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柏氏会计英语便携词典

Dictionary of Accounting Terms

第二版

Joel G. Siegel, Ph.D.,CPA

Jae K. Shim, Ph.D.

吉林科学技术出版社

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DICTIONARY OF ACCOUNTING TERMS

Second Edition

by

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前 言

无论你审计一家大企业的帐目或是核对个人帐本，柏氏会计英语词典都会为你提供巨大的帮助。你可能是一位商人——记帐员、经理或老板，你也可能是一位商科学生——会计专业学生或 MBA 学员，你还可能是一位会计师或者必须与会计师打交道的人。无论是哪种情况，本词典都能为您提供与财政记帐有关各领域的定义、举例和插图。

在课堂上或商业会议中，你会遇到生疏的会计术语。你需要知道该词的意义和用法以便能跟上进度。在家中，你会对课本中的一条参考或你正绘制的一个图表的用法感到头疼。为使工作高效地进行下去，你需要彻底了解它。将本书带在身边，这些问题就迎刃而解了。

会计学在不断发展，会计词汇也在不断变化。要使用会计语言，你必须知道最新出现的术语和原有术语的最新解释。本书的目的就在于为您提供今天的会计工作词汇——定义那些影响着会计业的新术语，更新传统的会计用语及相关原理。

本书词条涉及会计学各领域，包括财政会计、管理与成本会计、审计学、财务报表分析和税务学。许多词的定义取自从业人员必须通晓的相关商业原理。本书收入了财政学、行为调查与数量技术学、计算机科学和经济学的主要术语。总之，本书为 2500 多条术语提供了明确而简洁的定义，并充实以解释和用法说明。因此每一词条既基本又全面——其基本可以让初学者迅速得其要领；其全面足以为专业人员提供各种细节。

作者衷心希望本词典能为所有与会计业有关的人——从外行到专家——提供方便。

乔尔 G. 希格尔

杰 K. 西姆

PREFACE

Whether you audit the records of a large corporation or balance your own checkbook, you will find Barron's *Dictionary of Accounting Terms* of immeasurable help. You may be a business person—a bookkeeper, a manager, or a proprietor. You may be a business student—an accounting major or an MBA candidate. You may *be* an accountant or you may have to *deal* with accountants. Whatever the case, this Dictionary provides the definitions, examples, and illustrations you need to know about all aspects of financial record keeping.

In class or at a business meeting, you are likely to hear an accounting term that is unfamiliar to you. You need to know what that term means and its application in order to follow the presentation intelligently. At home you may be puzzled by a reference in a text you are studying or by a direction in a form you are completing. You need to understand what is meant in order to proceed with the task efficiently. Keeping a copy of this volume by your side will provide the explanations and demonstrations that will enable you to handle all of these problems.

Accounting is a dynamic area with a vocabulary that is constantly changing. To talk its language, you have to keep up-to-date with the latest terms that have just emerged and with the latest definitions of older terms. It is this book's purpose to present the working vocabulary of accounting today—defining new terminology as it affects the accounting profession, while updating the traditional language of accounting and its related disciplines.

Entries have been drawn from all areas within accounting including financial accounting, managerial and cost accounting, auditing, financial statement analysis, and taxes. Definitions have also been provided for many terms from related business disciplines that the accountant must know about in order to perform his or her functions in the business world. Included are essential words from finance, operations research and quantitative techniques, computers, and economics. In all, clear, concise definitions are provided for more than 2500 terms, and a further explanation of the term or a demonstration of its use is frequently given to amplify the definition. Thus, each entry is basic enough for the novice to grasp the essential meaning quickly, yet comprehensive enough for the professional to find additional detail when it is needed.

The authors sincerely hope that this Dictionary will prove a handy reference for anyone involved with accounting—from the layman to the expert.

Joel G. Siegel
Jae K. Shim

HOW TO USE THIS BOOK EFFECTIVELY

Alphabetization: All entries are alphabetized by letter rather than by word, so that multiple-word terms are treated as single words. For example, ACCOUNT FORM follows ACCOUNTANT, and AD VALOREM TAX follows ADMINISTRATIVE BUDGET. In unusual cases (such as BASIC) abbreviations appear as entries in the main text, in addition to appearing in the back of the book in the separate listing of Abbreviations and Acronyms. This occurs when the short form or acronym, rather than the formal name, predominates in the common usage of the field. For example, BASIC is commonly used when speaking of the "BEGINNER'S ALL-PURPOSE SYMBOLIC INSTRUCTION CODE"; thus, the entry is at BASIC. Numbers in entry titles are alphabetized as if they were spelled out. For example, 401(K) PLAN follows FORWARD RATE.

