** Pronouncements of the Financial Accounting Standards Board

**stock exchanges** Exchanges for buying and selling stocks; for example, New York, American, and various regional exchanges

**treasurer** The individual responsible for investing the company's money and securing financing from creditors

**Uniform Partnership Act** The act that governs the rights and obligations of partners when a partnership agreement does not exist

## VOCABULARY

### A a

abacus	рахівниця	счета
absorbed overhead costs	розмір накладних витрат	величина накладных расходов
absorption costing	калькуляція повної собівартості	калькуляция полной себестоимости
absorption rate	нормативна ставка накладних витрат	нормативная ставка накладных расходов
account	бухгалтерський рахунок	бухгалтерский счет
accountant	кваліфікований бухгалтер	квалифицированный бухгалтер
accounting	бухгалтерський облік	бухгалтерский учет
accounting clerk	рахівник, конторський службовець	счетовод, конторский служащий
accounting cycle	обліковий цикл	учетный цикл
accounting equation	балансове рівняння	балансовое уравнение
accounting measurement	вимірники в обліку	измерители в учете
accounting record	обліковий запис	учетная запись
accounting standards	стандарти бухобліку	стандарты бухучета
Accounting Standards Steering Committee	Комітет з керування бухгалтерськими стандартами	Комитет по управлению бухгалтерскими стандартами
accounting transaction	бухгалтерська операція, проводка	бухгалтерская операция, проводка
accounts payable	дебіторська заборгованість	дебиторская задолженность
accounts receivable	кредиторська заборгованість	кредиторская задолженность
accruals	начислення	начисления
accrue	начислювати	начислять
accumulate	накопичувати(ся), нараховувати	накапливать(ся), начислять
accuracy	точність, правильність	точность, правильность
activity-based costing	калькуляція собівартості, при якій витрати збираються по всьому технологічному процесу	калькуляция себестоимости, при которой затраты собираются по всему технологическому процессу
actual cost	фактична собівартість	фактическая себестоимость
adaptability	пристосовування	приспособляемость
advance	авансовий платіж	авансовый платеж

advertising expenses	витрати на рекламу	расходы на рекламу
allocation (of costs)	розподіл	распределение
allowance	знижка, уценка	скидка, уценка
amalgamation	об'єднання компаній	объединение компаний
amount	сума, кількість; дорівнювати	сумма, количество; составлять (сумму)
annual report	щорічний звіт	годовой отчет
anticipate	чекати, передбачати	ожидать, предвидеть
approach	підхід	подход
appropriate	виділяти, надавати	выделять, присваивать
article of association	установчий документ	учредительный документ
assemble	збирати	собирать
assess	оцінювати, визначати	оценивать, определять
	розмір	размер
assessment	оцінювання	оценка
assets	активи, капітал	активы, капитал
asset value	номінальна вартість активів компанії	номинальная стоимость активов компании
assign	визначати, закріплювати	определять, закреплять
assure	забезпечувати	обеспечивать
audit	перевірка, ревізія	проверка, ревизия
auditor	аудитор	аудитор
authenticity	аутентичність	аутентичность, подлинность
available	наявний, доступний	наличный, доступный
available funds	наявні кошти	наличные средства
available income	наявний прибуток	реальная прибыль
average	середній, середня кількість	средний, среднее количество

## B b

bad debts	безнадійні борги	безнадежные долги
balance	баланс, сальдо	баланс, сальдо
balance sheet	балансовий звіт, балансовий рахунок	балансовый отчет, балансовый счет
bank account	банківський рахунок	банковский счет
bank charges	вартість послуг банку	стоимость услуг банка
bank credit card	банківська кредитна картка	банковская кредитная карточка
banknote	кредитний білет, банкнота	кредитный билет, банкнота
bank statement	выписка з банківського рахунку	выписка из банковского счета
barter economy	бартерна економіка	бартерная экономика
batch	партія виробів, замовлення	партия изделий, заказ

beginning inventory	запас товарно-матеріальних цінностей на початок року	запас товарно-матеріальних ценностей на начало года
benefit	вигода. користь, пільга, привілей	выгода, польза, льгота, привилегия
bill	рахунок, пред'являти рахунок	счет, предъявлять счет
bond	облігація, тривале зобов'язання	облигация, долговое обязательство
bond certificate	сертифікат облігації	сертификат облигации
bookkeeper	бухгалтер	бухгалтер
bookkeeping	рахівництво, ведення облікових реєстрів	счетоводство, ведение учетных регистров
book value	облікова/балансова вартість	учетная/балансовая стоимость
budget	бюджет, кошторис прибутків та витрат	бюджет, смета доходов и расходов
budgeting	складання бюджету	составление бюджета
business	бізнес, справа, підприємство	бизнес, дело, предприятие
business decision	ділове рішення	деловое решение
business transaction	господарська операція	хозяйственная операция

