

PRESENTATION

- .20 General purpose future-oriented financial information should be presented in the format of historical financial statements and include at least an income statement, distinguishing the items recommended in INCOME STATEMENT, Section 1520 in Part II of the Handbook. Special purpose future-oriented financial information should be presented in the level of detail and the format of presentation agreed between the parties.
- .21 General purpose future-oriented financial information would include an income statement and such other financial statements considered necessary to ensure that adequate information is provided to the users of the information. To evaluate the financial prospects of an entity, users need, at a minimum, information about expected future results of operations. It may also be desirable to present a balance sheet, a statement of retained earnings, and/or a cash flow statement to illustrate the effects of future events or economic conditions on the financial position of the entity and to provide information on expected future cash flows. Presentation of future-oriented financial information in the format of historical financial statements facilitates comparisons with such statements.
- .22 When future-oriented financial information is presented together with historical financial statements, the notes to the future-oriented financial information need not include disclosures that would be repetitive of those in the historical financial statements, provided appropriate cross-reference is made from the future-oriented financial information to the notes in the historical financial statements. When future-oriented financial information is not presented together with historical financial statements, note disclosures, including accounting policy notes, would be presented to the extent they are necessary for an understanding of the future-oriented financial information.
- .23 Each item of financial data in future-oriented financial information would be expressed as a single monetary amount, a range or a single amount supplemented by a range, whichever management believes to be the most useful presentation. The use of a range emphasizes the imprecision inherent in future-oriented financial information. When a range of amounts is presented, care is needed to ensure that the range is not so broad that the amounts reported are not meaningful.