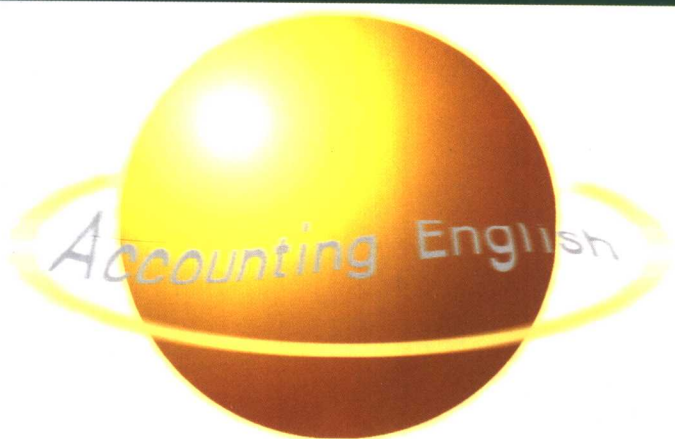


高等学校教材

# 会计 Accounting

## English 英语



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高等学校教材

# 会 计 英 语

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机械工业出版社

本书是一本为会计英语教学而编写的专业基础教材,内容涉及基础会计理论、财务会计、成本会计、审计的主要内容。全书共由两部分组成,第一部分分为18个单元,每个单元由课文、单词术语注释、课后练习、课文译文、阅读材料等组成。第二部分为解释说明及补充练习。书中还另外编写了大量的实务案例,便于广大读者学习使用。

本书既可作为财经类专业会计英语课程教材,也可作为广大财会从业人员学习英文账务处理的入门书籍。

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# 前 言

本书是一本为会计英语教学而编写的专业基础教材，内容涉及基础会计理论、财务会计、成本会计、审计的主要内容。全书共分两个部分，第一部分共 18 个单元，每个单元由课文、单词术语注释、课后练习、课文译文、阅读材料等组成。第二部分为解释说明及补充练习。书中还另外编写了大量的实务案例，便于广大读者学习使用。

本书既可作为财经类专业会计英语课程教材，也可作为广大财会从业人员学习英文账务处理的入门书籍。通过对本书的学习，可以使读者掌握会计学基本理论、基本方法的英语表达方式，提高运用英语处理会计业务的能力。

本书由侯立新任主编，黄捷、邓雪任副主编，肖然任主审。参加本书编写的有侯立新（第 1—15 单元），周斌（第 16 单元），黄捷（第 17 单元），邓雪（第 18 单元）、张艳梅（案例）、杨志慧（附加练习）、杜攀（附录 I、II、III）。

本书的编写得到了金领培训中心英文会计教学专家组各位老师的大力协助，在编写过程中也借鉴和参考了众多业内学者的资料书籍，并汲取了其中许多精萃，在此表示衷心的感谢。

在编写本书的过程中，编者还得到了机械工业出版社许多方面的指导和帮助，在此一并表示感谢。

由于编者水平有限，疏漏或不妥之处在所难免，恳请广大读者批评指正。

编 者

2006 年 1 月



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# 1

## Part One:

### Lessons and Reading Materials

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## Unit 1

# Accounting Definition

Accounting is the art of measuring, describing, and interpreting economic activity. Whether you are preparing a household budget, balancing your checkbook, preparing your income tax return, or running General Motors, you are working with accounting concepts and accounting information.

Accounting has often been called the "language of business". Every investor, manager, and business decision maker needs a clear understanding of accounting terms and concepts. The underlying purpose of accounting is to provide financial information for decision making about an economic entity. Business executives and managers need the financial information provided by an accounting system to help them plan and control the activities of the business. For example, management needs answers to such questions as the profitability of each department of the business, the adequacy of the company's cash position, and the trend of earnings.

Many businesses also compile nonfinancial information needed for decision making. An airline, for example, must have information about on-time arrivals, repair schedules, and physical examinations of flight crews. The use of computers makes possible the operation of a management information system (MIS) which provides decision makers with both financial and nonfinancial information. The accounting system is the most extensive and important component of a management information system because it is used by the entire business entity and by outsiders as well.