## С с

capital	капітал, частка власника	капитал, доля владельца
capital assets	основний капітал	основной капитал
capital expenditure	капітальні витрати	капитальные затраты
capital gain	прибутки від зростання вартості активів	доходы от прироста стоимости активов
capital stock	акціонерний капітал	акционерный капитал
career	кар'єра, діяльність, успіх	карьерера, работа, успех
cash	грошові кошти, каса	денежные средства, касса
cash at bank	гроші в банку	деньги в банке
cash available	наявність готівки	наличие денежных средств
cash budget	бюджет грошових коштів	бюджет денежных средств
cash disbursements	грошові витрати	денежные расходы
cash flow statement	потік/рух коштів звіт про рух готівки	поток/движение средств отчет о движении денежных средств
cash in hand	готівка	наличные деньги
cash payment	платіж готівкою	наличный платеж
cause	визивати, спричиняти	вызывать, быть причиной
cease	припиняти	прекращать
charging	нарахування	начисление
chart of accounts	план рахунків	план счетов

cheque	чек	чек
chief accountant	головний бухгалтер	главный бухгалтер
claim	стверджувати, заявляти	утверждать, заявлять
closure	закриття	закрытие
coin	монета	монета
complete	закінчувати	завершать
completeness	повне висвітлення	полное освещение
completion	завершення, закінчення	окончание, завершение
commerce	торгівля, комерція	торговля, коммерция
company	корпорація, компанія	корпорация, компания
compulsory fee	обов'язковий збір	обязательный сбор
conformity	відповідність	соответствие
consistency	послідовність	последовательность
consolidated accounts	зведені рахунки	сводные счета
consolidated financial statement	зведений фінансовий звіт	сводный финансовый отчет
consume	споживати, витратити	потреблять, расходовать
consumer	споживач	потребитель
consumer market	ринок споживачів	потребительский рынок
contend	стверджувати, заявляти	утверждать, заявлять
conventional	звичайний, нормальний	обычный, нормальный
cost	ціна, вартість, собівартість	цена, стоимость, себестоимость
costing	калькуляція собівартості	калькуляция себестоимости
costs	витрати	расходы
cost accounting	облік виробничих витрат	учет производственных расходов
cost and profit analysis	аналіз очікуваних витрат та прибутків	анализ ожидаемых расходов и прибылей
cost finding	визначення витрат	определение расходов
cost performance	економічна ефективність	экономическая эффективность
credit ("Cr")	кредит, кредитова сторона рахунку	кредит, кредитовая сторона счета
credit terms	кредитні умови	кредитные условия
cumulative	сукупний, накопичений	совокупный, накопленный
current assets	оборотні кошти	оборотные средства
current liabilities	короткотермінова заборгованість, що має бути повернена на протязі року	краткосрочная задолженность, подлежащая возврату в течение года
customer	покупець, клієнт	покупатель, клиент
customer accounting	облік клієнтів	учет клиентов

## D d

data processing	обробка даних	обработка данных
debit ("Dr")	дебет, дебетова сторона рахунку	дебет, дебетовая сторона счета
debit card	платіжна (дебетова) картка	платежная (дебетовая) карточка
decline	спад, зменшення	падение, снижение
decline in market value	зменшення ринкової вартості	снижение рыночной стоимости
declining-charge depreciation	дегресивне нарахування	дигрессивное начисление износа
deduct	відраховувати, утримувати	вычитать, удерживать
deferral	відстрочка	отсрочка
deferred taxes	відстрочені податкові платежі	отсроченные налоговые платежи
deficit	дефіцит	дефицит
deflation	дефляція (зниження рівня цін)	дефляция (снижение уровня цен)
delay	затримувати	задерживать
deliver	доставляти	поставлять
depreciation	знецінювання, амортизація, зниження вартості	обесценивание, амортизация, снижение стоимости
depreciation rate	коефіцієнт нарахування зношення	коэффициент начисления износа
derive	одержувати, отримувати	получать, извлекать
designation	призначення на посаду	назначение на должность
direct costing	калькуляція собівартості за перемінними витратами	калькуляция себестоимости по переменным затратам
direct costs	прямі витрати	прямые затраты
disagreement	незгода (аудиторів)	несогласие (аудиторов)
disclosure	розкриття, розголошення	раскрытие, разглашение
discount	знижка з ціни	скидка с цены
dissolution	ліквідація (підприємства)	ликвидация (предприятия)
distribution	розподіл	распределение
distribution costs	витрати з реалізації	расходы по реализации
dividend	дивіденд	дивиденд
dividends received	отримані дивіденди	полученные дивиденды
double-entry system	система подвійного запису (система обліку, при якій	система двойной записи