Many words have distinctly different meanings, depending upon the context in which they are used. The various meanings of a term are listed by numerical or functional subheading. Readers must determine the context that is relevant to their purpose.

When terms are defined as different parts of speech, the grammatical forms are not labeled but the sequence is always nouns, followed by verbs, followed by qualifiers.

Abbreviations and Acronyms: A separate list of abbreviations and acronyms follows the Dictionary.

Cross-References: To add to your understanding of a term, related or contrasting terms are sometimes cross-referenced. The cross-referenced term will appear in SMALL CAPITALS either in the body of the entry (or subentry) or at the end. These terms will be printed in SMALL CAPITALS only the first time they appear in the text. Where an entry is fully defined by another term, a reference rather than a definition is provided—for example: ALPHA RISK *see* TYPE I ERROR.

Italics: Italic type is generally used to indicate that another term has a meaning identical or very closely related to that of the entry. Italic type is also used to highlight the fact that a word or phrase has a special meaning to the trade. Italics are also used for the titles of publications.

Parentheses: Parentheses are used in entry titles to indicate that an abbreviation is used with about the same frequency as the term itself; for example, SECURITIES AND EXCHANGE COMMISSION (SEC).

Special Definitions: Organizations and associations that play an active role in the field are included in the Dictionary along with a brief statement of their mission.

CONTENTS

A

ABACUS

1. instrument of ancient origin used to perform arithmetic calculations by sliding counters along rods or in grooves.
2. semiannual accounting research journal (founded in 1965) published by the Sydney University Press, edited by the University of Sydney, Department of Accounting. The subject matter covers all areas of accounting including international accounting.

ABANDONMENT voluntary surrender of property, owned or leased, without naming a successor as owner or tenant. The property will generally revert to a person holding a prior interest or, in cases where no owner is apparent, to the state.

ABATEMENT complete or partial cancellation of a levy imposed by a governmental unit. Abatements usually apply to tax levies, special assessments, and service charges.

ABC *see* ACTIVITY-BASED COSTING.

ABC METHOD inventory management method that categorizes items in terms of importance. Thus, more emphasis is placed on higher dollar value items ("A"s) than on lesser dollar value items ("B"s), while the least important items ("C"s) receive the least time and attention. Inventory should be analyzed frequently when using the ABC method. The procedure for ABC analysis follows: (1) Separate finished goods into types (chairs of different models, and so on); separate raw materials into types (screws, nuts, and so on). (2) Calculate the annual dollar usage for each type of inventory (multiply the unit cost by the expected future annual usage). (3) Rank each inventory type from highest to lowest, based on annual dollar usage. (4) Classify the inventory as A — the top 20%; B — the next 30%; and C — the last 50% of dollars usage, respectively. (5) Tag the inventory with its appropriate ABC classification and record those classifications in the item inventory master records.

ABNORMAL SPOILAGE spoilage that is recognized as a loss when discovered. NORMAL SPOILAGE is inherent in the manufacturing process and is unavoidable in the short run. Abnormal spoilage is spoilage beyond the normal spoilage rate. It is controllable because it is a result of inefficiency. It is not a cost of good production, but rather it is a loss for the period. Costs are assigned to the spoiled units and then credited to WORK-IN-PROCESS inventory and debited to a loss account.

ABSORB

1. to assimilate, transfer or incorporate amounts in an account or a group of accounts in a manner in which the first entity loses its

identity and is "absorbed" within the second entity. Examples include the sequential transfer of expenditure account amounts to WORK-IN-PROCESS, finished goods, and COST OF SALES.
2. to distribute or spread costs by the process of proration or allocation. *See also* ABSORPTION COSTING.

ABSORPTION COSTING method in which all manufacturing costs, variable and fixed, are treated as PRODUCT COSTS, while non-manufacturing costs (e.g., selling and administrative expenses) are treated as PERIOD COSTS. Absorption costing for inventory valuation is required for external reporting. *See also* DIRECT COSTING.

