

Personal Finance Glossary

Financial Term	Explanation
AER	
APR	
Bursary	
Credit card	
Debit card	
Debt	
Income tax	
Interest rate	
ISA	
Loan	
Mortgage	
Overdraft	
PAYE	
Pension	
VAT	
Inflation	
Economy	
National minimum wage	
Credit rating	
Bankrupt	
Solvent	
Direct Debit	
Standing Order	

Repossession	
Bacs	
Chaps	
Current account	
Credit interest	
Interest paid	
Unauthorised overdrafts	
Bank charges	
Hire purchase	
Interest free period	
Balance transfer credit card	
Shareholder	
Dividend	
ISA allowance	
Personal savings allowance	
Withdrawal	
Annual Premium	
Excess	
No claims bonus	
Addendum	
FCA	
FOS	
FSCS	
Compulsory Excess	
Voluntary Excess	

Business Finance Glossary

Financial Term	Explanation
Accounting	
Revenue	
Shares	
Commission	
Non-current Asset	
Tangible asset	
Intangible asset	
Capital expenditure	
Revenue expenditure	
Retained profit	
Crowdfunding	
Venture capital	
Debt factoring	
Hire purchase	
Leasing	
Trade credit	
Grants	
Break-even	
Cash flow	
Vat	
Inflows	
Outflows	
Costs	

Fixed cost	
Variable cost	
Profit	
Loss	
Margin of Safety	
Statement of comprehensive income	
Cost of sales	
Gross profit	
Expenses	
Net profit	
Depreciation	
Accruals	
Prepayments	
Statement of financial Position	
Assets	
Liabilities	
Gross profit margin	
Mark-up	
Return of capital employed	
Liquidity	
Current ratio	
Liquid capital ratio	
Trade receivable days	
Trade payable days	
Inventory turnover	