

单词	释义
Disclosure	公开,透露
adequate disclosure	充分反映; 会计事项的充分表达
Recognition	认识; 认出; 承认
hypothetically	adv. 假设地,假想地
denominator	分母
treasury stock	库存股
inclusive	包括所述的限度 ;adj. 包括...的, 包括一切的
comprehensive income	综合收益; 综合所得
Solvency	n. 偿付能力; 溶解力
assess	vt. 评定; 估价; 对...征税
probable	adj. 很可能的, 大概的; 或有的
presentation	n. 提供, 显示
Alternative	adj. 两者择一的, 供替代的

Financial Reporting and Analysis

原理前导：财务上的“三个代表”

- 资产负债表代表企业的资产、负债和所有者权益，体现其整体实力
- 利润表代表企业的利润来源，体现其盈利能力
- 现金流量表代表企业的现金流量，体现其获现能力

资产负债表是静态指标，反映企业某个时点的财务状况；利润表是动态指标，反映企业某段时期的经营成果，资产负债表未分配利润期末数等于利润表净利润本年累计数加上年初未分配利润数。资产负债表货币资金期末数减期初数，等于现金流量表现金净增加值。

The Framework of FRS

The Financial Accounting Standards Board (FASB) 一般通用的会计准则

The Statement of Financial Accounting Standards (SFAS) \ U.S.GAAP

The International Accounting Standards Board (IASB) 国际通用会计准则

The International Accounting Standards (IAS)
The International Financial Reporting Standards (IFRS)

Framework

1. The role of financial reporting and financial statement analysis
2. The resources used for financial statement analysis
 - Key financial statements
 - Other relevant information
3. Auditing
4. Financial statement analysis framework

- treasury stock 库存股
 - 1、所有者权益抵减,股票数量减少
 - 2、回收回来的库存股没有投票权，没有分红

treasury stock method

Diluted EPS

If the options or warrants are dilutive, use the treasury stock method to calculate the number of shares used in the denominator.
如果期权或者权证被稀释，可以使用库存股计量方法来计算EPS公式分母上的股票数量

The treasury stock method assumes that the funds received by the company from the exercise of the options would be used to hypothetically purchase shares of the company's common stock in the market at the average market price.
库存股计量方法推测可以按照普通股平均的市场价格来回购

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- Example: Treasury stock method
- simple EPS
$$EPS = \frac{NI}{N + \frac{P}{K}}$$

Baxter Company has 5,000 shares outstanding all year. Baxter had 2,000 outstanding warrants all year, convertible into one share each at \$20 per share. The year-end price of Baxter stock

Baxter公司有5000股在外发行的股票，有2000股在外流通的权证。一股权证对应一股股票，在\$20的时候，在年终的时候股票价格为\$40，股票的平均价格为\$30。权证转换为股票用的是平均价格做的假设。考虑权证转换为股票对股票数量的影响。

Answer:

1. If the warrants are exercised, the company will receive $2,000 \times \$20 = \$40,000$ and issue 2,000 new shares.
要行权的话，需要按照\$20买入价格，需要花费\$40000买入2000股股票

1° 净收益增加 \$40000
2° 股票数增加 2000
3° 需要抵消\$40000净利润增加值带来的影响，因为无法评估投资、经营情况对净利润的影响
4° 则拿着\$40000回购股票，减少影响，但这并不是一定的

2. The treasury stock method assumes the company uses these funds to repurchase shares at the average market price of \$30.
按照\$30进行回购

3. The company would repurchase $\$40,000 / \$30 = 1,333$ shares.
按照\$30回购的股票数

4. Net shares issued would be $2,000 - 1,333 = 667$ shares.
实际上新增667股股票

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- Example 6

EPS with Warrants/ Stock options
GF has 5000 shares outstanding all year. GF had 2000 outstanding warrants all year, convertible into one share each at \$20 per share. The year-end price of GF stock was \$40, and the average price of GF stock was \$30. GF公司在外发行的股票数为5000，有2000的权证，在股票价格为\$20的时候行权，年底的时候GF的价格为\$40，一年股票的平均价格为\$30，假如GF在年底的时候有净利润\$10000，那GF公司的EPS和DEPS是多少

Answer:

$BEPS = \$10,000 / 5,000 = \2.00
Adjusted income available for common shares = \$10,000
Weighted average common shares and potential shares = $5,000 + 667 = 5,667$
 $DEPS = \$10,000 / 5,667 = \1.76

Shares outstanding	5,000
Warrants conversion	2,000
Treasury shares purchased	(1,333)
Denominator	5,667

Comprehensive income

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Retained earnings

- At the end of each accounting period, the net income of the firm is added to stockholders' equity through an account known as retained earnings.
- Therefore, any transaction that affects the income statement (net income) will also affect stockholders' equity.