A comparison between absorption and direct costing follows:

Absorption Costing	Direct Costing
1. Required for outside reporting	1. Not accepted for outside reporting
2. Includes fixed overhead as an inventoriable cost	2. Does not include fixed overhead as an inventoriable cost
3. Stresses gross profit	3. Stresses contribution margin
4. Has a higher net income when production exceeds sales	4. Has a higher net income when sales exceed production

ABUSIVE TAX SHELTER limited partnership the IRS believes is claiming illegal tax deductions. This type of shelter usually inflates the value of purchased property, thus providing a basis for higher depreciation write-offs. When the IRS disallows the write-offs, back taxes as well as interest charges and high penalties must be paid. *See also* LIMITED PARTNER.

ACADEMY OF ACCOUNTING HISTORIANS voluntary organization dedicated to the study of accounting history. This organization publishes the *ACCOUNTING HISTORIANS JOURNAL* in addition to monographs, working papers, and a newsletter.

ACCELERATED COST RECOVERY SYSTEM (ACRS) system of depreciation for tax purposes mandated by the Economic Recovery Act (ERA) of 1981 and modified by the Tax Reform Act of 1986. The type of property determines its class. Instead of providing statutory tables, prescribed methods of depreciation are assigned to each class of property. For 3, 5, 7, and 10 year classes, the relevant depreciation method is the 200% declining balance method. For 15 and 20 year property, the appropriate method is the 150% declining balance method switching to the STRAIGHT-LINE method when it will yield a larger allowance. For residential rental property (27.5 years) and nonresidential real property (31.5 years), the applicable method is the straight-line method. A taxpayer may make an irrevocable election to treat all property in one of the classes under the straight-line method. Property is statutorily placed in one of the classes. The purpose of ACRS is to encourage more capital investment by businesses. It permits a faster recovery of the asset's cost and thus provides larger tax benefits in the earlier years.

ACCELERATED DEPRECIATION method recognizing higher amounts of depreciation in the earlier years and lower amounts in the later years of a fixed asset's life. Some machines, for example, are more efficient early on and generate greater service potential; matching dictates higher depreciation expense in those years. Over time, depreciation expense moves in a downward direction and maintenance costs tend to become higher; thus the effect of accelerated depreciation is fairly even charges to income. Greatest tax benefits from depreciation are enjoyed in the earlier years. *See also* ACCELERATED COST RECOVERY SYSTEM; DOUBLE DECLINING BALANCE; SUM-OF-THE-YEARS'-DIGITS (SYD) METHOD.

ACCELERATION CLAUSE provision contained in a BOND INDENTURE requiring that in an event of default any remaining interest and principal become immediately due and payable.

ACCEPTABLE QUALITY LEVEL (AQL) a quality standard that allows a prespecified number of defects.

ACCEPTANCE

1. drawee's promise to pay either a TIME DRAFT or SIGHT DRAFT. Typically, the acceptor signs his name after writing "accepted" on the bill along with the date. Instead of "accepted," similar wording indicating an intention to pay would also suffice to show a desire to honor the bill at maturity. An acceptance of a bill in effect makes it a PROMISSORY NOTE: the acceptor is the maker and the drawer is the endorser.
2. BANKER'S ACCEPTANCE.
3. binding contract effected when one party to a business arrangement accepts the offer of another. Acceptance may be in written or oral form.

ACCEPTANCE SAMPLING statistical procedure used in quality control. Acceptance sampling involves testing a batch of data to determine if the proportion of units having a particular attribute exceeds a given percentage. The sampling plan involves three determinations: (1) batch size; (2) sample size; and (3) maximum number of defects that can be uncovered before rejection of the entire batch. This technique permits acceptance or rejection of a batch of merchandise or documents under precisely specified circumstances, thereby ensuring that the auditor does not reject too many acceptable batches. Acceptance sampling is of particular value to the internal auditor who wants continuous control on the quality of clerical work. From acceptance sampling tables, one can select a sampling plan to assure that errors will not be greater than a specified percentage of the batch (tolerable error rate), provided a full check of rejected batches is made. Acceptance sampling can also be used by the internal auditor to inspect the documents flowing through information channels of the organization. Items that can be checked include pricing and mathematical calculations. Acceptance sampling is basically an internal audit tool. It would be very difficult for the external auditor to devise a sampling plan that, while rejecting, say, 90% of unsatisfactory batches, does not also reject a high number of satisfactory batches.

ACCESS TIME length of time that a data storage device, associated with a computer, takes to process and return data from the time of the original request for the data.