Financial information about a business is needed by many outsiders. These outsiders include owners, bankers, other creditors, potential investors, labor unions, government agencies, and the public, because all these groups have supplied money to the business or have some other interest in the business that will be served by information about its financial position and operating results. A labor union, for example, needs to be informed on a company's financial strength and profits before beginning negotiations for a new labor contract. Remember that every individual as well as every business must make economic decisions about the future. Therefore, everyone needs







## Part One Lessons and Reading Materials

some understanding of accounting as a basis for making sound decisions.

To emphasize our basic concept, the goal of the accounting system is to provide useful information to decision makers. Thus, accounting is the connecting link between decision makers and business operations.

### New Words, Phrases and Special Terms

practice <i>n.</i>	业务; 事务所
<i>vi.</i>	以 (医生、律师或会计师) 为业, 操业
return <i>n.</i>	申报表
enterprise <i>n.</i>	企业
profitability <i>n.</i>	盈利性
trend <i>n.</i>	趋势
earnings <i>n.</i> ( <i>pl.</i> )	工资; 薪水
nonfinancial <i>a.</i>	非财务的
schedule <i>n.</i> , <i>v.</i>	目录; 时间表
operation <i>n.</i>	经营; 管理
component <i>a.</i> , <i>n.</i>	成份
creditor <i>n.</i>	债权人; (账簿中的) 贷方
negotiation <i>n.</i>	谈判
income tax return	所得税申报表
language of business	经营语言
business decision maker	经营决策者
economic entity	经济实体
provide... for	为……提供
a business enterprise	工商企业
accounting system	会计系统
cash position	现金状况
management information system	管理信息系统
financial position	财务状况
operating results	经营成果

### EXERCISES

1. Translate the following sentences and phrases into English.

(1) 会计的作用是为决策提供财务信息。





- (2) 会计系统是管理信息系统的重要组成部分。
  - (3) 企业外部的有关人士包括业主、银行家、其他债权人、潜在投资者、工会、政府机构和公众。
  - (4) 专业会计师
  - (5) 经济活动
  - (6) 会计信息
2. Translate the following passage into Chinese.

Accounting information is used when one applies for a mortgage loan at a bank or when a candidate for political office wishes to make public some formal statements about his or her financial situation. Business enterprises use accounting to plan and control their business activities and to report the results of these activities to stockholders, creditors, labor unions, and governmental agencies. Organizations not organized for profit—for example, churches and private hospitals—also use accounting for planning, conducting, and finally reporting their activities.

### 课文译文

### 会计定义

会计是一门核算、描述和解释经济活动的艺术。不论你是在编家庭预算、核算支票簿、编制所得税申报表，还是在经营通用电器公司，你都在与会计概念和会计信息打交道。

会计通常被称做“经营语言”。每个投资者、管理者和经营决策者都需要清楚地理解会计专业术语和概念。会计的基本宗旨是为有关经济实体制定决策提供财务信息。企业的经理和管理者们需要会计系统提供财务信息，以帮助他们计划和控制企业的活动。例如，管理层需要得到诸如企业各部门的盈利能力，公司现金是否正常，以及收益趋势等类似问题的答案。

许多企业也收集整理决策所需要的非财务信息。例如，一家航空公司必须掌握诸如正点航班、维修计划以及机组人员的体检情况等信息。由于计算机的应用，使能为决策者提供财务和非财务信息的管理信息系统得以在企业的日常经营中使用。会计系统是管理信息系统中最为广泛和最重要的组成部分，因为不论企业内部还是外部，都要使用它。

许多企业外部的人士需要有关企业的财务信息，这些外部人员包括所有者、银行家、其他债权人、潜在投资者、工会、政府机构和公众，因为所以这些群体对企业投入了资金，或享有某些利益，所以必须得到企业财务状况和经营成果信息。例如，工会在为新的劳工合同进行谈判之前，需要了解公司的财务实





## Part One: Lessons and Reading Materials

力和利润。正如每个企业一样，每个人都必须作出未来的经济决策，因此，每个人都要了解一些会计知识，为良好决策打下基础。

再强调一下我们的基本观点，会计系统的目的是为决策者提供有用的信息。因此，会计是联系决策者和经营活动之间的桥梁。

### Reading Material

#### Public Accounting

The principal service offered by certified public accountants is auditing. Banks commonly require an audit of the financial statements of companies that apply for a sizable loan. Such audits are performed by CPAs who are not employees of a fee. Also, Companies whose securities are offered for sale to the public generally must be audited before their securities may be sold. Thereafter, additional audits must be made periodically if the securities are to continue being traded.

