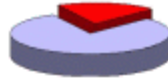


# Accounting 516

Ram T S Ramakrishnan



## Financial Statement Analysis

2008 Fall



Course description



Schedule



Readings



Notes



Current Developments  
Midterm Examination  
Final Examination

### Cases



TAKEDA CHEMICAL INDUSTRIES, LTD.

• Assignment • Analysis



• Assignment • Analysis



• Assignment •



• Assignment •

### Solutions

### Book Problems

### Project

• Links • Yahoo  
• WRDS Notes



• Review for financial accounting prerequisites • Financial Literacy •  
• Cartoons • <http://blackboard.uic.edu/>

### Accounting & Disclosure after Enron

<http://www.uic.edu/classes/actg/actg516tr/>

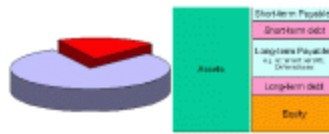


Department of Accounting

COLLEGE OF BUSINESS ADMINISTRATION

# Accounting 516

Ram T S Ramakrishnan



## Financial Statement Analysis

2008  
Fall

Instructor: Ram T. S. Ramakrishnan  
Office hours: Mondays 1:00-4:00  
2300, University Hall; [rRamakri@uic.edu](mailto:rRamakri@uic.edu) (312) - 996 - 3270; Directions  
Course page: <http://www.uic.edu/classes/actg/actg516rtr>



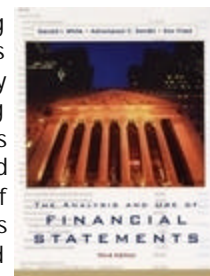
Course  
description

### Required Materials:

The Analysis and Use of Financial Statements, Third Edition Publisher: Wiley;  
Gerald I. White, Ashwinpaul C. Sondhi, Dov Fried, ISBN 0-471-37594-2; ©2003  
Please bring the textbook and a copy of [Pfizer financials](#) (pages 39 to 62) to the class every day.

Wharton Service: <http://wrdsx.wharton.upenn.edu/> [a516fa08; \_\_\_\_\_]

The recent corporate accountability crises has focused the world's attention on what accounting reports can do and what it can not do. Accounting failures at Enron, WorldCom and numerous other firms has led to extensive reforms in the US. The Sarbanes-Oxley (2002) act includes many accounting and disclosure reforms. But these actions could not prevent the options backdating scandals of 2006-07 or fair value crisis relating the lending crisis of 2008. Throughout these crises what was surprising was the lack of understanding of GAAP and financial statements by many Board of Directors and Wall Street Analysts. Through this course you will gain a better understanding of some of the issues relating to analyzing financial statements. If one thinks of financial reporting as a game - the executives will try to put the firm in the best light under what GAAP allows, how could you as an analyst disentangle the information.



This course will emphasize the use of published financial reports by decision makers external to the firm (e.g. investors and creditors). Within each decision context, models of valuation and the current state of understanding of empirical research in accounting and finance will be analyzed. Accounting is the "language of business" and with the knowledge gained from this course, you will be able to read, interpret and critically evaluate the published financial disclosures that firms make. You will gain insights into the intense controversies surrounding the promulgation of disclosure standards and you will better understand how you may influence and be influenced by this essentially political process. If you are interested in careers in investment banking, equity research, private equity, risk analysis and in pursuing the CFA designation, this course is a must.

The second major theme of the course is how capital markets react to accounting disclosures. What is (and will be) the value impact of earnings, book value and other accounting information? We will consider the traditional models and also newer insights into the pricing of securities using free cash flows and economic value added. If somebody showed the statements of a firm to you, you should be able to see the "inside" story, ask the right questions and value the firm. The dominant approach in this course will be fundamental analysis. Finally we will survey the empirical results from the capital markets research. Bankruptcy and risk prediction models and bond rating models that use accounting numbers will be evaluated. We will look at studies that try to explain variations in the P/E ratios and price to book ratios and earnings response coefficients. Studies that document market anomalies based on accounting numbers will be discussed last.

