


Slide 1

2.5 Other Statements

Objectives


- Statement of Stockholders' Equity
- Comprehensive Income Statement



Slide 2

Other Statements

- Statement of Stockholders' Equity
 - Details the business transactions that affect the balance sheet equity accounts
 - Often includes statement of retained earnings
 - Often includes comprehensive income statement
- Comprehensive Income Statement
 - Reported as stand alone
 - Included in the statement of stockholders' equity
 - or on the face of the income statement



Slide 3

Other statements

- Comprehensive Income Statement
 - Currently includes 4 items
 - Foreign currency translation effects
 - Unrealized gains and losses
 - Additional pension liabilities
 - Cash flow hedges
 - Hedging is a way of reducing some of the risk involved in holding an investment. There are many different risks against which one can hedge and many different methods of hedging. A hedge is just a way of insuring an investment against risk.

