



[Glossary]

Fixed Assets Valuation

Subject:	Business Economics
Course:	B.A., 1st Semester, Undergraduate
Paper No. & Title:	Paper – 103 Fundamentals of Business & Accounting
Unit No. & Title:	Unit – 3 (IV) Fixed Assets Valuation
Lecture No. & Title:	Lecture – 4 Fixed Assets Valuation

Glossary

Downward revaluation

When the asset's revalued price is less than the book value existing at time of revaluation

Developed in- house

Conducting an activity or operation of developing an asset within a company, instead of relying on outsourcing.

Fair market value (FMV)

Fair market value (FMV) is an estimate of the market value of a property, based on what a knowledgeable, willing, and unpressured buyer would probably pay to a knowledgeable, willing, and unpressured seller in the market.

Hire Purchase

A system of purchase in which the asset is acquired after paying the price in installments and ownership is given to the purchaser on the payment last installment.

Historical Cost

The actual cost incurred to acquire the asset.

Jointly held assets

Assets being held in a co-ownership of more than one person.

Net recoverable amount

Market value of asset - Expense incurred to bring the asset to market.

Revaluation Price

The price at which the asset has been revalued at.

Subsidy

A benefit given by the **government** to groups or individuals usually in the form of a cash payment or tax reduction. The **subsidy** is usually given to remove some type of burden and is often considered to be in the interest of the public.

Upward Revaluation

When the revalued price is more than the book value at time of revaluation.