ACCOMMODATION ENDORSEMENT written agreement to be liable made without consideration on a credit instrument (e.g., notes payable) to which another person or firm is a party, thus adding strength to the credit application. An example: a parent company *endorses* a note of a subsidiary payable to a bank or other lender.

ACCOUNT

1. systematic arrangement showing the effect of transactions and other events on a specific balance sheet or income statement item. An account is usually expressed in money. A separate account exists for each asset, liability, stockholders' equity, revenue, and expense. Accounts are the way in which differing effects on the basic business elements are categorized and collected. Accounts are in the ledger (ledger account). Examples are cash, accounts payable, and dividend revenue. *See also* CHART OF ACCOUNTS.
2. relationship between one party and another. Examples are a depositor or borrower with a bank or thrift institution or a credit relationship with a seller of goods or services.

ACCOUNTABILITY individual or departmental responsibility to perform a certain function. Accountability may be dictated or implied by law, regulation, or agreement. For example, an auditor will be held accountable to financial statement users relying on the audited financial statements for failure to uncover corporate FRAUD because of negligence in applying GENERALLY ACCEPTED AUDITING STANDARDS (GAAS).

ACCOUNTANCY British term referring to the activities and theories comprising accounting including practice, research, and teaching. It includes the guidelines, principles, and procedures accountants are to follow in conducting their tasks. Accountants have legal and ethical responsibilities to their clients and public. *See also* ACCOUNTING.

ACCOUNTANT one who performs accounting services. Accountants prepare financial statements and tax returns, audit financial records, and develop financial plans. They work in private accounting (e.g., for a corporation), public accounting (e.g., for a CPA firm), not-for-profit accounting (e.g., for a governmental agency). Accountants often specialize in a particular area such as taxes, cost accounting, auditing, and management advisory services. A BOOKKEEPER is distinguished from an accountant as one who employs lesser professional skills. The bookkeeping function is primarily one of recording transactions in the journal and posting to the ledger. *See also* CERTIFIED PUBLIC ACCOUNTANT.

ACCOUNTANT IN CHARGE professional responsible for the field engagement associated with an audit. Duties include the general supervision of the engagement, distributing the workload to assistants, reviewing audit findings, and drafting required field reports.

ACCOUNTANT, THE journal published weekly in Surrey, England. Subject matter includes accounting, management, information systems and processing, corporate finance and treasury, and financial services.

ACCOUNTANTS FOR THE PUBLIC INTEREST (API) organization dedicated to serving the public welfare. API provides objective analysis of public policy questions in terms of their fiscal, accounting, or financial implications. Services include technical support to non-profit organizations that do not have the resources to afford such services.

ACCOUNTANTS' INDEX bibliography of accounting books and articles of interest to accounting professionals. It is published quarterly and annually by the AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA). Included are publications on all phases of accounting including auditing, tax, financial accounting, managerial accounting, and microcomputer applications.

ACCOUNTANTS INTERNATIONAL STUDY GROUP (AISG) organization founded to examine and report on common interesting topics within the accounting discipline. This group consists of representatives from the AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA), CANADIAN INSTITUTE OF CHARTERED ACCOUNTANTS (CICA), and the INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES.

ACCOUNTANT'S LIABILITY potential legal obligation of an accountant who commits fraud or is grossly negligent in the performance of professional duties. The term typically applies when an auditor conducting the ATTEST FUNCTION does not employ GENERALLY ACCEPTED AUDITING STANDARDS (GAAS) with sufficient care. To avoid liability, the accountant must be knowledgeable about the accounting profession's authoritative pronouncements such as FASB statements and AICPA STATEMENTS ON AUDITING PROCEDURE as well as SEC ACCOUNTING SERIES RELEASES. An accountant who violates the established rules and guidelines can be held legally liable to parties retaining him and those relying on work performed (e.g., investors, creditors). Most accounting practitioners carry malpractice insurance. *See also* NEGLIGENCE.

ACCOUNTANT'S MAGAZINE, THE journal founded in 1897, originally published monthly by the Aberdeen, Edinburgh, and Glasgow chartered accountants' societies. The INSTITUTE OF CHARTERED ACCOUNTANTS IN SCOTLAND, founded in 1951, later adopted this magazine as its monthly journal. Subject matter includes international accounting, accounting education, information systems, financial accounting, managerial accounting, and legal topics.

