

# Finance Terminology 2014



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<b>Term ( English)</b>	<b>Definition</b>	<b>Sesotho equivalent</b>
Account	Ledger pages upon which various assets, liabilities, income, and expenses are represented.	<b>Akhaonto</b>
Accountant	A person whose job is to keep or inspect financial accounts	<b>Akhaontente</b>
Accretion	Accretion is a financial concept to represent an increase in value and can apply to either a transaction or a bond	<b>Nyollo</b>
Accumulation	<i>Refers to profits that are added to the capital base of the company rather than paid out as dividends</i>	<b>Phahello</b>
Acquisition	An asset or object bought or obtained	<b>Phumaneho</b>
Allowance	The amount of something that is permitted, especially within a set of regulations or for a specified purpose	<b>Ditsiane</b>
Amortization	The process of expensing for intangible assets such as goodwill and intellectual property over a period of time	<b>Amothaezeishene</b>
Analyst	An analyst is the lowest ranking of the front-office roles within an investment bank	<b>Mohlopholli</b>
Annuity	The annual payment of an allowance or income	<b>Phenshene ya Kopanelo</b>
Appreciation	An increase in an investment's value	<b>Kuno</b>
Arbitrage	is the technique of investing in two assets (going long one and short the other) and assuming that the prices will converge over time	<b>Peheletso habedi</b>
Assets	Goods that provide a flow of services over time	<b>Thepa/Matlotlo</b>
Audit	A financial statement as of a certain date, usually covering a twelvemonth period,.	<b>Bohlakisi /Bolekodisi</b>
Balance sheet	Statement showing an organization's financial position (assets, liabilities and net assets) at the close of business on a particular date.	<b>Tokomane ya ditjhelete</b>
Balloon Payment	A repayment of the outstanding principal sum made at the end of a loan period, interest only having been paid hitherto	<b>Tefello ya qetelo</b>
Bank	A financial institution licensed as a receiver of deposits	<b>Banka</b>
Bankruptcy	Inability to pay debts	<b>Botjhoni</b>

Base	A chart pattern depicting the period when the supply and demand of a certain stock are in relative equilibrium.	<b>Motheo</b>
Basis Points	A fraction of a percentage point, equal to one one-hundredth of a percent	<b>Dintlha tsa Motheo</b>
Beta	Beta is a term used in trading to indicate volatility or systematic risk of an asset compared to that of the overall market	<b>Bit</b>
Bill of sale	A legal document used in the purchase of property or other assets that details what was purchased, where the purchase took place, and for how much.	<b>Bili ya theko</b>
Billion	The number 1,000,000,000 : one thousand million	<b>Biliyone</b>
Bond	A debt investment in which an investor loans money to an entity (corporate or governmental) that borrows the funds for a defined period	<b>Bonto</b>
Book value	To calculate, take the cost of an asset minus the accumulated depreciation	<b>Boleng ba buka</b>
Borrowing	To take or obtain with the promise to return the same or an equivalent	<b>Kadimo</b>
Budget	A plan to show how much money a person or organization will earn and how much they will need or be able to spend	<b>Tekanyetso</b>
Bullet	A once off payment from a lessee which can be collected at any time during a lease	<b>Bulete</b>
Cash	The value of assets that can be converted into cash immediately, as reported by a company.	<b>Kontane</b>
Cash flow	The cash receipts and payments of a business	<b>Ditefello</b>
Charge	Demand (an amount) as a price for a service rendered or goods supplied.	<b>Tshenyehelo</b>
Claim	Demand or to ask for something of value	<b>Tseko</b>
Compounding	Interest earned not only on the initially invested principal but also on accumulated interest during the period.	<b>Tswala</b>
Corpus	The total amount of money invested by all the investors in a scheme.	<b>Tsetelo/ Matsete</b>
Cost	An amount that has to be paid or spent to buy or obtain something	<b>Tjeho</b>
Cost price	The amount of money it costs the seller to buy or make the product	<b>Tshenyehelo/ Tjeho</b>

