

Introduction to Financial Accounting: Closing Thoughts

C O N T E N T S

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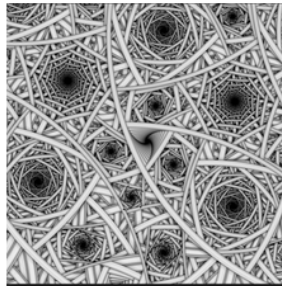


Questions Pertaining to Closing Thoughts

Introduction to Financial Accounting Course Closing Thoughts



- How are the four primary financial statements connected?



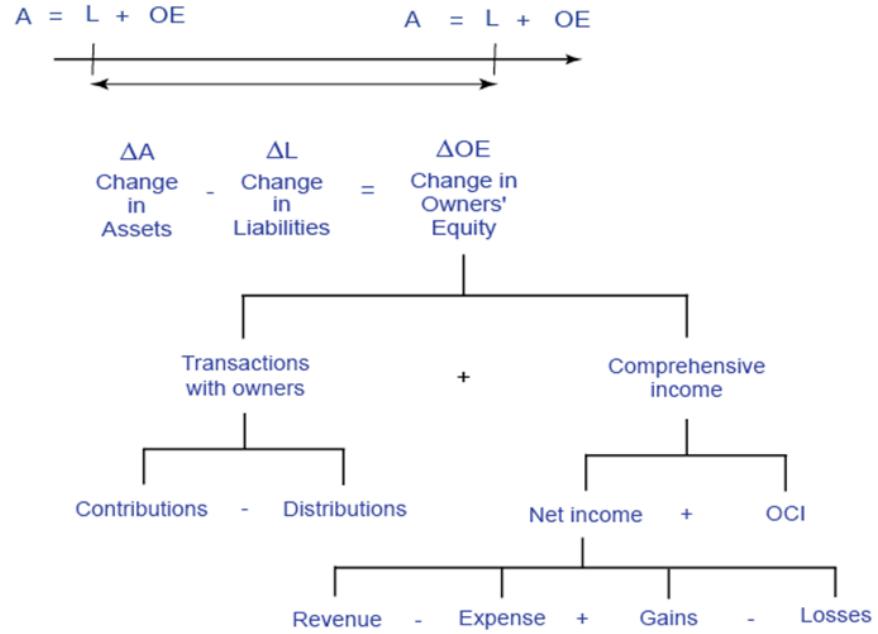
- How are we going to deal with complexity?

How are the Primary Financial Statements Connected?

Introduction to Financial Accounting Course Closing Thoughts

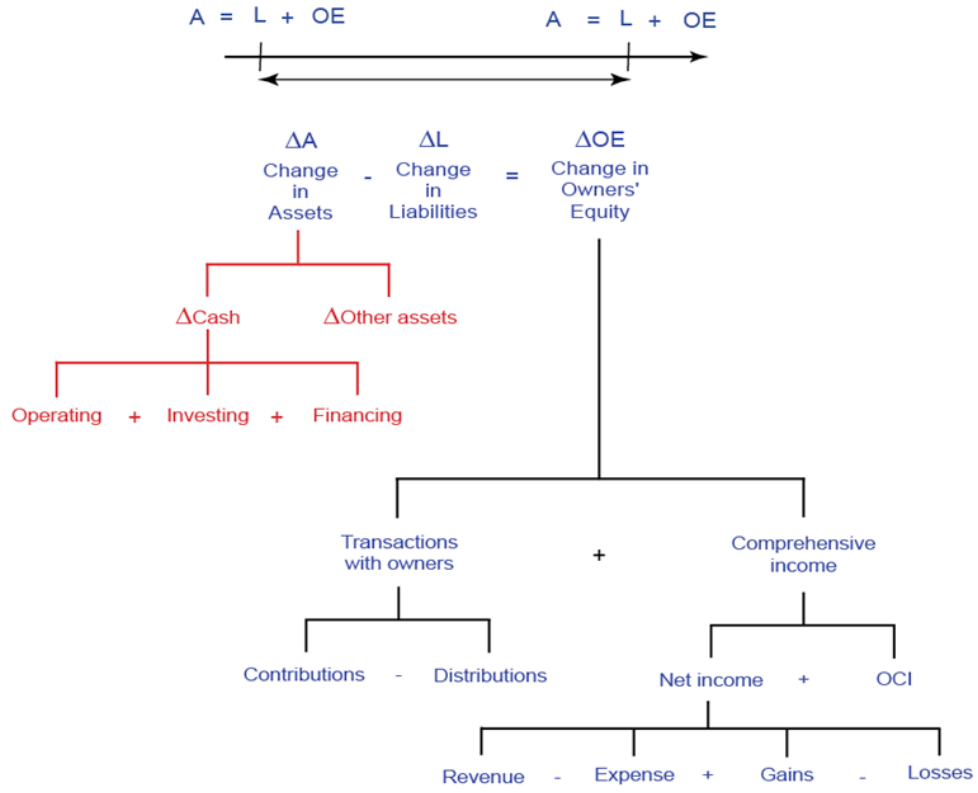
How are the primary financial statements connected?

