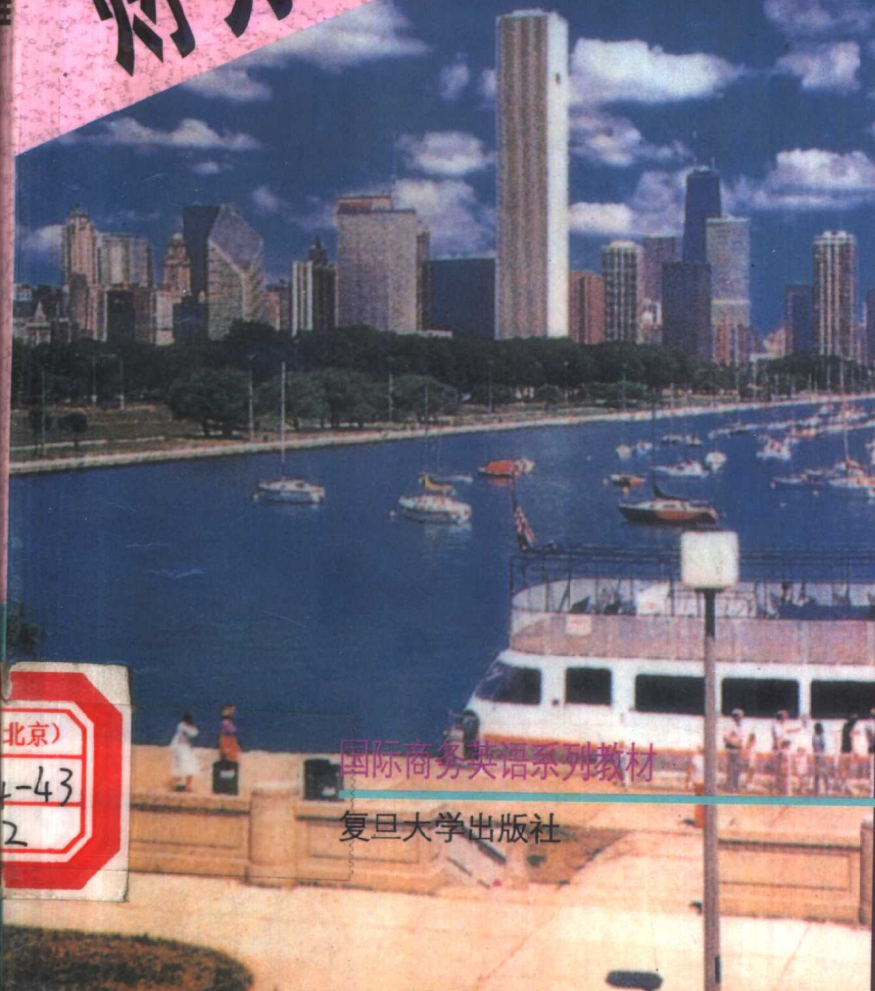


● 吴金龙 编著

财务会计英语教程

A COURSE IN ENGLISH FOR FINANCE AND ACCOUNTING



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国际商务英语系列教材

复旦大学出版社

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前 言

本书的编写是为了及时满足目前改革开放形势下急需培训复合型财经人才和教学需要。在参阅了大量国内外财经文献,结合自己国外实践的基础上,采选最新出版的国外财经书刊内容撰写而成。目的是为了培养、提高学生阅读英语财会专业文献及在实际工作中运用英语的能力,满足广大财会人员更新观念、更新知识的需要。

本书共有 12 课,每课除课文之外,还包括单词短语、专业术语、难句注释和练习。书后附有总词汇表。

本书的课文内容,有的虽经编者删简,但基本保持原作者观点,便于读者使用时参考。

本书可作为高等学校经济专业学生学习财务会计专业英语的教材,也可作为广大财会人员学习会计专业英语的教材和读物。

由于条件所限,加上编者水平不高,时间仓促,书中不尽人意之处,诚请读者批评指正。

编者

1995 年

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Lesson One

TEXT

A Brief Introduction to Accounting

Accounting information is used for decision making in all types of organizations—business and nonbusiness—as well as by both managers and individual citizens. Every person in society would benefit from some knowledge of accounting since it is used wherever economic resources are employed. ^{See next}

Accountancy is a professional field which can lead to careers in a variety of areas, including public accounting firms, business firms, and governmental organizations. The work of the accountant centers on systems design, interpretation of financial data, and the preparation or review of financial statements. Financial statements show the results of an organization's operations over a given period of time, its current financial condition, and changes in its financial position.

