

# [Annual reporting](https://assignbuster.com/annual-reporting/)

[Finance](https://assignbuster.com/essay-subjects/finance/)

Annual Reporting Chapter 2: Financial Highlights—Question Current Year Prior Year Net sales or revenues $10, 397 millions
$9, 792millions
Net income
$1, 215 millions
$1, 052 millions
Basic EPS
$3. 76
$3. 27
Diluted EPS
$3. 74
$3. 27
Based on your preliminary review, does your company appear to be performing better than, equal to, or less favourably than in the prior year. Briefly explain.
The company is performing better in the current year compared to the previous year. This is because the net revenue of the company has increased from $9, 792millions to $ 10397 million. The net income earned by the company has also relatively increased from the previous year to the current year. This increase in profits shows that the company has increased its efficiency and viability. Finally, the basic and diluted EPS have both increased from the previous years. The shareholders are currently earning more per share than they previously earned an indication of improved performance by the company.
General Company and Marketing Information – Question 1
Category
Example: Volunteer Activities
Message
Ongoing and contributing to the success of the community
Volunteering
Since 2000 TELUS team members, retires, family and friends have volunteered 4. 2 million hours.
Donation
In 2011, TELUS, our team members and retires donated more than $46m to charitable and non-profit organizations.
Day of Giving
More than 5000 team members participated in 14 events internationally to improve homes & schools.
Broader message from this information?
The company is actively involved in corporate social responsibility (CSR). Members of TELLUS, both current and retired in unison with friends and family members are giving back to the community by volunteering their time (4. 2 million hours), donating money ($ 46 million) and participating (more than 5000 team members) in charitable events and to the non-profitable organizations. This social responsibility improves the company’s image creating goodwill as the surrounding community view the company as an institution concerned with the development of the community.
Chapter 2: Management’s Discussion and Analysis—Question 2
Identify three additional disclosures in the MD&A required by Canadian securities regulations. Briefly discuss what you feel are the benefits of providing such information.
Disclosure
Benefits
Transition to IFRS IASB from previous Canadian GAAP
This transition helps compliance of debts and the improved management of the company’s management structure.
Disclosure of trends
It is beneficial to disclose trends as it provides a easy way for financial statement users to compare the company’s performance.
Adjusted EBITDA
To give a better reflection of the ongoing operations in the telecommunications industry.
Chapter 2: Five- or Ten-Year Summary of Operating Results—Question 1
Identify the major components provided in the five- or ten-year summary. Summarize the insight provided by each. Look for trends, increases or decreases. Consistent performance signals management has control of the business. Inconsistent performance signals management does not have control of the business.
Category
Example: Sears Canada Inc. statement of earnings
Current Year
Sales and earnings have grown significantly over time.
TELLUS Income statement of earnings
Revenue and income of the company has increased considerably over time with a growing subscriber base
TELLUS Cash flow statement
Cash used in investing activities has risen whereas cash used for financing activities has significantly been declining over time.
TELLUS Cash flow statement
Over the years, there has been a constant increase of free cash flow.
TELLUS statement of financial position
The company liabilities have been constantly on a decreasing trend.
Company and Annual Report Essentials—Question 9

The company’s employees who are members of board of directors is one, that is the chief executive, whereas the non-company directors are 12 in numbers. This implies that there are more outside than inside directors in the company.
Reference
Young, M. R. (2003). The financial reporting handbook. New York: Aspen Publishers.