The standard prerequisites for this course are two courses in financial accounting (for example Accounting 500 and 502). If you have taken only Accounting 500, you may still take this course, if you are willing to put in some extra effort. Please fill the **Prerequisite exemption form**:

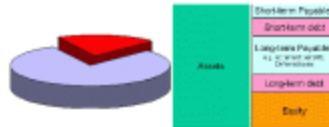
<http://accounting.cba.uic.edu/Classes/Prerequisite-Exemption-Form.htm> and bring it to the class to get my approval. The course uses real financial statements extensively and you should be familiar with annual reports. As a part of the course you will be analyzing and valuing one company (a company of your choice) thoroughly. For this, you may have to download 10 - Ks and other SEC filings from 'Disclosure' etc.. [First class](#)

Midterm Examination: 30%; Final Examination: 40%;  
Current Developments Discussions 7%; Cases (four out of five) 15%;  
Financial statement project 8%

**Course Requirements**

# Accounting 516

Ram T S Ramakrishnan



# Financial Statement Analysis

2008 Fall

Session	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Exam
Date	8/25	9/5	9/8	9/15	9/22	9/29	10/6	10/13	10/20	10/27	11/3	11/10	11/17	11/24	12/1	12/8
Day	Mon	Fri	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon	Mon

Sessions are as denoted in the description below. All sessions may not have assigned dates.

## 1 Introduction

**Reading:** Chapter 1, Notes , First Day Assignments, 2

**2 Financial statements:** The raw data of analysis; Accrual concept of income; Analysis of cash flow information.

**Reading:** • Chapters 2 and 3 • Ignore: Nonrecurring items (p. 52-61);

Notes • 03-Lucent-1999-10K-Valuation • Lucent-1999 • Lucent-2000 Financials • Lucent-2000-CF

**Class discussion:** • 3-4 • 3-10; Homework: • 3-09 • 3-12 • 03-01,02,03,05

### Cash Flow Readings

Altria Ready to Consider Next Breakup [Q]

Cigarette-lawsuits -light -up-Kraft -spin-off -talk

Outside Audit - 'Cash Flow Never Lies' -- Or Does It?

Georgia Tech Crew's Report Spurs Change in Accounting For Operating Cash Flow [Q]

Options Rule Could Hit Cash Flows

Stock Options Pad Cash Flow Of Soaring Technology Issues

An interview with Microsoft's CFO - McKinsey Quarterly

Cash Flow Reigns Once Again

Cash-Flow Hocus-Pocus

Credit Woes Hit in Unlikely Places

Firms Ponder What Constitutes Cash

GM Board Seeks Probe of Mistakes In Bookkeeping

Ignored Money Waiting to Be Spent

Is Target Corp.'s Credit Too Generous

Steve Jobs' Bonus

Stocks End Flat, Microsoft Lifts Techs

Too Much Cash

US Companies Can Seize Roughly \$600 Billion From 'Working Capital

Voluntary Disclosure of Free Cash Flow

Where Accounting Meets Language

### DUE 01 Cash Flow Issues Discussion Questions

### Current Developments

**3 Foundations of Ratio and Financial Analysis;** Common size statements; Categories of ratios; Integrated ratio analysis. Earnings per share; Alternate capital structures.

Reading: Chapter 4 • Notes • Financial Analysis of Pfizer • Dell 04 10K (Look at Cash Cycle in page 22)

Class discussion: • 04-07 & 08 • 04-20 & 21; Homework: 4-Rest

**4 Analysis of inventories:** Impact of change in prices; Alternative methods of computing cost;



Adjustments from LIFO to FIFO; Financial ratio effect; Reporting and measurement issues; Empirical perspectives; Market reactions to method changes; Is a change to LIFO good news or bad news?