double taxation	кожна операція відображається одночасно по дебіту одного, та кредиту другого (бухгалтерського рахунку) подвійне оподаткування	двойное налогообложение
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## Е е

earn	заробляти, накопичувати	зарабатывать, накапливать
earned income	прибуток від основної діяльності	доход от основной деятельности
economic entity	суб'єкт, що господарює	хозяйствующий субъект
electronic data processing	електронна обробка даних	электронная обработка данных
employee	службовець, працюючий за наймом	служащий, работающий по найму
employer	наймач, роботодавець	наниматель, работодатель
ending inventory	запас товарно-матеріальних цінностей на кінець року	запас товарно- материальных ценностей на конец года
end-of-period balance	сальдо на кінець періоду	сальдо на конец периода
ending balance	кінцеве сальдо	конечное сальдо
error	помилка	ошибка
entail	викликати, спричиняти	влечь за собой, вызывать
entrepreneur	підприємець	предприниматель
entrepreneurship	підприємницька діяльність	предпринимательская деятельность
entry	запис, проводка, занесення	запись, проводка, занесение
entry-level job	перший ступінь кар'єри (нижча посада)	первая ступень карьеры (низшая должность)
equity	акція	акция
estimate	оцінка, кошторис, калькуляція	оценка, смета, калькуляция
evaluate	оцінювати, встановлювати вартість	оценивать, устанавливать стоимость
evaluation	оцінка	оценка
event	подія (господарчого життя)	событие (хозяйственной жизни)
evidence	дані, факти, доказ	данные, факты, доказательство
exceed	перевищувати	превышать

excess	перевищення	превышение
exchange rate	обмінний курс валюти	обменный курс валюты
excise duties	акцизний збір	акцизный сбор
expectation	очікування	ожидание
expenditures	витрати	расходы
expenses	витрати	расходы, затраты
expense	кошторис витрат	смета расходов
estimates		
experience	досвід	опыт
explicit plan	докладний/точний план	подробный/точный план
external auditor	зовнішній аудитор	внешний аудитор
extraordinary profit	позареалізаційний прибуток	внеереализационная прибыль

## F f

face interest rate	номінальна відсоткова ставка	номинальная процентная ставка
face value	номінальна вартість	номинальная стоимость
facilitate	полегшувати, сприяти	облегчать, способствовать
fairness	чесність, законність	честность, законность
fictitious	фіктивний, вигаданий	фиктивный, вымышленный
fidelity	точність, вірність	точность, правильность
FIFO (first in, first out )	метод оцінювання запасів за цінами останніх закупок	метод оценки запасов по ценам последних закупок
financial activities	фінансова діяльність	финансовая деятельность
financial assets	фінансові активи	финансовые активы
financial position	фінансовий стан	финансовое положение
financial statements	фінансова/бухгалтерська звітність	финансовая/бухгалтерская отчетность
fiscal year	податковий/фіскальний рік	налоговый/фискальный год
fixed assets	довготермінові активи	долгосрочные активы
fixed costs	постійні (незмінні) витрати	постоянные затраты
flexible	гнучкий	гибкий
flexibility principle	принцип гнучкості	принцип гибкости

## G g

gearing	платоспроможність	платежеспособность
general journal	бухгалтерський журнал	бухгалтерский журнал
general ledger	головна книга бухгалтерського обліку	главная книга бухгалтерского учета

general office clerk	конторський службовець	служащий офиса
general partner	головний партнер	главный партнер
going concern concept	поняття про діюче/ дієздатне підприємство; концепція безперервності	
goods available for sale	товари на продаж	товары для продажи
goods flow	рух товарів	движение товаров
goodwill	"гудвіл", вартість фірми	"гудвил", цена фирмы
gradually	поступово	постепенно
gross margin	валовий прибуток	валовая прибыль
gross method	метод ціни брутто	метод цены брутто
gross sales	валова сума продажу	валовая сумма продаж
group of companies	група компаній	группа компаний
growth	збільшення, зростання	рост, увеличение

## H h

hard currency	тверда валюта	твердая валюта
head office	головний офіс	главный офис
hire	наймати на роботу	нанимать на работу
hire purchase	оренда із правом викупу	аренда с правом выкупа
hired worker	працюючий за наймом	наемный работник
historical cost	початкова (собі)вартість	первоначальная (себе)стоимость
hold assets	володіти капіталом	владеть капиталом
holding company	холдингова компанія	холдинговая компания
holding gain	прибуток від збільшення вартості активів	доход от увеличения стоимости активов
holding loss	збиток від зменшення вартості активів	убыток от уменьшения стоимости активов
homogeneous	однорідний, гомогенний	однородный, гомогенный
hourly rate	погодинна ставка заробітної плати	почасовая ставка заработной платы

