Owners’ Equity Change Map

A - L = OE

A - L = OE

$740 - $254 = $486

$929 - $316 = $613

One-year performance period

2012 fiscal year end

2013 fiscal year end

Fiscal 2013 balance sheet change

\[ \Delta A = \text{Change in Assets} \]
\[ \Delta L = \text{Change in Liabilities} \]
\[ \Delta OE = \text{Change in Owners' Equity} \]

$189 - $62 = $127

Transactions with owners during the period that changed the value of the net assets

$14

Distributions to owners

$25

Comprehensive Income

$113

Other events or circumstances during the period that changed the value of net assets

$113

Contributions from owners

$39

Distributions to owners

$25

Comprehensive Income

$113

Change in accounting policy and restatements

$0

Net Profit (Loss)

$89

Other Comprehensive Income

$24

Four Questions:

- Determine if net assets was affected by an event:
  - Should an asset be recognized?
  - Should an asset be de-recognized?
  - Should a liability be recognized?
  - Should a liability be de-recognized?
- If net assets, and thus owners’ equity, changed, use this map to identify what's affected.
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\[
\Delta A \quad \text{Change in Assets} \quad - \quad \Delta L \quad \text{Change in Liabilities} \quad = \quad \Delta OE \quad \text{Change in Owners' Equity}
\]

Transactions with owners during the period that changed the value of the net assets

Other events or circumstances during the period that changed the value of net assets

Contributions from owners

Distributions to owners

Comprehensive Income

Change in accounting policy and restatements

Net Profit (Loss)

Other Comprehensive Income

Income

Expenses

Revenues

Gains

Ordinary Expenses

Losses