A
Assets - Liabilities = OE
Owners' Equity

2012 fiscal year end

$740 - $254 = $486

2013 fiscal year end

$929 - $316 = $613

One-year performance period

Fiscal 2013 balance sheet change

ΔA
Change in Assets

$189

ΔL
Change in Liabilities

$62

ΔOE
Change in Owners' Equity

$127

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

$14

Contributions from owners

$39

Distributions to owners

$25

Comprehensive Income

$113

Net Profit (Loss)

$89

Comprehensive Income

Other Comprehensive Income

$24

Change in accounting policy and restatements

$0

Net Profit (Loss) + Other Comprehensive Income

$113

Change in accounting policy and restatements

$0

Revenues + Gains - Ordinary Expenses - Losses

Income - Expenses
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.

\[ \Delta A - \Delta L = \Delta OE \]

- 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