**Reading:** Chapter 6 • Notes • IRS Rules • IRS Court cases • Form 970

**Class discussion:** 06-08 & 09; Homework: • 06-01 to 04 • 06-rest

### Inventory Readings

<http://www.lifopro.com/index.html>

Big Oil's Accounting Methods Fuel Criticism

Republicans Drop a Tax Plan After Businesses Protest

The Battle to Preserve LIFO - CFO.com

Will Congress Sink LIFO? - CFO.com

**DUE 1 Integrated Analysis** • Pfizer • Roche • Takeda

**Case**

---

**5 Capitalization versus Expensing:** Acquiring the asset: The capitalization decision; Capitalization of interest costs; Intangible assets Analysis of Long Lived Assets

**Reading:** • Chapter 7 • Ignore Asset Revaluation and Regulated Utilities p. 240-242

• Chapter 8 • Ignore Impairment of Long Lived assets and Impairment p. 275-282

• Long lived assets notes • Long lived assets example • Estimation notes 1 • Estimation notes 2

**Class discussion:** 07-09 (Pfizer) • 8-14; Homework: • 07-01, 07, 12 • 07-rest • 8-5 to 10

---

### 6 Income taxes

Deferred taxed; effective tax rate; analysis of tax footnote disclosures; permanent and temporary tax differences.

**Reading:** • Chapter 9 • Income tax notes

**Class discussion:** Tax disclosures of Pfizer • Tax related disclosures in GE statements • Look for deferred tax assets and tax related disclosures in Amazon statements • Amazon Taxes

Homework: 9-6, 7, 10, 12, 14

**DUE 2 Inventory Analysis of Nucor • Nucor 10-K**

**Case**

#### Taxes Readings • Cartoons • More Readings

Amazon Squeezed by Online Rivals

Amazon-4Q-2004- Look at the news item and tax disclosures (page 16) • Amazon-4Q-2005

Amazon's Earnings Tumble 43% Revenue Misses Estimates Feb 2006

Corporate Income Taxes In The 90's - Institute on Taxation and Economic Policy

GE Report Raises Doubts

GM Will Book \$39 Billion Charge [Q]

How Big Tax Shelter With Cities Shortchanges Federal Treasury

How Lehman Sold Plan To Sidestep Tax Man 709

Inside Wal-Mart's Bid To Slash State Taxes

KPMG Used Its Own Tax Shelter

KPMG-Fraud-Survey

KPMG's Knight in Shining Armor

Levin Introduces Bill to End Double Standard in Corporate Tax

Lifting the Veil on Tax Risk [Q]

Minding the Gap [Q]

Tax Shelters: Exotic or Just Plain Illegal?

Tax Breaks for Executives Who Earn Now, Pay Later

Taxes round the world, Fortune 2003

Tech Titans' Tax Picture Is Clouded by Options

The Corporate Tax Game, March 2003

The Tax Hit You May Not See

Wal-Mart Cuts Taxes By Paying Rent to Itself

Why Citi Struggles to Tally Losses [Q]

Why Wal-Mart Set Up Shop in Italy

---

**7 Analysis of financing liabilities:** Long term debt; debt with equity features; effects of changes in interest rate; retirement of debt; Bond covenants; accounting based constraints; Leases and incentives, financial reporting for leases; Off-balance sheet activities.

**Reading:** Chapter 10, Chapter 11 (Ignore: Appendix 11) Notes

**Class discussion:** 10-23; Off-balance-sheet activities and Lease notes

Look at lease disclosures in: Sears 1999 • J C Penney 1999 • 11-19 to 22 Sears

**Off balance Sheet Readings** [Click on  to save paper]

Citi's \$41 Billion Issue - Should It Put CDOs On the Balance Sheet[Q]

Conduits in Need of a Fix 708

Disney-Take-Losses-in-France-March 26, 2004

Enron Aside, Special Purpose Vehicles (SPVs) Are Legal, Innovative and Widely Used

