

Accounting Equation (Finance)

[@wikipedia](#)

The principle equation relating the [Shareholders' Equity](#) to the [cash](#) value of [Assets](#), owned by [Business](#), and the [cash](#) value of [Liabilities](#) imposed on the [Assets](#), owned by [Business](#) at the end of [Accounting Period](#):

$$\text{CashValue (Equity)} = \text{CashValue (Assets)} - \text{CashValue (Liabilities)}$$

See also

[Business](#) / [Business Administration](#) / [Financial Management](#) / [Financial Accounting](#)

[[Assets](#)] [[Liabilities](#)] [[Equity](#)]

[[Balance Sheet](#)] [[Accounting Period](#)]