

Financial Statements

(Crossword Puzzle)

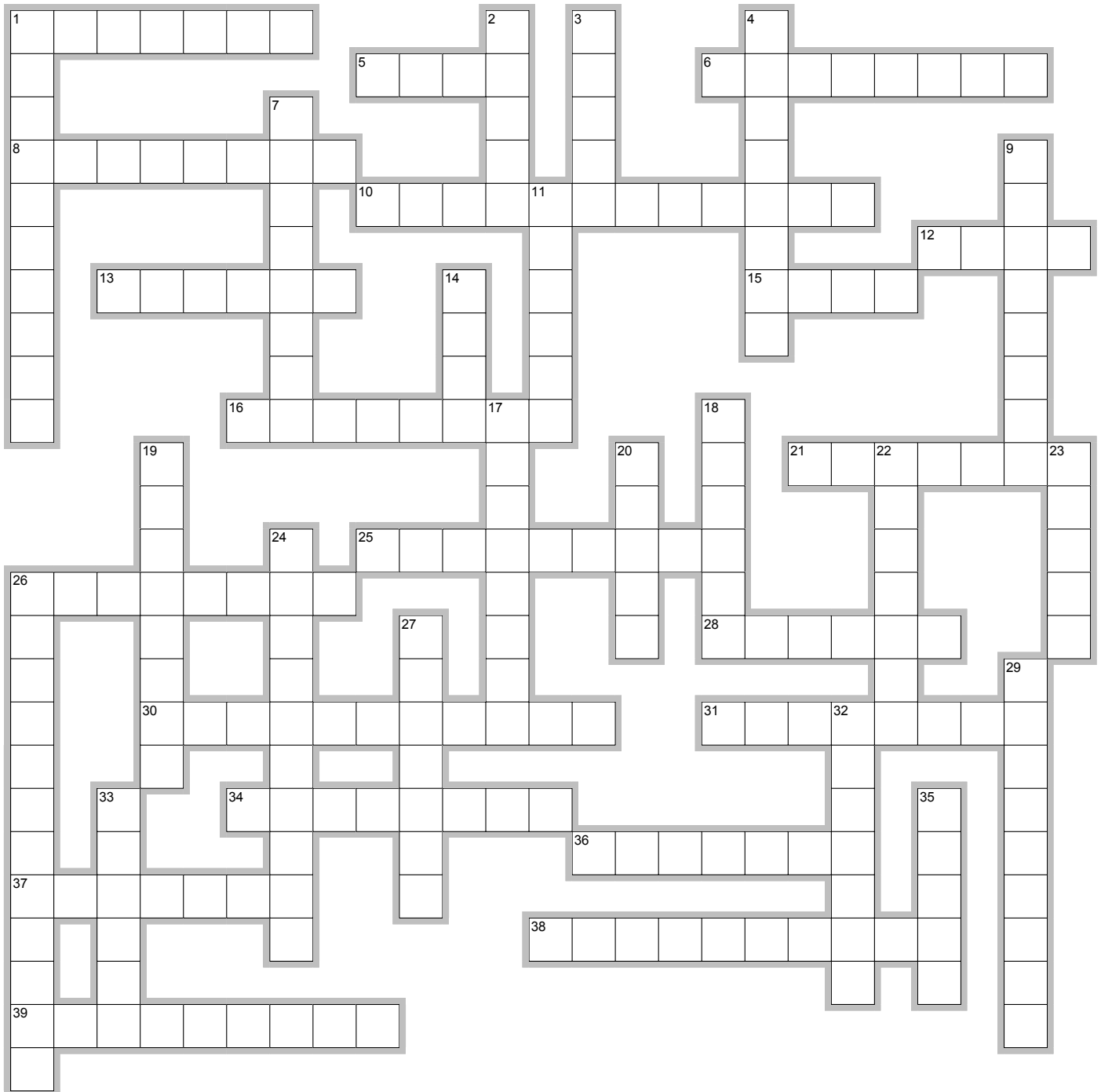


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Crossword Puzzle (Financial Statements)



