BASIC ACCOUNTING EQUATIONS

- Assets = Liability + Owner’s Equity
- Revenues - Expenses = Net Income
- Break-Even Volume = Fixed Costs / Sales Price - Variable Cost Per Unit
- Cash Ratio = Cash / Current Liabilities
- Profit Margin = Net Income / Sales
- Debt-to-Equity Ratio = Total Liabilities / Total Equity
- Cost of Goods Sold = Cost of Materials/Inventory - Cost of Outputs
- Cost of Sales = Cost of Goods Available for Sale - Merchandise Inventory, End
- Cash Return = Ending Price + Dividends Distributed - Beginning Price
- Statement of Cash Flows = Operating Activities +/- Investing Activities +/- Financing Activities
- Net Income (Loss) = Gross Profit - General Expenses - Administrative Expenses - Operating Expenses