The purpose of an audit is to lend credibility to a company's financial statements. In making the audit, the auditors carefully examine the company's statements and the accounting records from which they were prepared. In the examination, the auditors seek to determine whether the statements fairly reflect the company's financial position and operating results, in accordance with generally accepted accounting principles. Based on their examination, the auditors prepare a report that expresses their opinion about the financial statements. The auditors' financial statements are fairly presented. The audit gives these financial statement users the confidence to use financial statement information in making loans, in granting credit, and in buying and selling securities.

In addition to auditing, public accountants commonly offer management advisory services. An accountant gains from an audit an intimate knowledge of the audited company's accounting and operating procedures. Thus, the accountant is in an excellent position to offer constructive suggestions for improving the company's methods of operation. Clients expect these suggestions as a useful audit by-product. They also commonly engage CPAs to conduct additional investigations for the purpose of determining ways in which their operations may be improved. Such investigations and the suggestions growing from them are known as management advisory services.

Management advisory services include the design, installation, and improvement of a client's general accounting system and any related information systems it may have for managing the company. This may involve selecting appropriate computers, developing software, and installing the procedures necessary to bring an information system into ef-





fective operating use. Management advisory services may also include financial planning, budgeting, forecasting, and inventory control.

In this day of highly complex tax laws and high tax rates, few important business decisions are made without consideration being given to their tax effect. A CPA, through training and experience, is well qualified to render important service in this area. Tax services include not only the preparation and filing of tax returns but also advice as to how transactions may be completed so as to incur the smallest tax.

### Private Accounting

Accountants employed by a single enterprise are said to be in private accounting. A small business may employ only one accountant or it may depend on the services of a public accountant and employ none. A large business, on the other hand, may have more than 100 employees in its accounting department.

The one accountant of the small business and the accounting department of a large business do a variety of work, including general accounting, cost accounting, budgeting, and internal auditing.

The task of recording transactions, processing the recorded data, and preparing financial reports for the use of management, owners, creditors, and governmental agencies is called general accounting. Private accountant employees may design a company's CPAs.

The phase of accounting that has to do with determining and controlling costs and assessing the performance of managers who are responsible for costs is called cost accounting. This may involve accounting for the costs of producing a given product or service, or the costs of performing some other specific function.

The process of developing formal plans for future business activities is called budgeting. The objective of budgeting is to provide management with a clear understanding of all the activities that must be undertaken and completed in order to accomplish their objectives for the company. Then, after the budget plan has been put into effect, it provides a basis for evaluating actual accomplishments.

In addition to an annual audit by an independent firm of CPAs, many companies maintain a staff of internal auditors. These employees move from one department of the company to another, checking the records and operating procedures of each department. It is the responsibility of internal auditing to make sure that established accounting procedures and management directives are being followed throughout the company. Also, internal auditors are often asked to evaluate the operating efficiency of each department.



## Unit 2

# The Conventions of Accounting

To be useful, financial accounting relies on certain standards or guides that have proved useful over the years in imparting economic data. These standards are called Accounting Conventions.

### 1. Accounting Entity: Each entity should be accounted for separately.

The most fundamental concept in accounting is the entity. An accounting entity is an economic unit with identifiable boundaries for which accountants accumulate and report financial information. Before accountants can analyze and report activities, they must identify the particular entity (and its boundaries) for which they are accounting. Every financial report specifies the entity in its heading.

Each proprietorship, partnership, and corporation is a separate entity, and separate accounting records should be kept for each unit. In accumulating financial information, we must separate the activities of an accounting entity from the other economic and personal activities of its owners. For example, Matt and Lisa Cook own the Good Cook Inn restaurant as partners. The Good Cook Inn partnership is an accounting entity. Matt Cook is also an attorney whose activities constitute a proprietorship. Therefore, he keeps a set of accounting records for his legal activities separate from Good Cook Inn's records of its business activities. Lisa Cook's activities as a realtor also constitute a proprietorship. She keeps a set of accounting records for her realty activities separate from both the records of Good Cook Inn and of Matt Cook, attorney.