## I i

identify	встановлювати дійсність	устанавливать подлинность
immediately	негайно	немедленно
immovable property	нерухоме майно	недвижимое имущество
imply	припускати, підозрювати	предполагать, подразумевать
increment	приріст, прибуток	прирост, увеличение
index	показник	показатель

indirect costs	непрямі витрати	косвенные расходы
in excess of	понад, більш ніж	сверх, больше чем
inevitably	неминучо	неизбежно
inflation	інфляція	инфляция
inflow	приплив, надходження	приток, поступления
injection	”впорскування”	”впрыскивание”
income	прибуток, виручка	доход, выручка
income tax	прибутковий податок	подходный налог
inspection	інспекція, ревізія	инспекция, ревизия
interest at the rate	ставка проценту	процентная ставка
interest expenses	витрати на виплати відсотків за облігаціями	затраты на выплату процентов по облигациям
interest on the investment	процент з капіталовкладень	процент по капиталовложениям
interest revenue	дохід у вигляді відсотків	доход в виде процентов
internal auditor	внутрішній ревізор	внутренний ревизор
interpret	пояснювати	объяснять
inventory	товарно-матеріальні цінності, наявні виробу, запас	товарно-материальные ценности, наличные товары, запас
investing activities	інвестиційна діяльність	инвестиционная деятельность
investor	інвестор	инвестор
invoice	інвойс	счет-фактура
involve	включати в себе, передбачати	включать в себя, предполагать
issuance of bonds	випуск облігацій	выпуск облигаций
issued share capital	акціонерний капітал	акционерный капитал
insurance	страхування	страховка
insurance contribution	страховий внесок	страховой взнос

## J j

job order	замовлення на виробництво	заказ на производство
job order costing	калькуляція витрат за виконанням замовлення	калькуляция издержек по выполнению заказа
joint stock company	акціонерне товариство	акционерное общество
joint venture	спільне підприємство, спільна діяльність	совместное предприятие, совместная деятельность
journal	обліковий реєстр	учетный регистр
journal entry	запис в журналі	запись в журнале
journalising	реєстрація господарчих операцій в журналі	регистрация хозяйственных операций в журнале

## К к

keep cash on hand	мати готівку в розпорядженні	иметь наличные средства в распоряжении
keep records	вести бухгалтерський облік	вести бухгалтерский учет
know-how	виробничий досвід та знання (секрети); "ноу-хау"	производственный опыт и знания (секреты); "ноу-хау"

## L l

labour costs	витати на оплату праці	затраты на оплату труда
lease accounting	облік оренди	учет аренды
leasehold	право оренди	право аренды
ledger	регістр бухгалтерського обліку	регистр бухгалтерского учета
legal capital	статутний капітал (фонд)	уставной капитал (фонд)
legal existence	законне існування	законное существование
lender	кредитор	кредитор, заимодавец
lessee	орендатор	арендатор
lessor	орендодавець	арендодатель
letter of credit	акредитив	аккредитив
leverage	платоспроможність	платежеспособность
liability	зобов'язання, пасив, відповідальність	обязательство, пассив, ответственность
license	ліцензія	лицензия
likely return on investments	імовірний прибуток на інвестований капітал	вероятная прибыль на инвестированный капитал
limited liability	обмежена відповідальність	ограниченная ответственность
limited liability company	компанія з обмеженою відповідальністю	компания с ограниченной ответственностью
liquidity	ліквідність (здібність підприємства сплатити свою кредиторську заборгованість)	ликвидность (способность предприятия оплатить свою кредиторскую задолженность)
loan	позика, кредит	заем, ссуда, кредит
lodge	подати, пред'явити	подать, предъявить
long-term bonds	довгострокові облігації	долгосрочные облигации
long-term liabilities	довгострокова кредиторська заборгованість	долгосрочная кредиторская задолженность

