

Finance Vocabulary: Basic Words about Finance

Accounts payable: money [owed](#) by a company to its [creditors](#)

Accounts receivable: money owed to a company by its debtors.

ATM (Automatic Teller Machine)

Budget: an estimate of income and [expenditure](#) for a set period of time.

Business plan: a document setting out a business's future objectives and strategies.

Cash: money in coins or notes, as distinct from checks, money orders, or credit.

Commission: a sum of money paid to a salesperson for every sale made.

Checking account: A checking account is an account for deposits and withdrawals.

Closing costs: fees due on a real estate transaction in addition to the property's purchase

Expenditure: the action of spending funds.

Fee: payment made to a professional person or public body in exchange for advice or services.

Income: money received, especially on a regular basis, for work or through investments.

Interest rate: the proportion of a loan that is charged to the [borrower](#),

Inventory: complete list of items such as property, goods in stock, or the contents of a building

Invest: [expend](#) money with the expectation of achieving a profit

Liabilities: a thing for which someone is responsible, especially a debt or financial obligation.

Mortgage: mortgage is a type of loan to purchase or maintain a home, land, or real estate.

Personal loan: money you borrow from a bank or other financial institution with a set repayment.

Profit: a financial gain, especially the difference between the amount earned and the amount spent.

Real estate: property consisting of land or buildings.

Total costs: the sum of all costs incurred by a firm in producing a certain level of output.

Variable costs: increase or decrease depending on a company's production or sales volume.

Withdrawal: the act of taking back or away something that has been granted or possessed.