The entity concept does not negate the legal fact that an all inclusive legal liability exists in proprietorships and partnerships. In other words, business assets are available to personal creditors, and business creditors may have legal access to both business and personal assets in these noncorporate business organizations.

### 2. Accounting Period: Accounting reports relate to specific periods—typically, one year.

The operations of most businesses are virtually continuous except for some changes associated with cyclical time periods, seasons, or dates. Thus, any division of the to-





tal life of a business into segments based on annual periods is somewhat artificial. However, the idea of accounting periods is useful. Many taxes are assessed on an annual basis, and comprehensive reports to corporation stockholders are made annually. In addition, many other noneconomic factors tend to consider the year a natural division of time.

3. **Materiality:** Accounting transactions so insignificant that they would not affect the actions of financial statement users are recorded as is most expedient.

Sound accounting procedures require effort and cost money. When the amounts involved are too small to affect the overall picture significantly, the application of theoretically correct accounting procedures is hardly worth its cost. For example, accounting theory asserts that assets acquired and used over several accounting periods should first be recorded as assets, with systematic amounts of depreciation expense recognized in each of the periods in which the assets are used (directly or indirectly) to earn revenue. The principle of materiality, however, permits a firm to expense the costs of such items as small tools, pencil sharpeners, and waste paper baskets when acquired because they are "immaterial" in amount. Many firms set dollar limits—such as \$25 or \$100—below which the costs of all items are expensed.

The concept of materiality is relative—an immaterial amount for General Motors Corporation may be material for smaller companies. Also, the nature of the transaction should be considered. A difference of \$1,000 in depreciation expense might be immaterial, but the same discrepancy in cash could be material.

4. **Conservatism:** Accounting measurements take place in a context of significant uncertainties, and possible errors in measurement of net assets and income should tend toward understatement rather than overstatement.

Accounting determinations are often based on estimates of future events and are therefore subject to a range of optimistic or pessimistic interpretations. In the early 1900s, many abuses were perpetrated on financial statement users who were given overly optimistic measurements of assets and estimates of income. Consequently, the investor was reassured when a company used the "most conservative" accounting procedures. In some instances, banks would write down handsome multistory office buildings, showing them on the balance sheet at a nominal value of \$1. The intention was to emphasize the understatement of assets as evidence of conservative accounting and financial strength.

Today, conservatism is the accountant's reaction to situations in which significant uncertainties exist about the outcomes of transactions still in progress. In contrast to the





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intentional understatements of net assets and income, accountants follow conservative accounting procedures when they are unsure of the proper measure to use. Possible errors in measuring net assets and income should tend toward understatement rather than overstatement. From the range of possible accounting determinations applied in these cases, we should use the one that results in the lowest statement of net assets and income.

5. **Consistency:** Unless otherwise disclosed, accounting reports are prepared on a basis consistent with the proceeding period.

In many instances, more than one method of applying a generally accepted accounting principle is possible. In other words, two firms that have identical operating situations might each choose a different—but equally acceptable accounting method and report different amounts for the same types of transactions.

Changes in accounting procedures that lead to different reported values may affect the amount of reported income. Under certain circumstances, a firm could, by design, increase or decrease its reported earnings simply by changing from one generally accepted accounting principle to another that yields different values. This situation justifies the consistency principle. Financial statement users should know when and to what extent reported earnings result in some part from changes in accounting techniques.

6. **Full Disclosure:** All facts necessary for the users' understanding of the financial statements must be disclosed.

Often facts or conditions exist that, although not specific part of the financial statement data for the period reported, have considerable influence on the firm's financial status. Such conditions may pertain to the period covered by the statements or to the period immediately afterward. To inform users properly, the firm should disclose this additional information. Certain provisions of leases, significant amounts of purchases commitments, and notices of pending lawsuits or settlements are examples of items that should be disclosed in footnotes to the financial statements. Likewise, if the company issues a large amount of securities or suffers a casualty loss after the balance sheet date, this information and any other factors that may significantly affect the firm's operations should be reported to the reader, even though the situation arose subsequent to the balance sheet date. Firms are responsible for disclosing such events that occur between the balance sheet date and the date of their report. If a report is submitted to the SEC as part of a registration statement for the sale of securities, the period extends to the effective date of registration.



