

# Annal report

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Annual Accounting report The annual report entails comprehensive illustration of the financial activities of companies throughout the previous trading period or year. The annual financial reports are developed to provide shareholders and other company stakeholders information on the operations of the company and the financial performance. Majority of the jurisdictions need companies to develop and publicize the annual reports. The jurisdictions also require the accounting reports to be adequately submitted to the company's registry. Companies that participate at the stock exchange experience more frequent reporting. Most stock exchanges prefer continuous illustration of the accounting performance of the listed companies (Stanley, 2009).

Examples of basic annual accounting records include; Trading profit and loss account, balance sheet, general corporate information, cash flow statement, accounting policies, director report, auditor report, and financial review.

Other relevant financial information required by stakeholders include; corporate social responsibility information, that illustrates social and environmental sensitive activities. The details shown in the annual accounting reports are utilized by investors in determining the present financial position of the company, in relation to the future financial and operation direction. In the United States of America, a relatively complex financial report referred to as the Form 10-K is legally filed at the U. S. Securities and Exchange Commission (William, 2011).

The authority and responsibilities associated with preparation of the annual accounting reports and associated financial statements, lies with the company directors. The directors choose the most appropriate accounting approaches, and then use them consistently. The applicable accounting

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procedures must adhere to the professionally accepted accounting principles (Richard, 2013).

#### References

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Bratton, William. (2011). *Enron and the Dark Side of Shareholder Value*. New Orleans: Tulane Law Review.

Perks, Richard. (2013). *Accounting and Society*. London: Chapman & Hall.