## **GLOSSARY**

Formal Sector : Business form that already have a legal basis, have a

fixed place of business, employees who have quite a lot,

and has a large capital.

Informal Sector : Business form founded with capital relatively small,

irregular business hours, does not rely on formal

education, and generally do not have a business license.

Payback Period : Method of determining how long an investment will

return.

Internal Rate Of Return : The method search for a interest rates that make present

value of cash inflow or proceeds be the same worth

outflow or investment.

Net Present Value : The difference between the present value of cash inflow

or proceeds with expenditure need for investment or

capital outlays.

Demand : The amount of goods and services to be purchased in a

variety price levels at any given moment.

Retained Earnings : Post the balance that is indicative of the total profit not

be distributed as dividen. This profit will be invested

again in a company.

Cash Flow Statement : Report that provides information about cash inflow and

cash outflow in a period of reporting.

Income Statement : A systematic report about income, cost, loss, or profit

obtained during a given period.

Balance Sheet : Systematic report about assets, liabilities, and capital or

equity.