

Lingua Agents

Financial English

Part 1 — Lesson Summary

Level: B2 | Duration: approx. 20 minutes | linguaagents.com

1. Vocabulary

Word / Phrase	Meaning
revenue	The total income a company earns from its activities.
expenses	The costs of running the business, money going out.
overhead	Fixed costs like rent and salaries that don't change month to month.
profit	What remains when revenue is higher than expenses.
loss	What occurs when expenses are higher than revenue.
cash flow	The movement of money in and out of the business over time.
balance sheet	A document showing assets, liabilities, and equity at one point in time.
assets	Everything a company owns: property, equipment, cash, investments.
liabilities	Everything a company owes: loans, unpaid bills, obligations.
invoice	Sent to a client before payment, listing what is owed.
outstanding invoice	An invoice that has been sent but not yet paid.
receipt	Confirms that payment has been received.
budget	A plan for how much money can be spent over a given period.
forecast	A prediction of future revenue and expenses.
audit / auditor	An official review of financial records. The auditor carries it out.
to approve	To officially sign off on an expense or budget request.

2. Grammar

Present Perfect (simple)

Use when: the action happened recently and is still relevant now.

Form	Structure	Example
Positive	have/has + past participle	We have sent the invoice.
Negative	haven't/hasn't + past participle	The client hasn't received it.

Passive Voice (present)

Use when: the focus is on what happened, not who did it. Often it doesn't matter who did it at all.

Form	Structure	Example
Present	am/is/are + past participle	Invoices are processed monthly.

3. Useful Phrases

Phrase	Use it when...
<i>The invoice has been approved.</i>	Confirming a recent action to a colleague or manager.
<i>We have sent the invoice to the client.</i>	Updating someone on the status of a payment.
<i>The budget has been approved.</i>	Confirming a recent decision.
<i>Invoices are processed every Monday.</i>	Describing a regular process or procedure.
<i>Expenses are approved by the manager.</i>	Explaining how something works in your company.
<i>The report is reviewed monthly.</i>	Describing a routine in formal or written English.

4. Common Confusions

Revenue vs profit

A company can have high revenue and still make a loss if expenses are too high. Revenue is what comes in; profit is what's left after expenses.

Invoice vs receipt

An invoice requests payment before it is received. A receipt confirms payment after it has been made.

Assets vs liabilities

Assets are everything a company owns. Liabilities are everything it owes. The difference between the two is equity.

5. Quick Self-check

Can you answer these without looking?

1. What is the difference between revenue and profit?
2. What does a balance sheet show?
3. What is an outstanding invoice?
4. How do you form the present perfect? Give an example.
5. How do you form the present passive? Give an example.

Ready for more?

Continue with the Financial English Part 1 follow-up session or move on to Part 2. Extra reading, listening, vocabulary, grammar, and pronunciation exercises are available on your Explainers page.

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