• Equipment Leasing Association

<http://www.pbs.org/wgbh/pages/frontline/shows/tax/>

ELA - Equipment Leasing Association Weighs in on PBS Television Show Frontline's "Tax Me If You Can"

ELA - Lease Accounting, Separating Myth from Reality

FASB-Interpret-46-VIE.pdf

FIN 46 Adds Billions to Bank Balance Sheet

Fin-46-FASB 

Fin-46-PriceWaterhouseCoppers

General Motors Revved Up Its Accounting

How Big Tax Shelter With Cities Shortchanges Federal Treasury

How Leases Play A Shadowy Role In Accounting

IFRS - Lease accounting rules

Lease Accounting - Falling Rents Will Boost EBITDA

Lease Accounting Separating Myth from Reality

Lease Accounting Separating Myth From Reality - Response

Leasing Lattes: To Drink or Not to Drink

Risks Sparking Bailout Were Still in Shadows By Post-Enron Rules

SEC Seeks Enhanced Disclosure Of Pension and Lease Obligations June 2005

Surprise - New Consolidation Rule May Affect Private Equity

Will FASB Ever Issue Good Lease Accounting Principles?

With New, United Voice, Auditors Stand Ground On How to Treat Crunch 710

You May Be Liable For That Lease

Homework: 10-03 & 04; 10-rest; 11-17; 11-Rest

---

## **8 Off Balance Sheet Financing Techniques**

**Class discussion:** Review

Watch: Tax me if you can on Frontline

Responses from the leasing industry: ELA Online

---

## **9 Mid-term Examination: Open Book and Notes**

---

**10 Intercorporate Investments** Investment in securities; Analysis of marketable securities; Equity method of accounting; Consolidations and comparison

**Reading:** Chapter 13; Notes

**Class discussion:** Marketable Securities Example Part 1 • Part 2 • 13-13 Fill-in Form ExxonMobil • 13-13 ExxonMobil

Homework: 13-16 Coke segments • 13 Rest

---

**11 Business Combinations and Subsidiaries** Off-balance sheet activities and avoiding non-consolidation

**What happened at Enron?** Notes

Reading: Chapter 14; Notes

The Overleveraged Disneyland: Will Disney Take Losses in France?

**DUE 2 Worldcom**

**Current Developments**

---

**12 Accounting Based Measures of Risk**

Prediction of Bankruptcy; the Prediction of Debt Risk and Equity Risk; Debt ratings and covenants; Cost of debt prediction using accounting variables

Reading: Chapter 18, Notes • S&P Corporate criteria (115 pages - not everything!) • S&P ratings (7 pages) • S&P Rating methodology (35 pages) • Altman Paper: Revisiting the Z-score and Zeta® models • 18 Appendix

*Class discussion:* 18-1 to 3, 18-4 Coke; *Homework:* 18 -05 to 07 (Westvaco financial statements); 18-08 to 10

**Debt Analysis and Bond ratings Readings**

Municipal-Bond Fans Get a Rude Awakening

**Rates and Ratings**

Credit-card-quiz

Credit-Spreads

CreditStats: Final Adjusted Key U.S. Industrial Financial Ratios

CreditStats: Operating Lease Analytical Model

CreditStats: Adjusted Key U.S. Industrial Financial Ratios 2004

CreditStats: Adjusted Key U.S. Industrial Financial Ratios 2003

Hunting the Nearly Extinct 'AAA' May 10 2005

Junk Turns Golden, But May Be Laced With Tinsel

Losing Money by Buying Stock Back

Triple-A Ratings Grade on a Curve

Altman-Predicting-Financial-Distress-Of-Companies

**Raters and standards**

Commentary: Conflicts and the Credit Crunch by Arthur Leavitt

Moody's, S&P Still Hold Advantage

Big Bond Rally Isn't in Bonds, But in the Raters January 2006

FASB Agrees to Delay, Clarify Ruling on Writing Down Debt

Triple-A Failure

---

S&P: • Corporate criteria (100+ pgs) • Rating methodology (35 pgs) • S&P Ratings and Ratios (7 pgs)