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Comprehensive income CI

- $CI = NI + OCI$, OCI直接影响equity
Comprehensive income is a more inclusive measure that includes all changes in equity except for owner contributions and distributions. That is, comprehensive income is the sum of net income and other comprehensive income. Other comprehensive income includes transactions that are not included in net income.
- Other comprehensive Income for both GAAP and IFRS
 - Foreign currency **translation** gains and losses
 - Certain costs of a company's **defined benefit** post-retirement plans that are not recognized in the current period.(actuarial gains/losses)
 - Unrealized** gains and losses from cash flow hedging derivatives.
 - Unrealized** gains and losses from available-for-sale securities
- Under IFRS, other comprehensive income includes certain changes in the value of long-lived assets that are measured using the revaluation model rather than the cost model

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Comprehensive income

Comprehensive income	\$
Net income	50
Other comprehensive income:	
Foreign currency translation gains and (losses)	15
Adjustment for minimum pension liabilities	(10)
Unrealized gains and (losses) from cash flow hedging derivatives	3
Unrealized gains and (losses) from available-for-sale securities	2
Comprehensive income	60

Balance Sheet format and components

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Assets

Provide probable future economic benefits controlled by an entity as a result of previous transactions

Current and Non – current assets (Long – lived assets)

Liabilities

Are obligations owed by an entity from previous transactions that are expected to result in an outflow of economic benefits in the future.

Current and Non – current liabilities (Long – term liabilities)

Stockholders' equity

Is the residual interest in assets that remains after subtracting a firm's liabilities.

A financial statement item should be recognized if a future economic benefit from the item (flowing to or from the firm) is probable and the item's value or cost can be measured reliably.

Balance Sheet - Limitations

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Uses and limitations of the balance sheet in financial analysis

The balance sheet can be used to assess a firm's liquidity, solvency, and ability to make distributions to shareholders.

From the firm's perspective, liquidity is the ability to meet short-term obligations

Solvency is the ability to meet long-term obligations

Alternative formats of balance sheet presentation

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Classified balance sheet 有小计分类的资产负债表

Both IFRS and U.S. GAAP require firms to separately report their current assets and noncurrent assets and current and noncurrent liabilities.

The current/noncurrent format is known as a classified balance sheet and is useful in evaluating liquidity.

Liquidity-based presentations 根据流动性的列示

Under IFRS, firms can choose to use a liquidity-based format if the presentation is more relevant and reliable.

Liquidity-based presentations, which are often used in the banking industry, present assets and liabilities in the order of liquidity.

Balance Sheet format and components

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Account format

The balance sheet	
Assets	Equity
	Liabilities
Total assets	Total equity and liabilities

Report format - Classified balance sheet

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Assets

- Current assets

Presented in the order of liquidity

Current assets	Cash and equivalents	现金及其现金等价物
	Accounts receivable	应收账款
	Inventory	存货
	Prepaid expenses	长期待摊费用
	Short – term investments	短期投资
	Other current assets	其他投资
Non current assets	Property , plant and equipment (PP&E)	固定资产
	Intangible assets	无形资产
	Long – term investments	长期投资
	Deferred tax assets	递延税
	Pension assets	DB plan

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Liabilities

- liabilities

Maturity
Descending order by amount
In the event of liquidation

Current liabilities	Bank overdraft	银行借款
	Accounts payable	应付帐款
	Accrued expenses	应计费用, 应急职工薪酬
	Unearned revenue	未实现收入
	The current portion of long – term debt	长期负债的短期部分
	Current taxes payable	税费
long – term liabilities	Notes payable	应付票据
	Bonds payable	应付债券
	Capital / Financial lease obligations	租赁
	Pension liabilities	DB plan的负债
	Deferred tax liabilities	

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Stockholders' equity

Capital	股本	Common stock , preferred stock
Additional paid-in-capital	股本溢价	Capital in excess of par i.e. premium
Treasury stock	库藏股, 所有者权益的抵减	Stock has been reacquired by the issuing firm but not yet retired No voting rights, no dividend
Retained earnings	留存收益	Net Income – Dividend
Accumulated other comprehensive income	OCI	Foreign currency translation gains and losses.
		Adjustments for minimum pension liability.
		Unrealized gains and losses from cash flow hedging derivatives
		Unrealized gains and losses from availablefor-sale securities
Minority interest / Noncontrolling interest	少数股东权益	Group accounting

Financial instruments

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Category		Measurement		Unrealized/Realized Gains or Losses	
Held-to-maturity	持有者到期	Amortized cost	摊余成本, 好比历史成本, 历史成本不会变	Unrealized: not reported	未确认: 不会发生变化, 就不会有收益或损失
				Realized: reported in income statement	已确认: 公允价值变化放入利润表
Trading	交易类, 3个月以内	Fair value	公允价值	Unrealized: reported in income statement	未确认: 公允价值变化放入利润表, 会影响净利润, 影响留存收益
				Realized: reported in income statement	已确认: 公允价值变化放入利润表
Available-for-sale	不是第一类, 也不是第二类	Fair value	公允价值	Unrealized: reported in equity	OCI, 直接计入所有者权益, 不影响NI, 比较稳定
				Realized: reported in income statement	已确认: 公允价值变化放入利润表