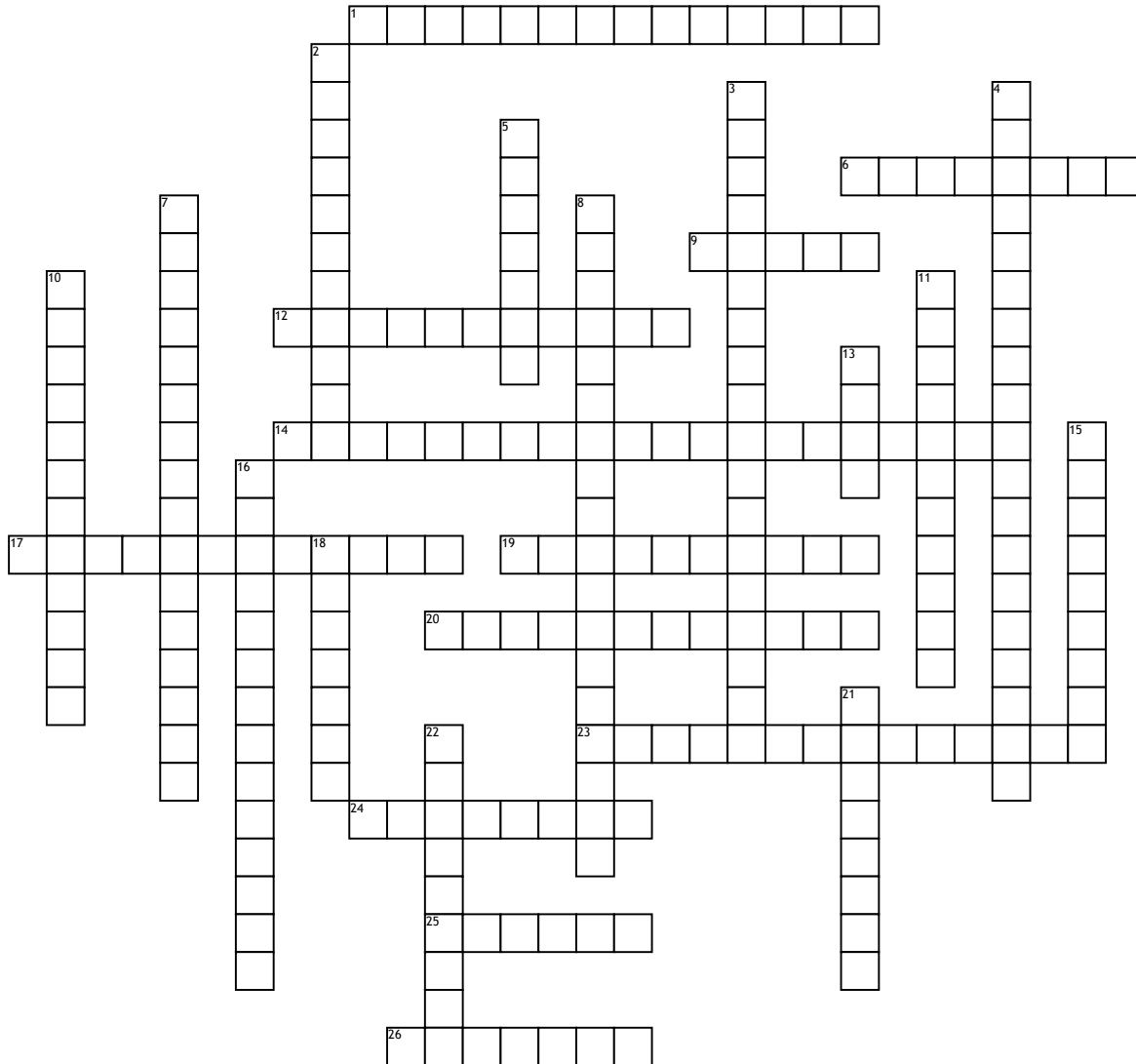


# Accounting Terms: Back to Basics



## Across

1. a liability created by buying products or services on credit
6. inflows of assets in exchange for products and services provided to customers as part of a company's operations
9. an entry that increases asset and expense accounts, and decreases liability, equity and revenue accounts
12. security that represents ownership in a corporation; holders exercise control by electing a board of directors and voting on corporate policy
14. describes the sources and uses of cash for a reporting period
17. estimate of amount to be recovered at the end of an asset's useful life
19. length of time an asset will be productively used in the operations of a business
20. expense created by allocating the cost of plant and equipment to periods in which they are used; represents the expense of using an asset

23. journal entry at the end of an accounting period to bring an asset or liability account to its proper amount and update the related expense or revenue account

24. amount by which a company's value exceeds the value of its individual assets and liabilities
25. resources owned or controlled by a company that provide expected future benefits to the company

26. customers and other individuals and organizations who owe a company

## Down

2. net sales minus cost of goods sold
3. obligations due to be paid or settled within the longer of one year of the operating cycle
4. income statement, balance sheet, statement of changes in owner's equity, and statement of cash flows
5. occurs when expenses exceed revenues
7. equals a corporation's accumulated net income (loss) for all prior periods that has not been distributed to shareholders

8. an asset created by selling products or services on credit

10. process of allocating the cost of an intangible asset to expense over its estimated useful life

11. entity created by law and separate from its owners

13. method to assign cost to inventory that assumes items are sold in the order acquired

15. merchandise a company owns and expects to sell in its normal operations

16. class of ownership in a corporation that has a higher claim on its assets and earnings than common stock

18. record within an accounting system where increases and decreases in a specific asset, liability, equity, revenue, or expense are entered and stored

21. charge for using money until repaid at a future date

22. total cost of an asset less its accumulated depreciation