**Owners' Equity
Change Map
(OEC Map)**



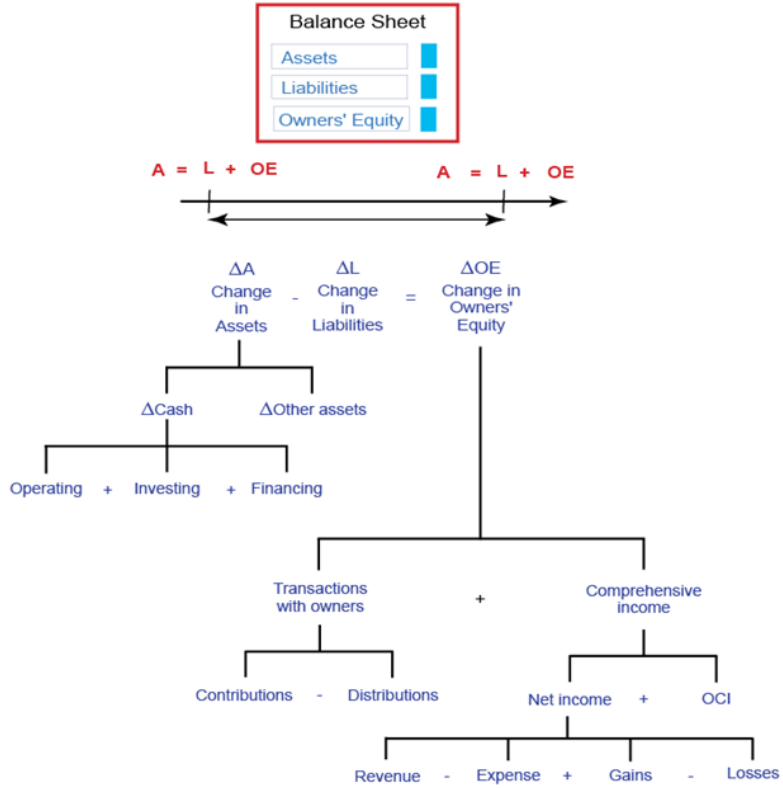
How are the Primary Financial Statements Connected?