The environment of accounting

Many decisions are made daily in our society that have eco-

ordinary share 普通股
preference share 优先股
— certificate 证书

economic consequences, such as whether our savings should be invested in savings account in a bank, in government bonds, or in the shares of stock issued by business corporations. We may feel that our savings can be quite safely invested in a savings account or in a government bond. But we are far less certain about the outcome of an investment in shares of stock. To make an informed decision, we need information about the economic activity of corporations that issue such shares. And it is here that accounting enters the picture, since accounting is a primary source of information on economic activity.

Since economic activity includes the production, exchange, and consumption of scarce goods, it is found everywhere in our society. Accounting is nearly as extensive. Accounting is needed to show what was accomplished at what cost. This is true whether resources are used by individuals, business firms, or not-for-profit entities such as churches, units of government, and hospitals. Although accounting is used in all types of organizations, our attention here will center on the accounting and reporting by business firms.

Accounting is the process used to measure and report to various users relevant financial information regarding the economic activity of an organization or unit. Relevant information has some bearing upon a decision to be made. This information is primarily financial in nature; that is, it is stated in money terms.

When persons first study accounting, they often confuse bookkeeping and accounting. Bookkeeping involves the recording of business activities and is a very mechanical process. Accounting includes bookkeeping but goes well beyond it in scope.

Among other functions, accountants prepare financial statements, conduct audits, design accounting systems, prepare special studies, prepare forecasts and budgets, do income tax work, and analyze and interpret financial information.

In performing their work, accountants observe the economic scene and select (or identify) those events they consider evidence of economic activity. (The purchase and sale of goods and services are examples.) Then they measure these selected events in financial terms. Next, they record these measurements to provide a permanent history of the financial activities of the organization. In order to report upon what has happened, accountants classify their measurements of recorded events into meaningful groups. The preparation of accounting reports will require that accountants summarize these measurements even further. Finally, accountants may be asked to interpret the contents of their statements and reports. Interpretations involve explanations of the uses, meanings, and limitations of accounting information. Attention may also be drawn to significant items through trend or ratio analysis.

Accounting may also be defined as an information system designed to provide, through the medium of financial statements, relevant financial information. In designing the system, accountants keep in mind the types of users of the information (owners, creditors, etc.) and the kinds of decisions they make that require financial information. Usually, the information provided relates to the economic resources owned by an organization, the claims against these resources, the changes in both resources and claims, and the results of using these resources for a

given period of time.

Employment opportunities in accounting

In our society, accountants typically are employed in (1) public accounting, (2) private industry, or (3) the not-for-profit sector. Within each of these areas, specialization is possible; an accountant may, for example, be considered an expert in auditing, systems development, budgeting, cost accounting, or tax accounting.

Public accounting

A certified public accountant (CPA) must have passed a rigorous national examination prepared and graded by the American Institute of Certified Public Accountants (AICPA) — the accounting equivalent of the American Bar Association or the American Medical Association. Having passed the CPA examination and having met certain other requirements, such as having a certain number of years of experience, an individual may be licensed by the state to practice as a certified public accountant. As an independent professional, a CPA may offer clients auditing, management advisory, and tax services. Clients may be business firms, individuals, or not-for-profit organizations.

Auditing When a business seeks a loan or seeks to have its securities traded on a stock exchange, it is usually required to provide statements on its financial affairs. Users of these statements may accept and rely upon them more freely when they are accompanied by an auditor's opinion (or report). The auditor's opinion pertains to the fairness of the statements. In order to have the knowledge necessary for an informed opinion, the CPA

conducts an audit (examination) of the accounting and related records and seeks supporting evidence from external sources.

Management advisory services Often from knowledge gained in an audit, CPAs offer suggestions to their clients on how to improve their operations. From these and other contacts, CPAs may be engaged to provide a wide range of management advisory services. Such services tend to be accounting related; for example, they may include the design and installation of an accounting system or services in the areas of electronic data processing, inventory control, budgeting, or financial planning.

Tax services CPAs also provide expert advice for the preparation of federal, state, and local tax returns. The objective is to determine the proper amount of taxes due. Of equal importance, because of high tax rates and complex tax laws, is tax planning. Proper tax planning requires that the tax effects, if any, of every major business decision be known and considered before the decision is made.

Private or industrial accounting

Accountants employed by a single business are referred to as private or industrial accountants. They may be the employer's only accountant, or one of many. They may or may not be CPAs. If they have passed a rigorous examination prepared and administered by the National Association of Accountants—an organization for accountants employed in private industry—they will possess a Certificate in Management Accounting (CMA).

