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(第三版)

# 公司财务报告 教程与案例

CORPORATE FINANCIAL  
REPORTING

TEXT AND CASES

(THIRD EDITION)

E. RICHARD BROWNLEE II  
KENNETH R. FERRIS  
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## 出版者的话

但凡成事，均缘于势。得势则事成，失势则事不顺。顺势而行，如顺水行舟；借势而动，如假梯登高；造势而为，如太空揽月。治学、从政、经商、置业，均不可一日失势。势者，长处、趋势也。

今日中国，是开放的中国；当今世界，是开放的世界。改革开放，大势所趋，势不可挡。经济开放、文化开放、政治开放，世界需要一个开放的中国，中国更要融入开放的世界。借鉴国际惯例，学习他人之长，已经到了不可不为之时。

借鉴国际惯例，学习他人之长，已属老生常谈，但学什么、如何学、以何为蓝本为众多志士仁人所关注。可喜的是，由赤诚图文信息有限公司精心策划，ITP、McGraw-Hill及Simon & Schuster等国际出版公司特别授权，东北财经大学出版社荣誉出版的“世界财经与管理教材大系”现已隆重面世！她以“紧扣三个面向，精选五大系列，奉献百部名著，造就亿万英才”的博大胸襟和恢弘气势，囊括经济学、管理学、财务与会计学、市场营销学、商务与法律等财经、管理类主干学科，并根据大学教育、研究生教育、工商管理硕士（MBA）和经理人员培训项目（ETP）等不同层次的需要，相应遴选了具有针对性的教材，可谓体系完整，蔚为大观。所选图书多为哈佛、斯坦福、麻省理工、伦敦商学院、埃维商学院等世界一流名校的顶尖教授、权威学者的经典之作，在西方发达国家备受推崇，被广为采用，经久不衰，大有“洛阳纸贵”之势。

借鉴国际惯例，毕竟只是因势而动；推出国粹精品，才是造势而为。在借鉴与学习的同时，更重要的是弘扬民族精神，创建民族文化。“民族的，才是国际的”。我们提倡学他人之长，但更希望立自己之势。

势缘何物，势乃人为。识人、用人、育人、成人，乃人本之真谛。育人才、成能人，则可造大势。育人、成人之根本在教育，教育之要件在教材，教材之基础在出版。换言之，人本之基础在书本。

凡事均需讲效益，所谓成事，亦即有效。高效可造宏基，无效难以为继，此乃事物发展之规律。基于此，我们崇尚出好书、出人才、出效益！

东北财经大学出版社

1998年8月

# Preface

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The importance of and the demands on corporate financial reporting continue to grow at an accelerating rate. Although there are many contributing factors, two of the most significant pertain to the expansion of global competition for goods and services and to the trend toward deregulation and integration of financial markets. Corporations around the world compete for market share, earnings growth, and financial resources within their domestic markets and, increasingly, within foreign markets. The important task of measuring and presenting the financial results of the increasingly complex organizations engaged in such activities is primarily the responsibility of corporate financial reporting. Without question, this is a considerable challenge, for the related objectives, issues, concepts, and standards are subject to change and are open to question and debate on a continual basis. Consequently, the study of corporate financial reporting has the potential for being both interesting and highly relevant, for it involves an understanding of the contemporary business environment.

This combined text and casebook is written for students whose careers will require a substantial appreciation and understanding of financial accounting and reporting issues, problems, and practices. While we believe a good case could be made that our audience includes all business majors, we view students pursuing careers in public accounting, corporate accounting, investment or commercial banking, consulting, investment management, financial management, and general management, as well as future entrepreneurs, as our primary audience. Both the text and the cases were written with the diverse interests of these students in mind.

This book differs from more traditional texts covering similar topics in two principal ways. The first is our focus on the issues, concepts, and divergent perspectives that have led to existing financial accounting and reporting standards. The intended result is a learning experience that is less procedural and more conceptual than is associated with the use of most other accounting textbooks.

The second distinguishing feature is the blend of accounting theory and practical applications that occurs throughout the book. In writing this edition, we took the

position that Congress, the Securities and Exchange Commission, standard-setting organizations, and various internal and external users of corporate financial information will continue to work toward improving the overall integrity of the financial reporting process. To us, this will involve considerably more than the mere issuance of additional accounting and reporting rules. Improved financial reporting will need to reflect the substance of more complex and dynamic business conditions, an appreciation of different interests and perspectives of corporate managers, external users, and independent accountants, and a search for a “true and fair” representation where conflicting views exist. It was with this in mind that we expanded coverage in our Second Edition to address a selection of international accounting and reporting issues, including the role of the International Accounting Standards Committee. We have increased our international coverage in this edition.