## M m

maintain	зберігати, містити	сохранять, содержать
maintenance	обслуговування	обслуживание

manage management	управляти, керувати, завідувати адміністрація/керівництво компанії	управлять, руководить администрация/управление компании
managerial accounting	управлінський облік	управленческий учет
mandated budgeting	процес складання бюджету керівництвом компанії	процесс составления бюджета руководством компании
manufacturing costs manufacturing overhead costs	виробничі витрати виробничі накладні витрати	производственные расходы производственные накладные расходы
margin marginal costing	(торговельна) знижка калькуляція собівартості за змінними витратами	(торговая) скидка калькуляция себестоимости по переменным затратам
marginal revenue market economy market value	додатковий прибуток ринкова економіка ринкова вартість	добавочный доход рыночная экономика рыночная стоимость
marketing research mark up	вивчення ринку збуту торговельна націнка, надбавка до собівартості товарів	изучение рынка сбыта торговая наценка, надбавка к себестоимости товаров
means of storing up measurement	засіб накопичення вимірювання, підрахунок, обчислення	способ накопления измерение, подсчет, вычисление
merchandise merchandise accounting	товари облік у торгівлі	товары учет в торговле
merger mixed costs modification	злиття умовно-постійні витрати модифікація, видозміна	слияние условно-постоянные затраты модификация, видоизменение
monetary assets monetary measure mortgage	грошові кошти грошовий вимірник застава, іпотека	денежные средства денежный измеритель закладная, ипотека
monitor mutual obligations	здійснювати поточний контроль взаємні зобов'язання	осуществлять текущий контроль взаимные обязательства

## N n

net assets	нетто-активи; активи, зменшені на суму повернутих коштів	нетто-активы; активы, уменьшенные на сумму привлеченных средств
net gain net income net loss	чистий дохід чистий прибуток чисті витрати	чистый доход чистая прибыль чистый убыток

net monetary assets	чисті грошові активи	чистые денежные активы
net method	метод нетто-ціни	метод нетто-цены
nominal accounts	номінальні/тимчасові рахунки	номинальные/временные счета
nominal currency	номінальна валюта	номинальная валюта
nominal value	номінальна вартість	номинальная стоимость
non-interest bearing note	безвідсотковий вексель	беспроцентный вексель
nonmonetary assets	негрошові кошти/активи	неденежные средства/активы
normal balance	нормальне сальдо	нормальное сальдо
non-for-profit organisation	бюджетна (неприбуткова) організація	бюджетная (неприбыльная) организация

## O o

objectivity	об'єктивність	объективность
observe	наглядати, стежити	наблюдать, следить
obsolescence	застарілість, моральний знос	устаревание, моральный износ
obtain	одержувати, отримувати	получать, приобретать
occur	відбуватися, траплятися	происходит, случаются
offshore zone	офшорна зона	оффшорная зона
off-staff worker	позаштатний робітник	внештатный работник
on half pay	на півставки	на полставки
on the security of opening balance	в заставу	под залог
operating activities	сальдо на початок періоду	сальдо на начало периода
operating income	основна діяльність	основная деятельность
output	виробничий прибуток	производственная прибыль
overhead costs	вироблена продукція	произведенная продукция
overpay	накладні витрати	накладные расходы
owe	переплата	переплата
own	заборгувати	быть должным
owner	володіти, мати	владеть, иметь
owners' equity	власник	владелец
	(власний) капітал	собственный капитал

## P p

paid-up (share) capital	оплачений акціонерний капітал	оплаченный акционерный капитал
participative budgeting	процес складання бюджету за участю співробітників компанії	процесс составления бюджета при участии сотрудников компании
partnership	партнерство, товариство	партнерство, товарищество, общество

payroll	платіжна відомість	платежная ведомость
payroll register	розрахунково-платіжна відомість	расчетно-платежная ведомость
performance	виконання, робота, продуктивність	выполнение, работа, производительность
pledge	застава	залог
point	головне, суть, перевага	главное, суть, преимущество
portfolio	портфель цінних паперів	портфель ценных бумаг
post	складати проводки	составлять проводки
premises	приміщення	помещения
premium	премія	премия
prepayment	авансовий платіж	авансовый платеж
present value	поточна вартість	текущая стоимость
price competition	конкуренція в ціноутворенні	конкуренция в ценообразовании
pricing	ціноутворення	ценообразование
prime cost	собівартість	себестоимость
principal	номинал	номинал
process costing	калькуляція витрат виробництва за процесами	калькуляция издержек производства по процессам
processing	обробка (даних)	обработка (данных)
product costing	калькуляція собівартості	калькуляция себестоимости
product costs	собівартість продукції	себестоимость продукции
product development	розвиток виробництва, розробка продукту	развитие производства, разработка продукта
product planning	розробка нових продуктів	разработка новых продуктов
profit	прибуток, доход	прибыль, доход
profitability	прибутковість	прибыльность
profit and loss account	звіт про доходи і втрати, фінансовий звіт	отчет о прибылях и убытках, отчет о финансовых результатах
profit-making organisation	прибуткова організація	прибыльная организация
profit margin	рентабельність	рентабельность
promising product	перспективний продукт	перспективный продукт
promotion	сприяння у продажі (напр., реклама)	содействие в продаже (напр., реклама)
property	майно, нерухомість, власність	имущество, недвижимость, собственность
provision	резерв	резерв
proxy	доручення	доверенность
purchase order	замовлення на купівлю	заказ на покупку



purchase price	ціна покупки	цена покупки
purchasing power	покупательська сила	покупательская сила
purchases discount	знижки з закупок	скидки с закупок
put into account	покласти на рахунок	положить на счет

