Paper details Review your SEC 10-K company’s statement of owner’s equity. Your SEC 10-K company has a statement of owners’ equity (or a similar name such as statement of retained earnings, or statement of stockholder’s equity, etc.). The change in value of retained earnings from the beginning of the year to the end of the year is reported in this statement. What is retained earnings? What does the retained earnings balance represent? What is it an accumulation of over the life of a corporation? When cash dividends are paid, they are funded from the accumulated profits of the corporation (retained earnings). Thus, dividends decrease retained earnings. If net income and other ‘credits’ to retained earnings exceed the value of dividends paid during the period retained earnings may increase. If they do not exceed the amount of dividends paid, retained earnings likely decreases. What do you learn about dividends for your SEC 10-K company? Did they issue dividends? What are the risks and opportunities of issuing dividends to shareholders each year? Financial Statement order of preparation. - Financial statements are always prepared in a particular order: 1. Income Statement 2. Statement of Owner’s Equity 3. Balance Sheet 4. Statement of Cash Flows Discuss the reason for the order of the reports. Additionally, provide a summary of the accounting concepts learned through the readings and practice quizzes for this week. Demonstrate your understanding of the week's concepts. If you need ideas regarding topics to discuss, see ideas below. The more detailed your write-up documenting your understanding the higher it will be graded. (See Rubric for details.) Complete the report below as a Word document and submit in the Assignment Folder for week 1 Homework. Additionally, here are some topics to consider: • Discuss recording property, plant, and equipment at its historical cost and then recording depreciation over the useful life. Why not record the entire purchase cost as an expense at time of purchase? • Discuss types of intangible assets reported as a long term asset. • What are the components of stockholder’s equity (what types of transactions affect owner’s equity)? • When a corporation buys previously issued stock back off the market, what is it called? How does it impact owner’s equity? • What topic(s) gave you trouble this week (if any)?/What topic(s) do you feel you were able to grasp? Post questions in the homework discussion thread! The most important aspect of this write-up is to document your understanding of the week's concepts! Remember all submissions and postings in our class must be in your own words. Deliverables are to be single spaced with double spacing between paragraphs. These are business reports, thus proper spelling, grammar, and professional writing is expected. Your report submission serves as your new hire eight-week rotation report to your supervisor regarding the knowledge learned for this week’s material related to accounting and financial reporting.