

## Glossary – Unit 5 Decision making to improve financial performance

What would you do if you weren't afraid? Sheryl Sandberg

Key word	Definition / Description	Example?
Cash flow		
External constraint		
Full capacity		
Plc		
Stakeholders		
Dynamic pricing		
Fixed costs		
Piece-rate labour		
Profit margin		
Total costs		
Total variable costs		
Variable costs		
Break even output		
Contribution per unit		
Margin of safety		
Total contribution		
Best case		

Cash flow forecast		
Debt factoring		
Overdraft		
Worst case		
Adverse variance		
Criteria		
Delegated		
Expenditure budget		
Favourable variance		
Income budget		
Profit budget		
Zero budgeting		
Corporation tax		
Fixed overheads		
Insolvency		
Negative cash flow		
Sale & leaseback		
Angel investors		
Collateral		