## Q q

qualifications	застереження, обмеження	оговорки, ограничения
qualified audit opinion	аудиторська думка	аудиторское мнение

quick ratio	коефіцієнт строгої ліквідності	коэффициент строгой ликвидности
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## R r

ratio analysis	аналіз з використанням фінансових коефіцієнтів	анализ с использованием финансовых коэффициентов
real accounts	реальні рахунки	реальные счета
realized profit	фактичний прибуток	фактическая прибыль
receipt	надходження	поступления
receivables	дебіторська заборгованість	дебиторская задолженность
reconciliation	вивірка, звірка	выверка, сверка
record	запис, вносити	запись, вносить
redemption	погашення акцій/боргу	погашение акций/долга
reliability	надійність	надежность
remainder	залишок (на рахунку)	остаток (на счету)
remuneration	оплата за зроблені послуги, винагородження	оплата за оказанные услуги, вознаграждение
requirement	вимога	требование
resale	перепродаж	перепродажа
residual income	залишковий прибуток	остаточная прибыль
retained income	нерозподілений прибуток	нераспределенная прибыль
return	віддача, повернення	отдача, возврат
revenue(s)	прибуток, виручка	доход, выручка
revenue recognition	визнання прибутку	признание дохода

## S s

salary	оклад	оклад
sales	реалізація	реализация
sales budget	план з реалізації	план по реализации
sales discount	знижки з ціни продажу	скидки с продажной цены
sales on account	продаж товарів в кредит	продажа товаров в кредит
sales proceeds	прибуток від продажу	доход от продажи
sales slip	касовий чек	кассовый чек
sales tax	податок з продажу	налог с продажи

salvage value	ліквідаційна вартість	ликвидационная стоимость
securities	цінні папери	ценные бумаги
segment	частина, відрізок	часть, отрезок
selling expenses	витрати на збут	расходы на сбыт
selling price	ціна продажу	цена продажи
share capital	акціонерний капітал	акционерный капитал
share	акція, частка, пайка	акция, доля, пай
shareholder	акціонер	акционер
short-term assets	короткострокові оборотні кошти	краткосрочные оборотные средства
short-term liquid assets	ліквідні активи	ликвидные активы
source document	первинний документ	первичный документ
statement of cash flow	звіт про рух грошових коштів	отчет о движении денежных средств
statement of owners' equity	звіт про рух власного капіталу	отчет о движении собственного капитала
stewardship	керування	управление
stock	акція, інвентар, резерв	акция, инвентарь, резерв
stock certificate	акціонерний сертифікат	акционерный сертификат
stockholder	акціонер	акционер
stock-in-trade	запас товарів, обладнання	запас товаров, оборудование
stock of assets	запас активів (капіталу)	запас активов (капитала)
straight-line depreciation	рівномірне нарахування зносу	равномерное начисление износа
substitute	змінювати, замінити	заменять, замещать
substantial deviations	істотні відхилення	существенные отклонения
sufficient	достатній	достаточный
summarize	узагальнювати	обобщать
supervise	спостерігати, завідувати	наблюдать, заведовать
supply and demand	пропозиція і попит	спрос и предложение
surplus	перевищення прибутків над витратами	превышение доходов над расходами
survive	виживати, зберігати	выживать, сохранять
	працездатність	работоспособность

## T t

T-account	T-модель рахунку; схема рахунку	T-модель счета; схема счета
tangible assets	матеріальні активи	материальные активы
target	мета, планове завдання	цель, плановое задание
tax	податок	налог

taxable income	прибуток, що обкладається податком	налогооблагаемый доход
tax allowance	податкова пільга	налоговая льгота
taxation	оподаткування	налогообложение
tax avoidance	відхилення від оподаткування	уклонение от налогообложения
tax credit	податковий кредит	налоговый кредит
tax evasion	уникнення від сплати податків	уклонение от уплаты налогов
tax revenue	збирання податків	сбор налогов
terminal value	остаточна сума	окончательная сумма
title	право власності	право собственности
total assets	загальна вартість активів	общая стоимость активов
total income	підсумковий прибуток	итоговая прибыль
total revenues	загальні прибутки	общие доходы
trade credit	комерційний кредит	коммерческий кредит
trademark	торгова марка	торговая марка
transaction	транзакція, операція, угода	транзакция, операция, сделка
transfer	акт перенесення, об'єкт передавання	акт перенесения, предмет передачи
trial balance	пробний баланс	пробный баланс
true recognition	достовірне відображення	достоверное отражение
trustee	довірена особа	доверенное лицо
truthfulness	вірогідність (інформації)	достоверность (информации)
turnover	товарообіг	товарооборот