Moodys: • Moodys rating process • Public Firm Risk Model

SEC Report on the Role and Function of Credit

---

**Links**

DefaultRisk.com • Frontline Special <http://www.pbs.org/wgbh/pages/frontline/shows/credit/>

Federal Reserve Board - Interest rates

Bond Ratings and Prices: <http://cxa.marketwatch.com/finra/BondCenter/Default.aspx>

**Capital Structure**

At Levi Strauss, Dockers Are In [Q]

Big Buybacks Begin to Haunt Firms [Q]

Boom in Buybacks Helps Lift Stocks To Record Heights

Debt and the Corporate Tax Base

Debt exposure in 757's wake-November 22, 2004  
Debt-Driven Deals Shake Up Holders of Highly Rated Bonds [Q]  
For Some, Minority Interests Will Be a Major Boost  
IBM to Spend \$15 Billion In Expanded Stock Buyback [Q]  
In Emerging Markets, Fewer Debt Covenants [Q]  
Investor Group Seeks Bond Protections [Q]  
Losing Money by Buying Stock Back  
McDonald's bondholders less than thrilled with payout plan 709  
Oasis for Bonds - Investment-Grade Issuance Soars 709 [Q]  
PWC - FAS-150-Monograph.pdf  
Why The Flurry Of Buybacks

#### **DUE 4 Coca-Cola and Coca-Cola Enterprises**

**Case**

---

#### **13 Equity Analysis (Empirical Methods)**

Classical Approach; Fundamental Analysis; Market Based Research; Positive Accounting Research.

Reading: Chapter 5 Notes;

Class discussion: 05-08,09; Homework: 05-rest

#### **DUE 3 Senate Investigation of rating agencies in the aftermath of Enron** **Current Developments**

- Enron and the credit rating agencies
- Is Enron Overpriced? Mar-05-01-Fortune

#### **Equity Markets Readings - C**

705 Documenting the Impact of Hedge Funds on Target Companies  
705 U.S. Securities Law - Does 'High Intensity' Enforcement Pay Off  
706 Wealth Hazard - Guessing Low On Profit Growth  
701 Earnings' Stretch Run [Q]  
As Two Economists Debate Markets, The Tide Shifts  
Circuit City Highlights Doubts About Analysts [Q]  
Do Stocks Have Any Zip Left  
IBM shares fall as accounting is scrutinised  
Losing Money by Buying Stock Back  
Long-run-stock-returns-following-briloff's-analyses  
Pfizer Plans a Revamp And \$4 Billion in Cost Cuts  
Pro Forma Earnings - A Different Recipe  
These Days, Detective Skills Are Key  
This Manager Keeps His Focus On The Balance Sheet  
Valuation of a Business-AICPA

#### **Papers**

Debt • Earnings-Guidance • Fundamentals or emotions • Making capital structure support strategy  
Measuring long-term performance • Measuring stock market performance •  
The right role for multiples in valuation • The value of share buybacks

---

#### **14 Empirical Analysis II**

Reading: Paper-"**Evidence that stock prices ...**", by V. L. Bernard and J. K. Thomas • Part 1 • Part 2 • Part 3

Assigned question set for the paper

---

#### **15 Review**

Financial Statement Analysis:

Project reports due; **Presentations**

**DUE 4 Pension reporting**

Beware-the-Pension-Monster

GM Deal May Foreshadow Future For Cos. With Pension Woes

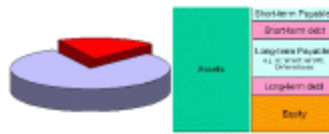
**Current Developments**



Copyright © 2002 United Feature Syndicate, Inc.

