

Work sheet – terms and definitions

	term	definition	Fachbegriff
1	assets	resources owned by a person or company, typically with monetary value eg: property, investments, cash, ...	Vermögen, Aktiva
2	Fixed assets	A company owns resources for a longer time, usually more than one year	Anlagevermögen
3	Current assets	The resources that a business owns and expects to use or sell within a year. Eg: inventory, cash, trade accounts receivable	Umlaufvermögen
4	Income statement/ Profit and loss account	It's a financial summary of a company's revenues and expenses over a specific time period. It shows whether a company has made a profit or incurred a loss by subtracting expenses from revenues.	Gewinn- und Verlustrechnung
5	Liquid funds	It is the available amount that a company can use for paying their bills eg; money in the bank account, money in the cash desk	Liquide Mittel
6	Stock, inventory	Goods that have been produced, ready for sale	Warenvorrat
7	Stock-taking	Minimum once a year the company counts and documents their goods and materials on stock systematically	Inventur
8	Provisions	Are Liabilities, losses or expenses that are uncertain as to their origin or amount. By creating a provision, the expenses that will have to be paid later are allocated to the periods in which they were incurred.	Rückstellungen
9	Reserves	Capital reserves and retained earnings, it is a part of the equity capital of a company	Rücklagen
10	Trade accounts receivable	If a customer has not yet paid an invoice that has already been issued for a service or delivery provided.	Lieferforderung
11	Annual financial statement	It is a structured presentation of relevant financial information of a business. It includes the balance sheet and the income statement of a company.	Jahresabschluss
12	Ratios	The quantitative relation between different amounts	Kennzahlen
13	Equity ratio	This is a financial indicator that shows the proportion of equity to total capital of a company.	Eigenkapitalquote
14	Return on equity	What is my interest rate of my invested equity capital? Return on equity = profit after tax / equity capital	Eigenkapitalrenta bilität
15	Return in investment	What is the interest rate for my equity capital and the costs of my borrowed capital? $ROI = (\text{profit after tax} + \text{interest of borrowed capital}) / \text{sum of capital}$ It is cheaper borrowing money, when the interest rate for the credits is lower than your ROI.	Gesamtkapitalren tabilität