Coupon	Interest rate on a debt security that the issuer promises to pay to the holder until maturity Usually expressed as a percentage of the face value of the security.	<b>Phahello</b>
Currency	Industrialized nations, portion of the national money supply, consisting of bank notes and government-issued paper money and coins, that does not require endorsement in serving as a medium of exchange	<b>Tjhelete</b>
Debenture	A long-term security yielding a fixed rate of interest, issued by a company and secured against assets	<b>Debentjha</b>
Debit	An accounting entry that results in either an increase in assets or a decrease in liabilities on a company's balance sheet or in your bank account	<b>Debiti</b>
Debt	A sum of money that is owed or due	<b>Mokitlane/ Sekoloto</b>
Decline	A gradual and continuous loss of strength, numbers, or value	<b>Ho theoha</b>
Default	A failure to pay a loan or other debt obligation.	<b>Ho se lefe</b>
Deferred Tax	An account on a company's balance sheet that is a result of temporary differences between the company's accounting and tax carrying values, the anticipated and enacted income tax rate, and estimated taxes payable for the current year	<b>Lekgetho le morao</b>
Depreciation	A reduction in the value of an asset over time, due in particular to wear and tear.	<b>Ho theoha boleng</b>
Derivative	Financial instrument whose value is based on the value of another underlying security.	<b>Papiso ya boleng</b>
Disbursements	Money that is paid out by a business.	<b>Tefo</b>
Dividend	A sum of money paid regularly (typically annually) by a company to its shareholders out of its profits	<b>Tefo ya diabo</b>
Donation	Something that is given to a charity, especially a sum of money.	<b>Phano</b>
Drawing	Personal expenses paid from a business account.	<b>Ho ntsha</b>
Earning	Money in return for labour or services.	<b>Mopotso</b>

Encumber	An encumbered asset is one that is currently being used as security or collateral for a loan.	<b>Tiisetso</b>
Endowment	A financial asset donation made to a non-profit group or institution in the form of investment funds	<b>Phano ya tjhelete</b>
Entity	A person, partnership, organization, or business that has a legal and separately identifiable existence	<b>Enthithi</b>
Equivolume	A chart that compares price and volume and plots them together as one piece of data. traded over the time period being analysed	<b>Tjhate ya papiso</b>
Estimate	An approximate calculation or judgement of the value, number, quantity, or extent of something	<b>Tekanyetso</b>
Exchange rate	An exchange rate is simply the price of one currency denominated in another	<b>Sekgahla sa phapanyetsano</b>
Excise duty	An indirect tax levied on certain types of goods produced or manufactured in Australia including petrol, alcohol, tobacco and coal.	<b>Lekgetho la thepa</b>
Fair value	A rational and unbiased estimate of the potential market price of a good, service, or asset.	<b>Boleng bo amohelehang</b>
Fee	<i>A fixed amount or a percentage of an underwriting or principal paid to the underwriter for its services</i>	<b>Tjeho</b>
Finances	The management of large amounts of money, especially by governments or large companies	<b>Ditjhelete</b>
Float	When a private company offers shares in the company to the public for the first time	<b>Thekiso ya pele ya diabo</b>
Forecast	Prediction of future financial transactions	<b>Bolepi</b>
Foreign exchange risk	Is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company	<b>Phapanyetsano ya molata e hlokolosi</b>
Fringe benefit	Non-monetary benefits such as company cars and mobile phones, included as part of a salary package	<b>Molemo</b>
Fully drawn advance	A long term loan with the option to fix the interest rate for a period. These loans are usually secured and can be used to fund a new business or equipment.	<b>Kadimo ya nako e telele</b>

Fund	A mutual fund is a trust under the Trust Act. Each fund manages one or more schemes.	<b>Letlole</b>
Funding	A supply of money or pecuniary resources, as for some purpose	<b>Phano ya letlole</b>
Gain	Is the increase in owner's equity	<b>Phahello</b>
Gearing	The ratio of debt to equity, usually the relationship between long-term borrowings and shareholders' funds.	<b>Sekoloto</b>
Goodwill	Sales less cost of goods or services sold. Also referred to as gross profit margin, or gross profit, and often abbreviated to simply 'margin'	<b>Theolelo</b>
Gross	Without tax or other contributions having been deducted.	<b>Groso</b>
Growth Recession	A situation where growth is slow, but not low enough to be a technical recession, yet, unemployment increases since more jobs are lost than created.[]	<b>Moruo o fokolang/ Phokolo ya moruo</b>
Guarantor	A person who promises to pay a loan in the event the borrower cannot meet the repayments. The guarantor is legally responsible for the debt.	<b>Moitlami</b>
Hedge	Hedge is a term used in trading that simply means opening a position in order to reduce risk.	<b>Ho beha paneng</b>
Impairment	A loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation	<b>Tahlehelo</b>
Incentive	Something that incites or tends to incite action or greater effort, as a reward offered for increased productivity	<b>Moropotso/kgothatso</b>
Indexing	An investment strategy that consists of the construction of a portfolio of stocks. It is designed to track the total return performance of an index of stocks	<b>Peheletso</b>
Inventory	A company's merchandise, raw materials, and finished and unfinished products which have not yet been sold	<b>Thepa</b>
Investment	An asset purchased for the purpose of earning money such as shares or property.	<b>Tsetelo</b>
Investor	An individual who commits money to investment products with the expectation of financial return.	<b>Motsetedi</b>

