

Sec 10-k: costco wholesale corporation reports examples

[Business](#), [Company](#)



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Introduction

Costco Warehouse Corporation, formerly Price Club, is a company that is based in Washington, operating as an American membership only warehouse organization founded in 1976. However, Costco is not only original founded in Washington but in San Diego California before it has been finally transferred to Seattle, Washington. Since August 2014, Costco has been operating in 663 warehouses worldwide making it the third largest retailer in the United States and the second largest retailer warehouse in the world. In the US, it is the largest membership only warehouse retail chain.

With a revenue of \$ 112. 64 million documented in 2014, Costco is in the 60th place in Fortune 500's Top Brands up by 7th points from the previous year's 67th position . Costco continues to be a household brand and the significant performance has been substantiated by then organization's 10-SEC.

In an overall analysis of Costco's financial health status and financial position, the organization has significantly improved from its performance in 2013 .

Short-Term Investment

Reflected in Costco's Balance sheet is a moderate increase in short-term investment from the previous year. It only implies that most of the company's short-term investments has already matured considering the three months to five years maturity period from the time of purchase of these types of investments. Also, it facilitated for an additional cash to be

available for current operations. On the other hand, the realized gains and losses drawn from sale of available-for-sale securities had formed part of the interest income as reflected in the organization's consolidated income statement.

Accounts Receivable

The organization's account receivables are derived from reinsurances that had been renewed and made to appear under the organization's gross basis from the current liabilities sections of the consolidated balance sheet.

Additionally, these receivables are also made to appear as the total value for doubtful accounts only because both could not substantially identify whether or not these doubtful accounts may or may not be liquidated sometime in the future. The major consideration for identifying a fund as doubtful accounts has been assumed due to the organization's historical experience.

Merchandise inventories

Conclusion

Overall, it can be said that numerous factors can be attributed to the performance of Costco Wholesale Corporation. One of these factors is how the organization appropriate their own computations and identifications of significant variables. Costco does not follow the common or standard approach. This facilitated for its own unique processing. Another significant factor would be the role of inflation and other macroeconomic variables plays a role to the Costco system. These variables are much easier to enumerate and identify because as far as the organization is concerned because these

were reflective of the implications of the variables to the overall performance of Costco.

References

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