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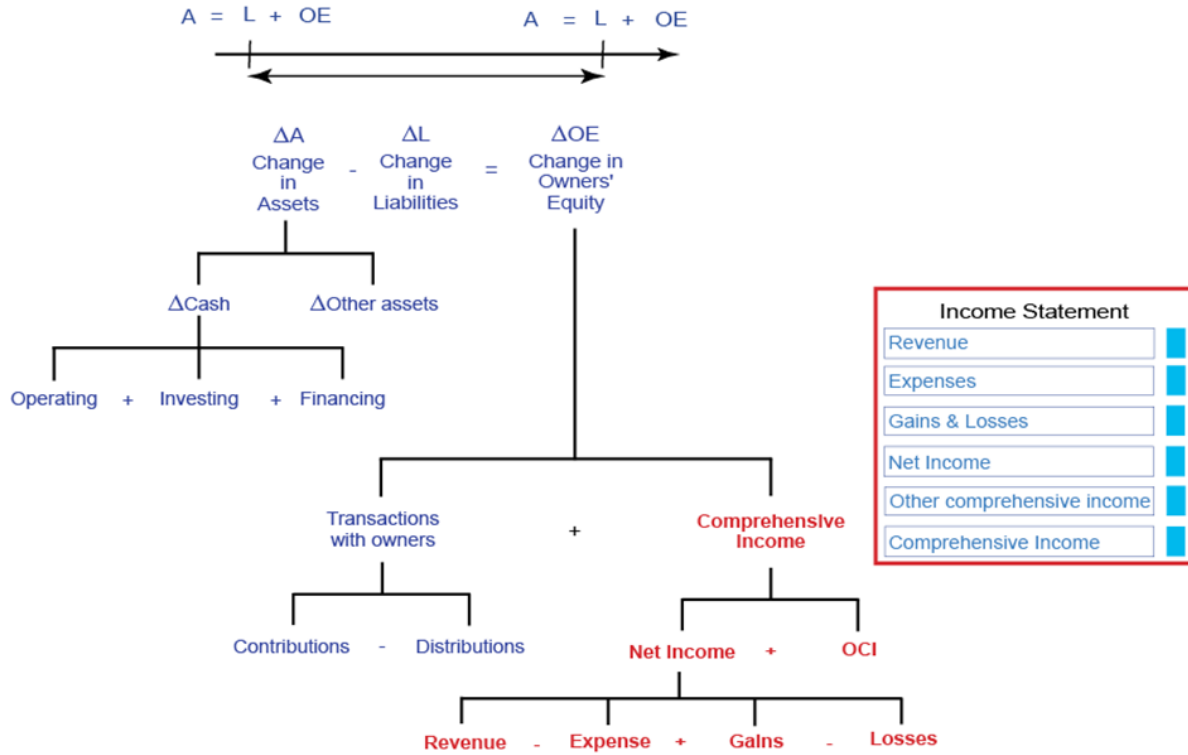
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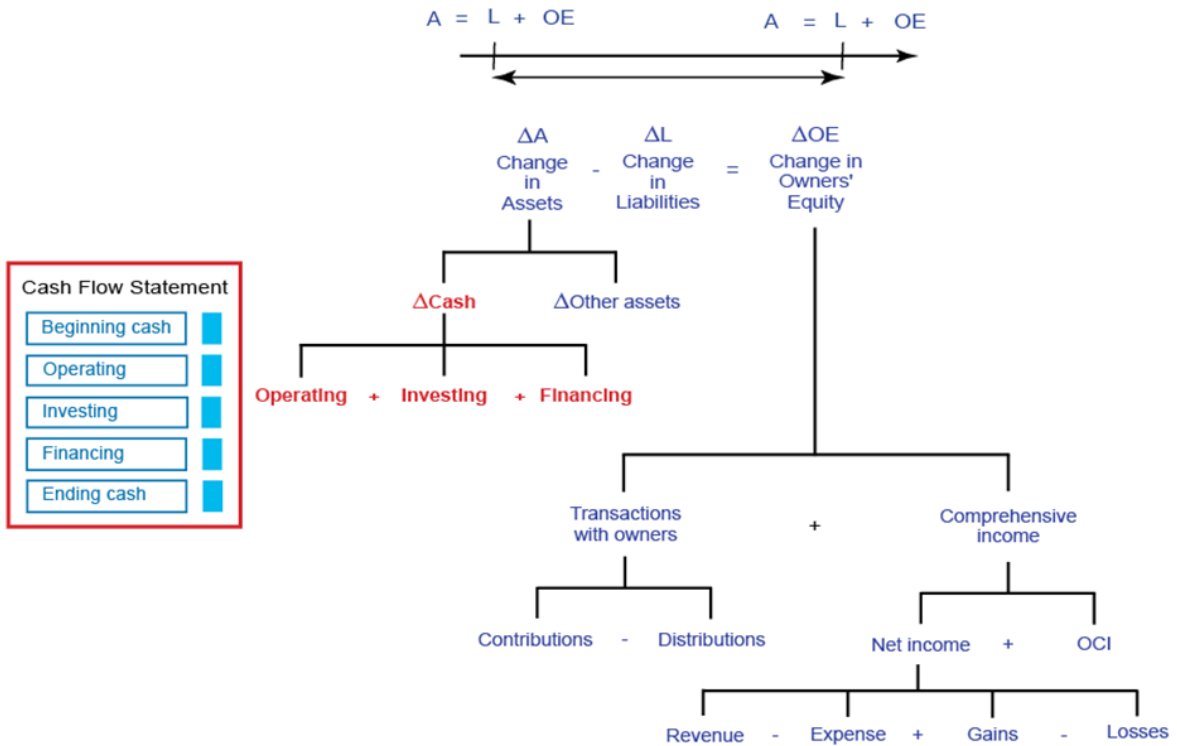
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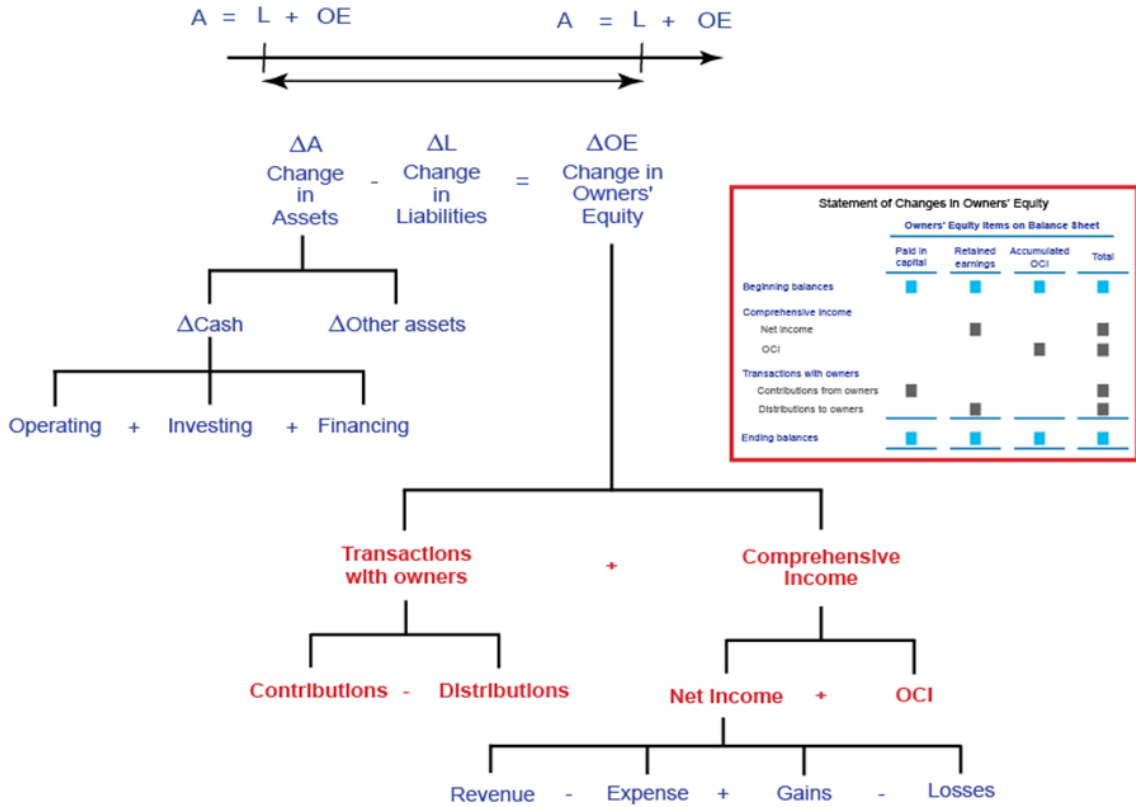