Industrial accountants may specialize in providing certain services. For example, they may be concerned with recording events and transactions involving outsiders and in the preparation

of financial statements. Alternatively, they may be engaged in accumulating and controlling the costs of goods manufactured by their employer. Still others may be specialists in budgeting—that is, in the development of plans relating to future operations. Many private accountants become specialists in the design and installation of systems for the processing of accounting data. Others are internal auditors and are employed by a firm to see that its policies and procedures are adhered to in its departments and divisions. These latter individuals may earn the designation, certified internal auditor (CIA), granted by the Institute of Internal Auditors.

Accounting in the not-for-profit sector

Many accountants, including CPAs, are employed by not-for-profit organizations, including governmental agencies at the federal, state, and local levels, and other organizations. The governmental accountant is likely to be concerned with the accounting for and control of tax revenues and their expenditure. Accountants are also employed by governmental agencies whose function is the regulation of business activity—for example, the regulation of public utilities by a state public service commission.

Some accountants are also employed in the academic arm of the profession. Here attention is directed toward the teaching of accounting, to research into its uses and limitations, and to the improvement of accounting information and the theories and procedures under which it is accumulated and communicated.

Internal decisions

In most companies, people at various levels of management make decisions that require accounting information. These deci-

sions can be classified into four major types :

1. Financing decision — deciding what amounts of capital are needed and whether it is to be secured from owners or creditors.
2. Resource allocation decisions — deciding how the total capital of a firm is to be invested, such as the amount invested in machinery.
3. Production decisions — deciding what products are to be produced, by what means, and when.
4. Marketing decisions — setting selling prices and advertising budgets; determining where a firm's markets are and how they are to be reached.

Managerial accounting provides information for such management decisions.

Managerial accounting Managerial accounting provides special analyses and other information for internal purposes. The information ranges from the very broad (long-range planning) to the quite detailed (why costs varied from their planned levels). The information must meet two tests. It must be useful, and it must not cost more to gather than it is worth. It generally relates to a part of a firm, such as a plant or a department, because this is where most of the decisions are made. It is used to measure the success of managers in, for example, controlling costs and to motivate them to help a firm achieve its goals. And it is forward looking, often involving planning for the future.

External users and their decisions

The external users of accounting information and the types of questions for which answers are sought can be classified as fol-

lows :

1. Owners (stockholders) and prospective owners and their advisers -- financial analysts and investment counselors. Should an ownership interest be acquired in this firm? Or, if one is now held, should it be increased, decreased, or retained at its present level? Has the firm earned satisfactory profits?
2. Creditors and lenders. Should a loan be granted to the firm? Will the firm be able to pay its debts as they become due?
3. Employees and their unions. Does the firm have the ability to pay increased wages? Can it do so without raising prices? Is the firm financially able to provide permanent employment?
4. Customers. Will the firm survive long enough to honor its product warranties? Can the firm install costly pollution control equipment and still remain profitable? Are profit margins reasonable?
5. Governmental units. Is this firm, a public utility, earning a fair profit on its capital investment? How much taxes does it pay? In total, is business activity at a desired level for sound growth without inflation?
6. The general public. Are profit margins too high? Are they an increasing or decreasing part of national income? Are the firms in this industry contributing to inflations?

Except for uses by governmental units, the information needs of the above users are met by providing a set of general-purpose financial statements. These statements are the end products of a process known as financial accounting.

Financial accounting Financial accounting provides statements which describe a firm's financial position, changes in this

position, and the results of operations (profitability). Many companies publish these statements in an annual report. This report contains the auditor's opinion as to the fairness of the financial statements, as well as other information about the company's activities, products, and plans.

Financial accounting information is historical in nature, being a report upon what has happened. Because interfirm comparisons are often made, the information supplied must conform to certain standards or principles, called generally accepted accounting principles (GAAP).

It would be a mistake to assume that a clear-cut distinction can be drawn between financial accounting information and managerial accounting information. Management officials are keenly aware of the fact that their jobs may depend upon how the figures come out in the annual report. Also, much of what is called managerial accounting information is first accumulated in an accounting system designed with financial reporting in mind.