ACROSS (Financial Statements)

1. Assets that will turn to cash or be used up within one year (or within the accounting cycle if it is longer than one year) are classified as _____ assets.
5. The cost flow assumption that results in less net income when the cost of the inventory items is increasing.
6. The income statement format that reports the amount of gross profit as a line item is the _____-step format.
8. A corporation's own stock that has been purchased by the corporation but is not retired is _____ stock.
10. When an accountant is faced with two possible alternatives for reporting a situation, this accounting guideline directs the accountant to select the alternative that will result in less net income and less asset amount (or a greater liability amount).
12. When a long-term asset is sold for less than its book value, the difference is reported on the income statement as a _____.
13. An accounting year ending with a date other than December 31 is a _____-year company.
15. A long-term asset used in a business that does not get depreciated.
16. The cumulative earnings of a corporation minus the cumulative dividends declared by the corporation is generally the amount reported on the balance sheet as _____ Earnings.
21. The _____ of the financial statements includes the company name and the name of the financial statement.
25. Dividends that a corporation declares and pays are reported under this activity on the statement of cash flows.
26. Prepaid Insurance is an example of an expense that has been _____ to the balance sheet and will be expensed in a later accounting period.
28. Retained Earnings is part of the balance sheet section Stockholders' _____.
30. The statement of cash flows usually explains the change in Cash and Cash _____.

ACROSS (Financial Statements)

- 31. If a corporation has cumulative preferred stock outstanding, the preferred stock's _____ must be deducted from the corporation's net income when computing the earnings per share.
- 34. A company whose accounting year is January 1 through December 31 is said to be a _____ year company.
- 36. Earnings per share is computed by dividing a corporation's net income by the weighted-_____ number of shares of common stock.
- 37. Financial statements will better report a company's profitability if prepared under the _____ basis of accounting, instead of the cash basis of accounting.
- 38. SEC is the acronym for _____ and Exchange Commission.
- 39. The gain or loss on the sale of a long-term asset is reported in the _____ activities section of the cash flow statement that is prepared under the indirect method.

Down (Financial Statements)

1. A nuisance lawsuit is an example of a _____ liability that is considered to be remote.
2. Securities issued by a corporation that require interest payments every six months and the principal repayment at maturity.
3. Inventory is often reported at the _____ of FIFO cost or market.
4. When a corporation's stock is _____ traded, it must report its earnings per share on the face of the income statement.
7. Contingent liabilities are reported on the balance sheet if they are _____ in occurrence and the amount can be estimated.
9. The balance sheet is also referred to as the statement of financial _____.
11. Under the accrual basis of accounting, revenues are reported on the income statement when they are _____. Under the cash-basis of accounting, revenues are reported when the cash is received.
14. If a long-term asset is sold for more than its book value, the amount received that is in excess of the book value is reported on the income statement as a _____.
17. The accounting _____ is $\text{assets} = \text{liabilities} + \text{owner's equity}$.
18. The income statement format that groups operating and nonoperating revenues and gains into one section of the income statement and the operating and nonoperating expenses and losses in another section, is the _____-step format.
19. GAAP is the acronym for generally _____ accounting principles.
20. A balance sheet reports amounts as of a _____ or moment in time.
22. Corporations whose stock is publicly traded must have their financial statements _____ by independent CPAs.
23. The financial statements assume that the company is a _____ concern.
24. The estimated selling price in the ordinary course of business minus the cost to complete and dispose is the definition of net _____ value.

Down (Financial Statements)

- 26. The systematic allocation of the cost of an asset used in the business from the balance sheet to expense on the income statement over the useful life of the asset.
- 27. The _____ sheet reports assets, liabilities, and owner's equity.
- 29. The accounting entries made prior to the preparation of the financial statements to get the accounts up-to-date on the accrual-basis of accounting are _____ entries.
- 32. Financial statements issued between the official annual financial statements are _____ financial statements.
- 33. The _____ statement is sometimes referred to as the statement of operations.
- 35. Net sales minus the cost of goods sold is _____ profit.

Solutions (Financial Statements)

