

- > Average Unit of Sale = $\text{Total Sales} \div \text{Number of Customers}$
- > Gross Profit = Revenue - COGS
- > Total Gross Profit = Total Revenue - Total Cost of Goods Sold
- > Return on Investment (ROI) = $\text{Net Profit} \div \text{Investment}$
- > The Rule of 72: # of years it will take for investment to double = $72 \div \text{Annual Interest Rate}$
- > Use the rule of 72 to figure out how long it will take an investment to double. Take any fixed annual interest rate and divide it into 72. The result is the number of years it will take for the investment to double.
- > Return on Sales (ROS) = $\text{Net Profit} \div \text{Sales}$
- > Payback = $\text{Start-Up Investment} \div \text{Net Profit per Month}$
- > Debt-to-Equity Ratio: $\text{Debt} \div \text{Equity}$
- > Debt Ratio: $\text{Debt} \div \text{Assets}$
- > Break-even Units = $\text{Fixed Costs} \div \text{Gross Profit per Unit}$
- > To include variable costs:
 $\text{Break-even Units} = \text{Fixed Costs} \div \text{Gross Profit per Unit} - \text{Variable Costs per Unit}$
- > Owner's Equity (EO) = Assets - Liabilities
- > Total Assets = Total Liabilities + OE
- > Current Ratio = $\text{Current Assets} \div \text{Current Liabilities}$
- > Cash Flow = Cash Receipts - Cash Disbursements
- > Ending Cash Balance = Beginning Cash + Cash Surplus
- > Working Capital = Current Assets - Current Liabilities