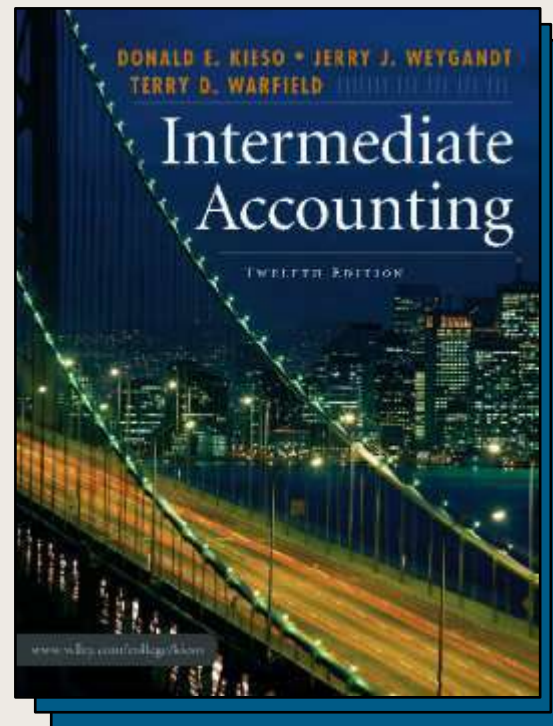


Full Disclosure: Concepts and Practices

Chapter 24

Intermediate Accounting
12th Edition
Kieso, Weygandt, and Warfield



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Learning Objectives

1. Review the full disclosure principle and describe implementation problems.
2. Explain the use of notes in financial statement preparation.
3. Discuss the disclosure requirements for major business segments.
4. Describe the accounting problems associated with interim reporting.
5. Identify the major disclosures in the auditor's report.
6. Understand management's responsibilities for financials.
7. Identify issues related to financial forecasts and projections.
8. Describe the profession's response to fraudulent financial reporting.

Full Disclosure in Financial Reporting

Full Disclosure Principle

- Increase in reporting requirements
- Differential disclosure

Notes to Financial Statements

- Accounting policies
- Common notes

Disclosure Issues

- Special transactions or events
- Post-balance-sheet events
- Diversified companies
- Interim reports

Auditor's and Management's Report

- Auditor's report
- Management's reports

Current Reporting Issues

- Reporting on forecasts and projections
- Internet financial reporting
- Fraudulent financial reporting
- Criteria for accounting and reporting choices

Full Disclosure Principle

Full disclosure principle calls for financial reporting of any financial facts significant enough to influence the judgment of an informed reader.

Financial disasters at **Microstrategy**, **PharMor**, **WorldCom**, and **Global Crossing** highlight the difficulty of implementing the full disclosure principle.

Full Disclosure Principle

All Information Useful for Investment, Credit, and Similar Decisions

Financial Reporting

Affected by Existing FASB Standards

Illustration 24-1

Basic Financial Statements

Financial Statements

- Balance sheet
- Statement of Income
- Statement of Cash Flows
- Statement of Changes in Stockholders' Equity

Notes to Financial Statements

- Examples
- Accounting Policies
 - Contingencies
 - Inventory Methods
 - Shares Outstanding
 - Alternative Measures

Supplementary Information

- Examples:
- Changing Prices Disclosures
 - Oil and Gas Reserves Information

Other Means of Financial Reporting

- Examples:
- Management Discussion and Analysis
 - Letters to Stockholders

Other Information

- Examples:
- Competition and Order Backlog in SEC Forms
 - Analysts' reports
 - Economic Statistics
 - Articles

LO 1 Review the full disclosure principle and describe implementation problems.

以上内容仅为本文档的试下载部分，为可阅读页数的一半内容。如要下载或阅读全文，请访问：<https://d.book118.com/006115153041010141>