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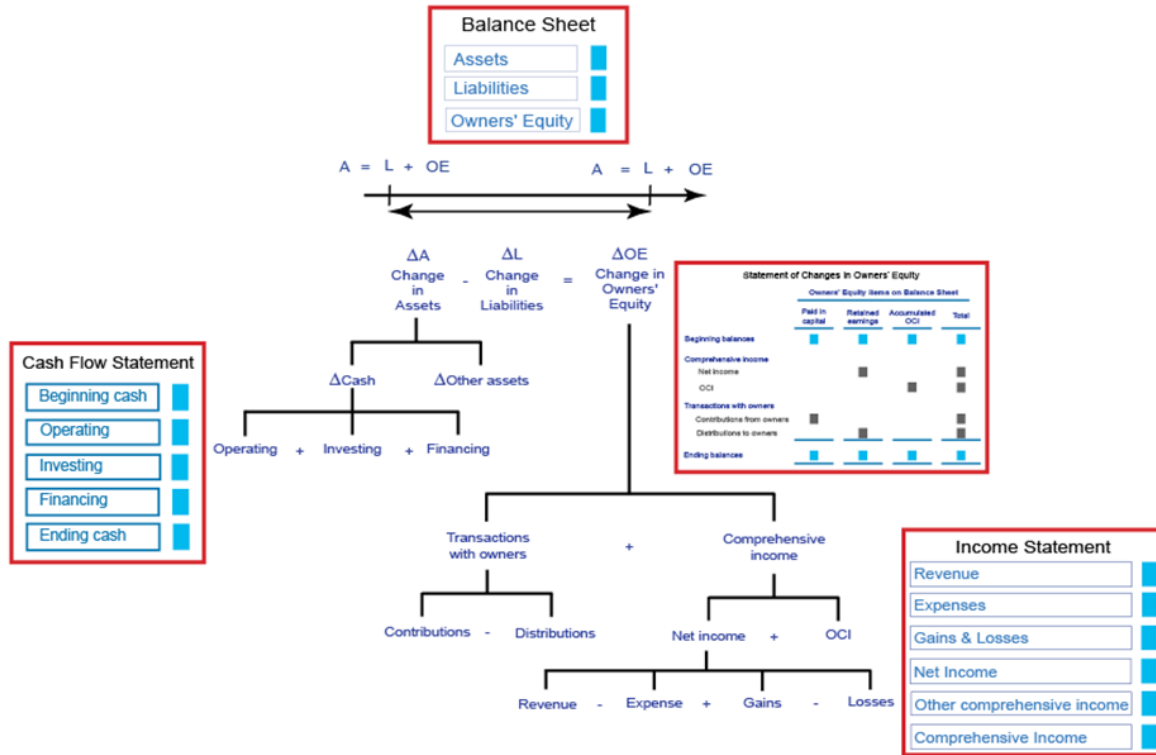
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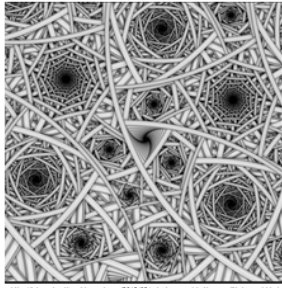
Big Picture Take Away From Introduction to Financial Statements