ACCOUNTANT'S RESPONSIBILITY ethical obligation to those relying upon the accountant's professional work. The accountant has a duty to management, investors, creditors, and regulatory bodies to exercise due care in performing the accounting and ATTEST FUNCTIONS. The accountant must follow with competence the promulgations of the ACCOUNTING PRINCIPLES BOARD (APB) and FINANCIAL ACCOUNTING STANDARDS BOARD (FASB), among others.

ACCOUNT FORM balance sheet structure showing assets on the left, liabilities and stockholders' equity on the right. The alternative form, called the REPORT FORM, positions assets above liabilities and stockholders' equity.

ACCOUNTING

1. umbrella term encompassing the multitude of disciplines including auditing, taxation, financial statement analysis, and managerial accounting. Accounting-related functions include financial accounting, cost accounting, not-for-profit accounting, and financial planning.
2. process of recording, measuring, interpreting, and communicating financial data. The accountant prepares financial statements to reflect financial condition and operating performance. Also, the accounting practitioner renders personal accounting services to clients such as preparing personal financial statements and tax planning.

ACCOUNTING CHANGE change in: (1) accounting principles (such as a new depreciation method); (2) accounting estimates (such as a revised projection of doubtful accounts receivable); or (3) the reporting entity (such as a merger of companies). When an accounting change is made, appropriate FOOTNOTE disclosure is required to explain its justification and financial effect, thereby enabling readers to make appropriate investment and credit judgments. Proper justification for a change in accounting principles may be the issuance of a new FASB pronouncement, SEC ACCOUNTING SERIES RELEASE (ASR), or IRS regulation. Changes in estimates are justified by changing circumstances such as a greater degree of wear and tear of a fixed asset than originally anticipated. Generally, the consistent use of accounting principles and procedures is essential in appraising an entity's activities and in the projection of future results; however, changes in the reporting entity have to be retroactively reflected for comparative purposes.

ACCOUNTING CONTROL procedures used to assure accuracy in the record keeping function. Controls exist to make certain source data placed in the system are proper and correct.

ACCOUNTING CONVENTION methods or procedures employed generally by accounting practitioners. They are based on custom and are subject to change as new developments arise. A new accounting or tax requirement, such as an SEC ACCOUNTING SERIES RELEASE (ASR), may make a convention inappropriate. The accountant in performing the reporting function should follow existing accounting conventions that apply to the given situation. *See also* ACCOUNTING PRINCIPLES.

ACCOUNTING CUSHION overstating an expense provision. This provides a larger balance in the estimated liability or allowance account so as to minimize the amount of an expense provision for a later period. It understates the current period's profit and in effect overstates the earnings in the period when the anticipated event occurs. For example, a company's allowance for bad debts from accounts receivable may substantially increase even though the company's bad debt write-off experience has become much better. In this case, the overstatement of bad debt expense unjustifiably understates the present year's net income. Since less of a bad debt expense provision will be needed next year due to the overstated allowance account, net income will be higher next period. The auditor should upwardly adjust net income for the charges creating the accounting cushion. It should be noted, however, that for tax purposes companies must use the direct write-off method for bad debts. *See also* INCOME SMOOTHING.

ACCOUNTING CYCLE series of steps in recording an accounting event from the time a transaction occurs to its reflection in the financial statements; also called *bookkeeping cycle*. The order of the steps in the accounting cycle are: recording in the journal, posting to the ledger, preparing a trial balance, and preparing the financial statements.

ACCOUNTING ENTITY business or other economic unit (including subdivisions) being accounted for separately. A system of accounts is kept for the entity. An accounting entity is isolated so that recording and reporting for it are possible. Examples of accounting entities are corporations, partnerships, trusts, and industry segments. A distinction should be made between an accounting entity and a legal entity. For example, a proprietor's accounting entity might be the business whereas the legal entity would include personal assets. Also, in the corporate environment, affiliated companies can be differently organized for legal and accounting purposes (e.g., industry segments). *See also* CONSOLIDATED FINANCIAL STATEMENT.

ACCOUNTING EQUATION double entry bookkeeping where there is an identity of debit and credit elements of a transaction. For each transaction, the total debits equal the total credits. For example, the payment of $100 to a creditor requires a debit to accounts payable and a credit to cash for $100. The accounting equation can also be expressed as:

$$\text{Assets} = \text{Liabilities} + \text{Capital}$$

An increase (or decrease) in total assets is accompanied by an equal increase (or decrease) in liabilities and capital.