Invoice	A list of items provided or work done together with their cost, for payment at a later time	<b>Invoese</b>
Lease	A contract by which one party conveys land, property, services, etc. to another for a specified time, usually in return for a periodic payment.	<b>Ho hirisa/ Khiriso</b>
Leverage	leverage is most commonly known as the amount of debt that can be used to finance your business' assets	<b>Mokitlane/ Sekoloto</b>
Liability	General term for what the business owes	<b>Mekitlane</b>
Lien	A legal claim against an asset which is used to secure a loan and which must be paid when the asset is sold	<b>Lien</b>
Limit	A limit is a type of order relating to the trading of an asset	<b>Tekanyo</b>
Liquidate	To quickly sell all the assets of a company quickly and convert them into cash.	<b>Ho Jawa</b>
liquidity	A measure of how much cash and "near cash" (assets readily convertible to cash such as marketable securities) an organization has available, usually measured as the amount of assets in cash or cash equivalents less current liabilities	<b>Thepa/ Boleng ba dithoto</b>
liquidity ratio	Indicates the company's ability to pay its short term debts, by measuring the relationship between current assets (ie those which can be turned into cash) against the short-term debt value. (current assets/current liabilities) Also referred to as the Current Ratio	<b>Palohare ya boleng ba dithoto</b>
Loan	A thing that is borrowed, especially a sum of money that is expected to be paid back with interest	<b>Kadimo</b>
Mancession	An economic instance in which the unemployment rate is substantially higher among men than it is among women.	<b>Manseshene/ Mancession</b>
Margin	Difference between the market value of a collateral and amount of the loan advanced against it	<b>Majene</b>
Mark down	A discount applied to a product during a promotion/sale for the purposes of attracting sales or for shifting surplus/discontinued products	<b>Theolelo</b>
Mark up	The amount added to the cost price of goods, to help determine a selling price	<b>Nyollo</b>
Merger	The combining of two or more companies,	<b>Meja / Kopano</b>

	generally by offering the stockholders of one company securities in the acquiring company in exchange for the surrender of their stock	
Million	A million is a thousand thousands (1,000,000)	<b>Miliyone</b>
Mortgage	A legal agreement by which a bank, building society, etc. lends money at interest in exchange for taking title of the debtor's property, with the condition that the conveyance of title becomes void upon the payment of the debt.	<b>Bonto</b>
Net	The amount remaining after certain adjustments have been made for debts, deductions or expenses	<b>Tshallo/ Nete</b>
Non-current assets	An asset which is not easily convertible to cash or not expected to become cash within the next year	<b>Thepa e sa rekiseheng</b>
Notch	a position on a scale such as an incremental salary scale	<b>Notjhe</b>
Novation	novation is the act of either, replacing an obligation to perform with a new obligation; or adding an obligation to perform	<b>Ntjhafatso ya setlamo</b>
Obligor	A person or entity who is legally, or contractually, obliged to provide some benefit or payment to another	<b>Motlamehi</b>
Offer	When one party expresses interest to buy or sell an asset from another party	<b>Sekepele</b>
Option	A financial derivative that represents a contract sold by one party (option writer) to another party (option holder).	<b>Kgetho/Boikgethelo</b>
Overdraft	A deficit in a bank account caused by drawing more money than the account holds	<b>Sekoloto</b>
Overhead	An expense that cannot be attributed to any one single part of the company's activities	<b>Tshenyehelo</b>
Oversight	The supervision of the activities of an entity, with the authority and responsibility to control, or exercise significant influence over, the financial and operating decisions of the entity	<b>Tataiso</b>
Payee	The party in an exchange who receives payment. A payee is paid in cash, check or other transfer medium by a payer, with the payer receiving a good or service in return	<b>Molefuwa / - lefuwang</b>