A company should also disclose a summary of the accounting principles it follows in preparing its financial statements. This disclosure requirement recognizes that different firms may use different accounting procedures for similar transactions and that therefore the usefulness of the financial statements is enhanced if users are aware of the accounting procedures used. Items disclosed in a summary of accounting principles would include, among others, depreciation methods, inventory pricing methods, methods of accounting for intangibles, and consolidation procedures.

7. **Objectivity:** Whenever possible, accounting entries must be based on objectively determined evidence.

The concept of objectivity requires bias-free and verifiable accounting data. Users want accounting data that are not subject to the capricious whim of either management or the accountant who prepares or audits the statements. Consequently, whenever possible, accounting determinations are based on actual invoices, documents, bank statements, and physical counts of items involved.

Obviously, variations in accounting measurements lead to variations in reported income. Thus, the more subjective accounting records are, the greater variety there may be in reported income. Because highly subjective determinations are not readily verifiable, a user of a subjectively derived accounting report does not know where this particular statement falls in the range of reportable income figures. An even greater disadvantage is that the user has no way of knowing the motives of the individual preparing the statements. Was he or she trying to be "fair" or attempting to minimize or maximize reported income? We have no reliable source of answers to this question. For this reason, accountants—particularly independent auditors—look for objective evidence to support the accounting data in financial reports.

8. **Going Concern:** In the absence of evidence to the contrary, a business is assumed to have an indefinite life.

With few exceptions, business organizations have no anticipated termination date. Most firms operate profitably for indefinite periods and are, in fact, going concerns. Firms that do not succeed usually have indications of impending termination for some time before operations actually cease.

The going concern assumption has important implications for accounting procedures. It allows firms to defer costs—such as ending inventories, prepaid expenses and undepreciated asset balances—that will be charged against the revenue of future periods. Furthermore, the going concern concept assumes the use of cost-based accounting measures rather than market-based liquidation values. Firms that expect to







## Part One Lessons and Reading Materials

continue profitable operations do not ordinarily sell their operating assets; therefore, potential liquidation prices for these assets at the end of an accounting period may not be especially relevant. In this sense, the going concern assumption justifies the use of historical cost as the primary basis for accounting entries.

9. **Measuring Unit:** The unit of measure in accounting is the base money unit of the most relevant currency.

Although other descriptive information is often relevant, money is the common measure for recording accounting transactions. By expressing all assets and equities in terms of money, the accountant creates a common denominator that permits addition and subtraction of all forms of assets and equities and makes possible the preparation of financial statements. Expressing all statement items in money terms also permits the comparison of (1) various elements in the financial statements of a firm, (2) different sets of statements for the same firm, and (3) the statements of two or more firms. This principle also assumes that the unit of measure is stable; that is, changes in its general purchasing power are not considered sufficiently important to require adjustments to the basic financial statements.

10. **Historical Cost:** Accounting measures are primarily based on historical costs.

The dollar amounts in account balances represent the accounting measures of the items about which information is collected. Possible sources of these measures are opinions of management, professional appraisals, various market prices, and historical costs. Accountants have experimented with all of these sources at various times, but with few exceptions, they have used historical cost whenever it is available. Most practicing accountants feel that other sources are so subjective that their use should be seriously limited.

Historical costs tend to be highly objective because under classical assumptions they are derived in the marketplace by informed, rational, and independent parties. Also, the details of the original transaction can easily be verified by consulting the documents that are customarily executed at the time of exchange (deeds, bills of sale, checks, and mortgages). An overlooked advantage of historical cost measurement is that the data are a natural byproduct of the exchange transaction itself and are therefore available at little additional cost or effort. Relative objectivity may be the primary justification for historical cost-based accounting measures, but their natural availability at negligible cost is also an important factor especially when the historical cost method is compared with more expensive sources of values such as professional appraisals.