## U u

unappropriated profits	нерозподілений прибуток	нераспределенная прибыль
uncollectible accounts	безнадійні борги	безнадежные долги
unearned revenues	прибутки майбутніх періодів	доходы будущих периодов
unit cost	собівартість виробів	себестоимость изделий
unincorporated business	неакціонерна компанія	неакционерная компания
unlimited liability	необмежена відповідальність	неограниченная ответственность
unqualified audit report	аудиторська думка	аудиторское мнение
unrealised loss	нереалізований збиток	нереализованный убыток
unrealised profit	нереалізований прибуток	нереализованная прибыль
unrecorded expenses	нараховані витрати	начисленные расходы
unrecorded revenue	нараховані прибутки	начисленные доходы

useful life utilities	термін експлуатації інженерні мережі	срок эксплуатации инженерные сети
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### V v

valuation valuation issue value added tax (VAT)	оцінювання проблема оцінювання податок на подану вартість (ПДВ)	оценка проблема оценки налог на добавленную стоимость (НДС)
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value of assets	вартість/оцінка/оцінювання активів	стоимость/оценка/оценивание активов
variable costing	калькуляція собівартості за змінними витратами	калькуляция себестоимости по переменным затратам
variable costs	змінні/перемінні витрати	переменные затраты
vertical analysis	вертикальний аналіз	вертикальный анализ
voting stock	акції із правом голосу	акции с правом голоса
voucher	ваучер, розписка	ваучер, расписка
voucher check	чек-розписка	чек-расписка
voucher system	система ваучерів	система ваучеров

### W w

wages	заробітна платня	заработная плата
wages expenses	витрати на заробітну платню	расходы по заработной плате
wages payable	заборгованість по зарплаті	задолженность по зарплате
warehousing	складування товарів	складирование товаров
wholesale value	оптова ціна	оптовая цена
wholesaling	оптова торгівля	оптовая торговля
withdrawal	зняття коштів з рахунку	снятие денег со счета
working capital	власні оборотні кошти	собственные оборотные средства
working papers	робочі документи	рабочие документы
work sheet	робоча таблиця	рабочая таблица
worth	вартість, цінність	стоимость, ценность
write off	списання	списание

## ABBREVIATIONS

a/c или асс или acct = account	счет
A/P = accounts payable (USA)	счета к оплате
A/R = accounts receivable (USA)	счета к получению
AAA = American Accounting Association (USA)	Американская бухгалтерская ассоциация
ABC = activity based costing	калькуляция себестоимости по виду деятельности
ACCA = Chartered Association of Certified Accountants (UK)	Ассоциация присяжных бухгалтеров
ACCG = accounting	бухгалтерский облик
acq. = acquisition	приобретение
AIS = accounting information system	система обработки учетных данных
AP = accounting period	отчетный период
APR = annual percentage rate	годовая процентная ставка
AR = audit risk	аудиторский риск
ASB = Accounting Standards Board (UK)	Бюро бухгалтерских стандартов
AVE = average	средний
b/d = brought down	сальдо (по счету), перенесенное на противоположную сторону счета
b/f = brought forward	сальдо (по счету), перенесенное на следующую страницу
B/S = balance sheet	Баланс
bal. = balance	сальдо
BAA = British Accounting Association	Британская бухгалтерская ассоциация
BOD = Board of Directors	Совет директоров
BOP = balance of payments	баланс платежей
BPS = balance per bank statement	остаток на счете по выписке банка
C/N = credit note	документ, аннулирующий ранее выставленную счет-фактуру
C/S = common stock (USA)	обыкновенные акции
CA = chargeable assets	налогооблагаемые активы
CA = Chartered Accountant	присяжный бухгалтер
CA = current assets	оборотные средства
Cap Ex = capital expenditure	капитальные затраты
CB or C/B = cash book	кассовая книга
CBA = cost benefit analysis	сравнительный анализ затрат и результатов
CF = cash flow	движение денежных средств
CFA = cash flow accounting	кассовый принцип учета
CL = current liabilities	краткосрочная кредиторская задолженность
Co. = company	компания

