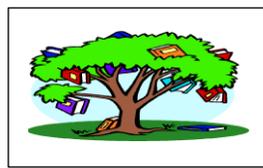


Toward Business Literacy: Accounting Outlines



Balance Sheet Accounts

Assets-Current

Cash	Money in bank or equivalents
Accounts Receivable	Money owed to the company from normal business (less Allowance for Bad Debts- a contra account)
Short-term Investments	Stocks, bonds, CD's bought to bring a return
Note Receivable	Same as above, only in written form with terms
Prepaid Asset	Something paid in advance to be used up later
Inventory	Cost of items to be sold (made or purchased)
Supplies	Items such as pens and paper used to help business

Assets-long term

Intangibles	Assets such as patents, trademarks, and copyrights
Fixed assets	Property, plant (buildings), and equipment (less Accumulated Depreciation- a contra account for each specific asset)

Liabilities-Current

Accounts payable	Money owed to others from normal business
Notes payable	Money owed- written with terms
Accrued liabilities	Payables made by adjusting entries
Unearned revenue	Owing goods or services already paid for by others

Liabilities-long term

Leases	Agreements to use property
Pensions	What future benefits company owes workers
Contingent liabilities	Things like lawsuits that are probable and estimable
Bonds payable	Long term debt with secured terms
Deferred taxes	Taxes owed; GAAP and IRS requirements can differ <ul style="list-style-type: none">○ Permanent differences never reconcile○ Temporary differences like depreciation do

Stockholders Equity- contributed capital

Common Stock at par	Equity in the company at a set legal amount (par) <ul style="list-style-type: none">○ Authorized: amount that can be sold○ Issued: amount that has been sold○ Outstanding: Issued shares less treasury stock
Additional paid-in-capital	Money the company receives from stock sale over par
Preferred Stock	Stock that receives dividends before common shares <ul style="list-style-type: none">○ Cumulative are entitled to past dividends
(Treasury Stock)	Shares of the company bought back by the company

Stockholders Equity- earned capital

Retained Earnings	Past earnings from business not paid to owners
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