## Accounting Basics Cheat Sheet

by jpaskescc via cheatography.com/198609/cs/42044/

## Financial Statements

Balance Sheet: Indicates Financial Condition. What you owe, what you own, equity.

Income Statement: Financial results and ability to generate income. Revenue - Direct Costs, Gross Profit - SG\&A, Operating Income - Other income \& expenses - taxes
= Net Income

## Important Equations

```
Assets \(=\) Liabilities + Equity
Working Capital = Current Assets - Current
``` Liabilities

Current Ratio \(=\) Current Assets/Current Liabilities

Cost in Excess to Equity = Underbillings/Equity

Backlog to Working Capital = Backlog/W-
orking Capital
Equity to Backlog = Equity/Backlog
Forecast Fade \(=\) Revised Forecast Profit Original Estimate Profit

Percent Complete \(=\) Cost to Date/Forecast Cost

Earned Revenue = \% Complete \(\times\) Revised Forecast Revenue

Over/Underbilling = Actual Billed-Earned Revenue (Positive number indicates overbilling, negative indicates underbilling)

Backlog: Balance to Bill = Revised Forecast
Revenue - Billed to Date
Backlog: Cost to Complete = Revised
Forecast Cost - Cost Incurred to Date
Backlog: Unearned Revenue = Revised
Forecast Revenue - Revenue Earned to
Date
Backlog: Unearned Profit = Revised Forecast Profit - Profit Earned to Date


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\begin{tabular}{ll|}
\hline Financial Statement Elements \\
\hline 1. Assets & 6. Revenue \\
\hline 2. Liabilities & 7. Expenses \\
\hline 3. Capital/Equity & 8. Gains \\
\begin{tabular}{l} 
4. Investments by \\
Owner
\end{tabular} & 9. Losses \\
\begin{tabular}{ll} 
5. Distributions to \\
Owner
\end{tabular} & \begin{tabular}{l} 
10. Comprehensive \\
Income
\end{tabular} \\
\hline
\end{tabular}

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