

# Balance Sheet: Reporting Stockholder's Equity

## Course Description

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This course discusses generally accepted accounting principles (GAAP) for reporting stockholder's equity on the balance sheet. Stockholders' equity represents the cumulative net contributions by stockholders plus accumulated earnings less dividends. Stockholders' equity is synonymous with net worth, or net assets (assets less liabilities). This course discusses the accounting, financial statement presentation, and disclosures associated with preferred and common stock, stock retirement, treasury stock, dividends, appropriation of retained earnings, stock splits, stock warrants (including fractional share warrants), and quasi-reorganization.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

**Course Level:** Basic to Intermediate

**CPE Credits:** 2 (CPA)

**Category:** Accounting

**Prerequisite:** None

**Advanced Preparation:** None

## Course Learning Objectives

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### Balance Sheet: Reporting Stockholder's Equity

After reading this chapter, you should be able to:

- Identify proper accounting procedures for common and preferred stock.
- Recognize accounting methods for acquisition of treasury stock.
- Recognize how dividends, stock splits and stock warrants affect stockholders' equity.