Although this book discusses and generally supports the concept of efficient capital markets, it takes the position that both *what* gets reported and *how* it gets reported make a great deal of difference to many constituents, particularly corporate managers. Because the ultimate responsibility for the preparation and integrity of corporate consolidated financial statements and related footnotes rests with management, we give considerable attention throughout the book to the management considerations associated with various financial-reporting issues. In addition to benefiting future managers, we believe this perspective also benefits our other targeted constituencies.

This book is intended to provide students with a comprehensive perspective on current and future corporate financial reporting issues and practices in two ways. First, the individual chapters blend issues, concepts, standards, and stakeholder interests so as to convey the complexities, controversies, and uncertainties inherent in the financial-reporting process. Most chapters also include a section on financial analysis. Additionally, even though the primary emphasis continues to be on financial reporting in the United States, most chapters contain a section that addresses international dimensions.

A comprehensive perspective is also facilitated through both the Illustrative Cases and the assignment cases contained at the end of each chapter that provide examples of the complexity of the issues and the importance of informed judgments. Here is where students learn how difficult and controversial the application of accounting theory and generally accepted accounting principles can be to actual business situations. They quickly discover that, except in the simplest of situations, the solutions to financial-reporting problems are not found merely by referring to an established body of accepted accounting standards. They begin to recognize the need for flexibility, particularly on international dimensions, and to see that attempts to develop highly detailed and specific rules have been only partially successful. On the other hand, students can understand why some issues probably need more extensive guidelines than do others. Before long, they will begin to broaden their perspectives on financial reporting, and the process will assume a richness that most of them had not previously experienced or expected.

One of the strengths of including cases in this text, and of case method learning in general, is that it gives students the opportunity to decide how they would solve actual business problems and to defend their positions against others who have de-

cided on different approaches or solutions. Many of the cases at the end of the chapters are relatively short and contain a limited number of issues. Most chapters contain at least one longer and more comprehensive case, however, that provides students with an opportunity to perform in-depth analysis on a broader range of issues. We are firm believers in the numerous benefits associated with case method learning, and we wish both students and faculty much success and enjoyment in meeting the educational challenges that lie ahead.

**E. Richard Brownlee II**  
**Kenneth R. Ferris**  
**Mark E. Haskins**

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To all these organizations and individuals, as well as to others who helped us along the way, we are grateful.

**E. R. B. II**  
**K. R. F.**  
**M. E. H.**



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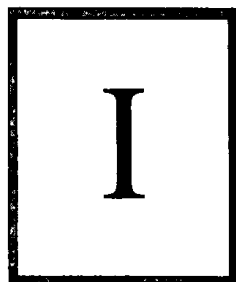
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PART



# THE INSTITUTIONAL SETTING AND FUNDAMENTAL ACCOUNTING CONCEPTS

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# THE INSTITUTIONAL SETTING AND THE DEVELOPMENT OF FINANCIAL REPORTING STANDARDS

One day in a small midwestern town, a fledgling balloonist convinced his wife to ride in his recently purchased hot-air balloon. Their ascent was flawless, and everything was fine until the wind velocity suddenly increased and changed directions. Feeling reasonably confident they were in no danger, the balloonist assured his wife that he had everything under control. As it turned out, they spent the next several hours drifting high above miles of fertile farmland. The view was spectacular, and they did not begin their descent until their fuel tank was almost empty. At that point the balloonist admitted he had no idea where they were.

The balloon finally came to rest in the middle of a large cornfield, at which time the balloonist's wife let him know just what she thought of his ballooning expertise. Fortunately for him, she was interrupted by a middle-aged man wearing overalls and a straw hat. "Excuse me," he said, "but what are you doing here?" The balloonist explained the situation as best he could and then asked, "Where are we?" "Well," replied the man, "you two are inside the basket of a hot-air balloon in the middle of an Iowa cornfield." Without hesitation the balloonist looked at the stranger and said, "Despite your appearance, I'll bet you aren't a farmer and that this isn't your farm." After a brief silence, the stranger admitted that the balloonist was right. "This is my brother's farm," he said. "I'm just visiting for a few days, but tell me, how did you know?" "That's easy," replied the balloonist, "you're an accountant." The stranger shook his head in disbelief and then remarked, "You're right again, but what gave me away?" The balloonist laughed and said, "Only an accountant could provide us with such precise data that contains so little information."

Although this tale pokes fun at the accounting profession in general, its message is less about accountants than about the information with which they are associated. Accounting information is intended to be helpful in understanding the financial consequences of an entity's economic activities and to be useful in decision making; however, this information is often perceived as incomprehensible and cumbersome. In essence, most people see accounting as a lot of details that convey little substantive information. This book attempts to dispel that misconception by illuminating a