Payer	An entity that makes a payment to another	<b>Molefi/ - lefang</b>
Pay-out	The expected financial return from an investment over a given period of time	<b>Tefo</b>
Petty cash	Cash for the purposes of small miscellaneous purchases such as postage.	<b>Tjhelete e nyenyane/ nnyane</b>
Plutonomy	Economic growth that is powered and consumed by the wealthiest upper class of society. Plutonomy refers to a society where the majority of the wealth is controlled by an ever-shrinking minority; as such, the economic growth of that society becomes dependent on the fortunes of that same wealthy minority.	<b>Plutonomi</b>
Portfolio	Collection of financial assets such as cash. Portfolios may be held by individual investors and/or managed by financial professionals, hedge funds, banks and other financial institutions	<b>Potfolio</b>
Premium	An amount to be paid for a contract of insurance.	<b>Tefello</b>
Pricing	The process of determining what a company will receive in exchange for its product	<b>Theko</b>
Prime rate	A national average rate of interest charged by banks, commercial lenders, and other financial institutions, published in The Wall Street Journal and other sources.	<b>Tswala e bohareng</b>
Principal	The original amount borrowed on a loan or the remainder of the original borrowed amount that still owes (excluding the interest portion of the amount).	<b>Sehlooho</b>
Property	A thing or things belonging to someone; possessions collectively	<b>Thepa</b>
Quotation	The actual, bid, or asked price of futures, options, or cash commodities at a certain time	<b>Khotheishene</b>
Receipt	Receipt is the act of receiving money or goods. We are awaiting receipt of the money. Goods will be delivered on receipt of payment	<b>Kamohelo</b>
Receipt	Document provided to a customer to confirm payment and to confirm a good/service has been received.	<b>Resiti</b>
Recession	An economic condition defined by a decline in GDP for two or more consecutive quarters.	<b>Moruo o putlameng</b>
Reclamation	The right to reclaim property in the event of	<b>Tseko</b>

	non-payment, fraud or other irregularities. Reclamation in the financial context generally refers to the right to demand a repayment of monies paid if there has been a bad delivery of a stock or security	
Redlining	The unethical practice whereby financial institutions make it extremely difficult or impossible for residents of poor inner-city neighbourhoods to borrow money, gain approval for a mortgage, take out insurance or gain access to other financial services because of a history of high default rates.	<b>Ho kotela</b>
Refinance	When a new loan is taken out to pay off an existing one. Refinancing is often done to extend the original loan over a longer period of time, reduce fees or interest rates, switch banks, or move from a fixed to variable loan.	<b>Kadimo e ntjha</b>
Refund	Payment from the government for an individual's overpaid taxes	<b>Pusetso ya tjehele</b>
Remittance	The process of sending money to remove an obligation. This is most often done through an electronic network, wire transfer or mail	<b>Thomelo ya tjehele</b>
Repo rate	The rate at which the central bank of a country lends money to commercial banks in the event of any shortfall of funds.	<b>Sekgahla sa kadimo</b>
Reserves	The accumulated and retained difference between profits and losses year on year since the company's formation	<b>Dirisefe</b>
Revenue	Money that is made by or paid to a business or an organization. : money that is collected for public use by a government through taxes	<b>Lekgetho</b>
Reverse transaction	To provide a means whereby mistakes may be corrected easily.	<b>Tokiso</b>
Risk	Probability or threat of damage, injury, liability, loss, or any other negative occurrence that is caused by external or internal vulnerabilities	<b>Ho ba hlokolosi</b>
Rollover	Reinvest funds from a mature security into a new issue of the same or a similar security	<b>Peheletso botjha</b>
Salary	A fixed regular payment, typically paid on a monthly basis but often expressed as an annual sum, made by an employer to an employee	<b>Mopotso</b>
Sale	The exchange of a commodity for money;	<b>Thekiso/ Ho rekisa</b>