(From *Roger H. Hermanson; Financial Accounting*)

NEW WORDS & PHRASES

accounting information	会计信息
decision making	决策
economic resources	经济资源
manager ['mænidʒə] n.	经理; 管理人
accountancy [ə'kauntənsi] n.	会计工作
professional [prə'feʃənl] a; n.	职业的; 专业人员
career [kə'riə] n.	经历; 生涯; 职业

financial [faɪ'nænʃəl] a.	财政的; 金融的
savings ['seɪvɪŋz] n.	储蓄(金); 存款
bond [bɒnd] n.	公债; 债券
informed [ɪn'fɔ:md] a.	有知识的; 有情报根据的
measure ['meʃə] v.	计量; 衡量
bearing [beərɪŋ] n.	关系; 联系
bookkeeping	簿记
process ['prəʊses] n. v.	过程; 进程; 加工; 处理
audit [ɔ:'dɪt] v.	审计
forecast ['fɔ:kɑ:st] v. n.	预测; 预报
budget ['bʌdʒɪt] n. v.	预算; 安排
trend [trend] v. n.	倾向; 趋势; 动向
ratio ['reɪʃiəʊ] n.	比; 比率
medium ['mi:djəm] n.	媒质; 媒介物; 手段; 工具
owner ['əʊnə] n.	所有人; 物主
creditor ['kredɪtə] n.	债权人; 贷方
claim [kleɪm] v. n.	要求; 要求权
not-for-profit	非赢利
client ['klaɪənt] n.	委托人; 当事人; 顾客
loan [ləʊn] v.	贷款; 借出
securities [si'kjʊərɪtɪz] n.	证券; 债券
stock exchange	证券交易所
tax returns	纳税申报表
accumulate [ə'kjʊ:mjuleɪt] v.	积累; 积聚
designation [,deɪzɪg'neɪʃən] n.	名称; 称号; 指定; 标示
revenue ['revɪnju:] n.	税收; 收入
expenditure [ɪks'pendɪtʃə] n.	支出; 消费; 费用
motivate ['məʊtɪveɪt] v.	促动; 激发
stockholder ['stɒk'həʊldə] n.	股东
adviser [əd'vaɪzə] n.	顾问
advisory [əd'vaɪzəri] a.	顾问的, 咨询的

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analyst [ˈænəlɪst] n.	分析者
counselor [ˈkaʊnsələ] n.	顾问; 参赞
range [reɪndʒ] n. v.	范围; 排列; 把……分类
prospective [prɒsˈpektɪv] a.	预期的; 未来的
grant [grɑːnt] v. n.	同意; 授予; 转让物
debt [det] n.	债务
employee [emˈplɔɪːi] n.	雇员
union [ˈjuːnjən] n.	联合; 团结; 工会
warranty [ˈwɒrənti] n.	理由; 证书; 保单
profit [ˈprɒfɪt] n. v.	得益; (复数) 利润
margin [ˈmɑːdʒɪn] n.	差数; 幅度
inflation [ɪnˈfleɪʃən] n.	通货膨胀
annual report	年度报告书
arm [ɑːm]	某一机构的行政或执行部门
due	应得数 工费 工资 税金 费用 租金

PROPER NAMES

CPA - Certified Public Accountant	注册会计师
AICPA - American Institute of Certified Public Accountant	美国注册会计师协会
CMA - Certificate in Management Accounting	管理会计证书
CIA - Certified Internal Auditor	注册内部审计师
Institute of Internal Auditors	内部审计师协会
GAAP - generally accepted accounting principles	一般公认会计原则

NOTES

1. Every person in society would benefit from some knowledge of

accounting since it is used wherever economic resources are employed.

因为在使用经济资源的地方都要运用会计,社会中的每个人都会从会计的某些知识获得好处。

wherever economic resources are employed 为状语从句。

2. Accounting is nearly as extensive.

会计几乎也是广泛地存在。这里 as 是副词。

3. Accounting is the process used to measure and report to various users relevant financial information regarding the economic activity of an organization or unit.

会计是用来计量并向各种使用者报告与某一组织或单位的经济活动相关的财务信息的过程。

4. Accounting may also be defined as an information system designed to provide, through the medium of financial statements, relevant financial information.

会计也可定义为一个通过财务报表为媒介来提供有关财务信息的信息系统。

designed = which is designed.

5. Users of these statements may accept and rely upon them more freely when they are accompanied by an auditor's opinion (or report).

当这些报表附上审计师的意见(或报告)时,报表的使用者会更欣然地接受并信赖这些报表。

6. Some accountants are also employed in the academic arm of the profession.

有些会计师也受雇于该行业的学术部门。

arm 为某一机构的行政或执行部门。

7. The information ranges from the very broad (long-range plan-