# Accounting 516

Ram T S Ramakrishnan



## Financial Statement Analysis

2008  
Fall

### Annual reports

Pfizer 2003 (with Pharmacia acquisition)

---

01 **Introduction:** Notes

---

03 **Cash Flow Notes Analysis:** Notes • 03-Lucent-1999-10K-Valuation (1 page) • Lucent-1999 Financials • Lucent-1999 Fill 10-K • Lucent-2000 Financials • Lucent-2000-CF • Ford 2003 • Ford 2004

---

04 **Ratios and Analysis:** Notes • NASDAQ • Financial Analysis of Pfizer • Financial Analysis of Pfizer with stock buyback • Dell 04 10K • Dell 05 10K

---

06 **Inventory** Notes • IRS Rules • IRS Court cases • Form 970  
• <http://www.exxonmobil.com/corporate/> Find XOM LIFO reserves • ExxonMobil-10K-2004

---

07 **Long lived assets I:** Notes • Long lived assets book example • Long lived assets revised example • Weyerhaeuser • AOL-Time Warner 2002 • Calpine • Napoleon • Lucent 1999 10K

---

08 **Long lived Assets II** • Estimation notes 1 • Estimation notes 2

---

09 **Income taxes:** Notes • Tax analysis for Pfizer • GE statements • Amazon 2002 Statement • Amazon 2001 FS • Amazon Taxes

---

11 **Financing liabilities; Leases and incentives; Off-balance sheet activities:** Notes • Look at lease disclosures in: Sears 1999 • J C Penney 1999 • 11-19 to 22 Sears

---

13 **Intercorporate Investments:** Notes • Investments Example Part 1 • Part 2 • With or without ice • Analysis • Book example • Chubb group analysis (from book) • CNA 2005

**Enron:** Notes •

---

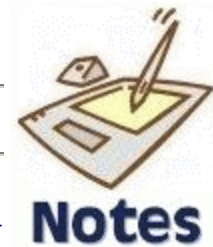
18 **Risk and Debt analysis:** Notes

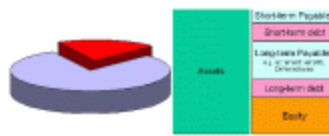
---

05 **Equity Analysis:** Notes • Bernard & Thomas • B&T-Fillin • PPT  
• Campbell Reports First Quarter Results (front Company)  
• Campbell Soup First-Quarter Profit Climbs 31 Percent on Tax Benefit (from AP)  
• SanDisk Shares Drop on Intel-Micron Deal

---

Nike 06 Announcement • Nike Profit Falls; Marketing Costs, Options Are Cited • Nike Statements • Nike market reaction





## Financial Statement Analysis - Project

The project has two segments - oral **presentation** and a written **report**. There are two types of topics you can choose from. You can choose a company (or a few companies in an industry) or choose a general topic (e.g. Can merger success be predicted with financial statements?). Your team (up to 4 members) must decide on a topic and tell me by the 3rd class. When you tell me your topic, you must also give me a copy (or send an email copy) of the company's annual report and or the 10-Ks to me. After that, your team must schedule a meeting with me to talk about the issues you will be analyzing. Try to search the financial press (first pass: Fortune, Forbes, Business Week, Wall Street Journal and New York Times) for articles about the firm and email me. When you come to the meeting with me, please bring the basic financial statements, and any articles. At the meeting, we will come up with a set of customized issues and topics that you should focus in your presentation. Some topics are (Note that this list is not comprehensive and you need not include every item on the list)

- 1 ▫ Company Profile; Financial Information and Snapshots of the company
- 2 ▫ Financial Statements; Common size and summary statements;
- 3 ▫ Accounting methods (liberal or conservative); Off balance sheet items; Related party transactions
- 4 ▫ Growth or lack thereof; How did the company finance growth - analyze CFI, CFO and CFF
- 5 ▫ Ratios and comparison with industry (top market caps) and competitors
- 6 ▫ Stock overview, quotes, charts from last few years)
- 7 ▫ Risk; Debt and bond ratings; Bankruptcy probability; z-score
- 8 ▫ Key Developments; News from the financial press; Press Releases; Lawsuits; Political and social criticisms
- 9 ▫ Market Sentiment; Performance; Shares Shorted; Insider Trading; Institutional Holders
- 10 ▫ Corporate governance issues; executive turnover
- 11 ▫ Professional Analysis; Earnings Estimates; Your recommendations