COS = cost of sales	себестоимость реализации
CPA = Certified Public Accountant (USA)	присяжный бухгалтер
Cr = credit	кредит
CT = corporation tax	налог на прибыль компании
Dep = depreciation	износ
Dept = department	отдел
DL = direct labour (costs)	прямые затраты на оплату труда
Dr = debit	дебет
DR = Directors' Report	Отчет директоров компании
end. bal. = ending balance (USA)	конечное сальдо
EPS = earnings per share	прибыль на акцию
ex div или xd = ex dividend (without the dividend)	без дивиденда
FA = fixed assets	долгосрочные внеоборотные активы
FASB = Financial Accounting Standards Board (USA)	Бюро стандартов финансового учета
FC = fixed costs	постоянные расходы
FIFO = first in first out (method)	метод оценки запасов по ценам последних закупок
FRS = Federal Reserve System (USA)	Федеральная резервная система
FS = financial statements	финансовые отчеты
FY = financial/fiscal year	финансовый / фискальный год
G/L = general ledger	Главная книга
GAAP = generally accepted accounting principles (USA)	Общепринятые бухгалтерские принципы
GM = gross margin	валовая прибыль
GW = goodwill	"гудвилл", цена фирмы
H/W = hardware	средства вычислительной техники
H/C = historical cost	первоначальная стоимость
HP = hire purchase	аренда с правом выкупа
hrs = hours	мн.ч. слова "час"
I/S = income statement (USA)	Отчет о прибылях и убытках
IASC = International Accounting Standards Committee	Комитет по международным бухгалтерским стандартам
IFA = International Federation of Accountants	Международная федерация бухгалтеров
Inc. = incorporated (USA)	акционерный; зарегистрированный как корпорация
IT = income tax	налог на доходы
K = kilo	тысяча (например \$ 18 K = \$ 18,000 )
LIFO = last in first out (method)	метод оценки запасов по ценам первых закупок

Ltd. = limited liability company (UK)	компания с ограниченной ответственностью
LTD = long-term debt (USA)	долгосрочный долг
ltr = litre	литр
m/c = machine	машина
m/u = mark up	торговая наценка, надбавка
m = metre; million	метр; миллион
MC = marginal cost	добавочная себестоимость
mfr = manufacturer	изготовитель
mgmt = management	руководство, администрация
Mkt = market	рынок
MR = marginal revenue	добавочный доход
MV = market value	рыночная цена
N/L = nominal ledger	Главная книга
NBV = net book value	балансовая стоимость
NCA = net current assets	нетто-оборотные активы
O/H = overheads	накладные расходы
OS = operating system	операционная система (ЭВМ)
OTS = off-the shelf	готовый программный продукт
P/p = prepayment	предоплата, авансовый платеж
p.a. = per annum	в год
P/L a/c = Profit and loss account	Отчет о прибылях и убытках
PAT = profit after tax	прибыль после налогообложения
PAYE = pay as you earn	уплата налогов при начислении заработной платы
PCB = petty cash book	кассовая книга
P/c = public limited company (UK)	открытая акционерная компания с ограниченной ответственностью
Prod ” = production	производство
PV = present value	текущая стоимость
Qtr = quarter	квартал (три месяца)
qty или q = quantity	количество
rec'd = received	получено
Ref. = reference	ссылка
RI = residual income	остаточная прибыль
RM = raw materials	сырье
ROI = return on investment	отдача на инвестиции
S/E = stockholders' equity (USA)	собственный капитал
S/H = shareholder	акционер
S/W = software	программное обеспечение
SC = share capital	акционерный капитал
SEC = Securities and Exchange Commission (USA)	Комиссия по ценным бумагам и биржевым операциям

SP = sales proceeds	доход от реализации
SP = selling price	продажная цена
std = standard	стандарт (ный)
t/f = transfer	перенос, перечисление сумм
T/o = turnover	товарооборот
TB = trial balance	пробный баланс
TC = total cost	общая сумма затрат
TI = total income	итоговая прибыль
URP = unrealised profit	нереализованная прибыль
var. = variance	отклонение
VAT = value added tax	налог на добавленную стоимость (НДС)
VC = variable (manufacturing) costs	переменные (производственные) затраты
VO = variable (factory) overheads	переменные общезаводские накладные расходы
w/p = working papers	рабочие документы (аудиторской проверки)
WC = working capital	собственные оборотные средства
WIP = work in progress or work in process	незавершенное производство
xd или ex div = ex dividend	без дивиденда
y/e = year end(ing)	конец года
Y/A = year of assessment	год налогообложения
Yr = year	год



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