	the action of selling something	
Saleability	Term used to compare performances of different trading systems or different investments within one system	<b>Papiso ya thekiso</b>
Scam	A deliberate and targeted deception designed to obtain money or information unlawfully.	<b>Bokunyata</b>
Security	Is property or assets that a lender can take possession of, in the event that a loan cannot be repaid	<b>Tshireletso</b>
Seller	An individual or entity that exchanges any type of good or service in return for payment	<b>Morekisi</b>
Severance Pay	The compensation that an employer provides to an employee who has been laid off, whose job has been eliminated, who through mutual agreement has decided to leave the company	<b>Tlhapiso</b>
Share	One of the equal parts into which a company's capital is divided, entitling the holder to a proportion of the profits	<b>Seabo</b>
Shortage	A situation where demand for a product or service exceeds the available supply	<b>Kgaello</b>
Sin tax	A tax specifically levied on certain generally socially proscribed goods and services, for example alcohol and tobacco, candies, soft drinks, fast foods, coffee, and gambling	<b>Lekgetho la dibe</b>
Soft commodity	This term generally refers to commodities that are grown, rather than mined-Soft commodities play a major part in the futures market.	<b>Dihlahiswa</b>
Solvency	The ability of a company to meet its long term financial obligations	<b>Bokgoni</b>
Stagflation	A condition of slow economic growth and relatively high unemployment	<b>Phokolo ya moruo/ Moruo o fokolang</b>
Stipend	A fixed regular sum paid as a salary or as expenses to a clergyman, teacher, or public official	<b>Mopotso</b>
Stock	The actual goods or materials a business currently has on hand.	<b>Thepa</b>
Stub	The balance part of a check or receipt that is retained for record-keeping purposes or as proof of payment.	<b>Stub</b>
Subscription	An agreement you make in advance to receive something for a specific period of	<b>Boingodiso/ Boitlamo</b>

	time.	
Subsidy	A benefit given by the government to groups or individuals usually in the form of a cash payment or tax reduction	<b>Thuso ya tjhelete/ Sabsidi</b>
Superannuation	Money set aside for retirement that must be paid into a complying superannuation fund.	<b>Penshene</b>
Surplus	The excess of revenue over expenses during an accounting period. Surpluses can be measured before or after depreciation and non-operating activities	<b>Phahello</b>
Tax	Compulsory contribution to state revenue, levied by the government on workers' income and business profits, or added to the cost of some goods, services, and transactions.	<b>Lekgetho</b>
Taxation	A means by which governments finance their expenditure by imposing charges on citizens and corporate entities	<b>Tefo ya lekgetho</b>
Total	The whole number or amount of something.	<b>Kakaretso</b>
Trade	The action of buying and selling goods and services.	<b>Kgwebo</b>
Tranche	A slice or piece of business.	<b>Kgwebo</b>
Transection	An agreement between a buyer and a seller to exchange goods, services or financial instruments	<b>Kgwebisano</b>
Trillion	The number 1,000,000,000,000 : one thousand billion	<b>Tiriliyone</b>
Trustee	A person or a group of persons having an overall supervisory authority over the fund managers.	<b>Motshepuwal/ Trusti</b>
Turnover	The proportion of expenditure and income realized in a business; the volume of traffic in a business.	<b>Kuno</b>
Unit holder	An investor who owns one or more units in an investment trust	<b>Motsetedi</b>
Usance	The allowable period of time, permitted by custom, between the date of bill and its payment. The usance of a bill varies between countries, often ranging from two weeks to two months.	<b>Nako ya tefo</b>
Usufruct	A legal right accorded to a person or party that confers the temporary right to use and derive income or benefit from someone else's property	<b>Usufruct</b>
Utility	An economic term referring to the total	<b>Kgotsofalo</b>

	satisfaction received from consuming a good or service.	
Value	The importance placed on something, e.g. money	<b>Boleng</b>
Variable cost	A cost that changes depending on the number of goods produced or the demand for the products/service	<b>Tjeho e fetohang</b>
Volatility	The tendency of an investment or market to rise or fall sharply in price within a short-term period. Volatility is measured by beta	<b>Ho fetoha</b>
Volume	The number of shares of stock or options that have traded as of the opening of a given trading day.	<b>Palo ya diabo</b>
Voucher	A document recording a liability or allowing for the payment of a liability, or debt. A voucher would be held by the person or company who will receive payment.	<b>Voutjha</b>
Wage	A fixed regular payment earned for work or services, typically paid on a daily or weekly basis	<b>Mopotso</b>
Whipsaw	A volatile market that can punish a trader who buys just before prices fall and then sells first before prices recover	<b>Whipsaw</b>
Working capital	The cash available to a business for day to day expenses.	<b>Tjhelete ya kgwebo</b>
Xenocurrency	A currency that trades in markets outside of its domestic borders. The term "xenocurrency" is derived from the prefix "xeno," which literally means foreign or strange	<b>Tjhelete ya melata</b>

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