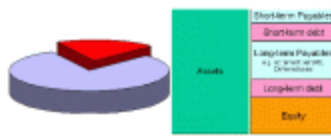
Depending on the most interesting issues that arise out of your company choice, I will schedule your group presentation in classes 6 to 15. For example, if debt and borrowing issues are the most important factor for your company, you will be scheduled for presentation in the 7th class. You also need to do a general company written report incorporating all the topics raised in the course. Guidelines are given below and the written report it is due in the last week of the term.

**Choosing companies:** Choose a company or industry that you may be interested for a career. Please do not choose foreign or financial or real estate firms. Some of the companies that are interesting and the ones that I can help are Chicago companies including Walgreen's, UAL, Sears, McDonalds and Abbott. Other perennial favorites include Gap, AMR, Cisco, Merck, Target, Time-Warner AOL, Maytag, GE and Wal-Mart. You can learn a lot about US capital markets by analyzing the financial statements of these firms.

### Presentation guidelines

You must email me the presentation at least 3 hours before class so that I can download it to the classroom. In the class, before the presentation, give a copy of the slides to me. Please restrict yourselves to 10 -15 slides - 10 minutes. Do not show tons of financial ratios and information. Assume that the listener is well informed and make sure that they learn something new and interesting from your presentation. Do not read from a written narrative - you can look at your notes occasionally. You must look at the screen or the class and talk. I will give you a slide clicker and so when you talk you need not be near the computer in the corner. L

▫ Click for [Report guidelines List](#)



---

# Current Developments

---

## 01 Cash Flow Issues Discussion Questions

Cash Flow Stops Propping Up Cable Companies' Stock Prices - Jan 09 97 - WSJ  
Cash-Flow Crunch Sparks Ford's Desire To Become Smaller and More Focused Oct 8 01 - WSJ  
Stock Options Pad Cash Flow Of Soaring Technology Issues - July 17 00 - WSJ  
The Ins and Outs of Cash Flow - Jan 22 01 - BW  
Up a Creek-with Lots of Cash Jan 22 01 - BW

---

## 02 Worldcom Discussion Questions

- 1 Securities And Exchange Commission, Plaintiff V Worldcom, Inc, Complaint, Civil Action June 26, 02
  - 2 USA vs Sullivan - Criminal Complaint Aug 01 02
  - 3 Indictment: United States Of America :-V- Scott D. Sullivan And Buford Yates, Jr. Aug 28 02
  - 4 Sullivan Memo
- 

## 03 Pension reporting Questions

### Pensions Readings

A Pension Rule, Sometimes Murky, Is Under Pressure - November 8, 2005  
Beware-the-Pension-Monster 03  
FASB to Move Pension Accounting - 2006  
FASB - New Pension Disclosures  
GM Deal May Foreshadow Future June 2003  
GM Faces a New Threat to Its Books Dec 2005  
Pension Articles Dec 2005

GM 2003 reports

---

## 04 Senate Investigation of rating agencies in the aftermath of Enron

- 1 Enron and the credit rating agencies
  - 2 Is Enron Overpriced Mar-05-01-Fortune
  - 3 Enron Articles
- 

## 09 Google - February 2005: Questions

1. Google Press release A
  2. Google Press release B
  3. Google Net Soars, But Not Enough - Stock Plummet
  4. Investors Take a Slap at Google
- 

## 11 Non-GAAP earnings

Sarbanes-Oxley-Act - Look at section 401

<http://www.uic.edu/classes/actg/actg516tr/Readings/Sarbanes-Oxley-Act.pdf>

SEC Conditions for Use of Non-GAAP Financial Measures:

<http://www.sec.gov/rules/final/33-8176.htm>