How are We Going to Deal with Complexity?

Introduction to Financial Accounting Course Closing Thoughts

How are we going to deal with complexity?

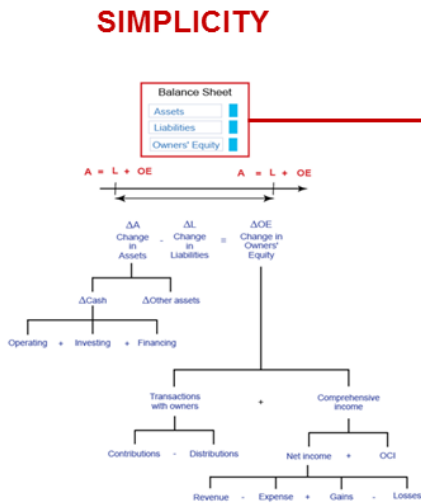


<http://integrations.blogspot.com/2012/02/who-owns-and-what-is-health-care.html>

Success Factors

- Internalize concepts
- Apply concepts repeatedly in diverse contexts

How are We Going to Deal with Complexity?



**INTEL CORPORATION
CONSOLIDATED BALANCE SHEETS**

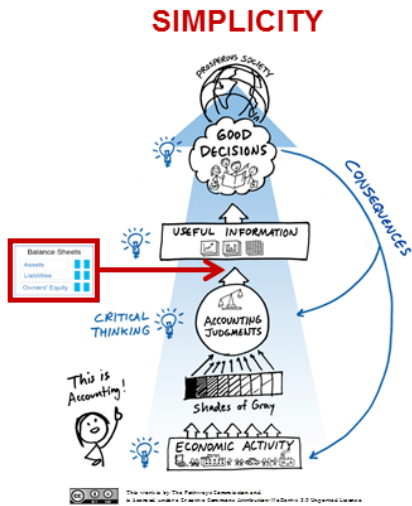
December 28, 2013 and December 29, 2012
(In Millions—Except Par Value)

	2013	2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,674	\$ 8,478
Short-term investments	5,972	3,999
Trading assets	8,441	5,685
Accounts receivable, net of allowance for doubtful accounts of \$38 (\$38 in 2012)	3,582	3,833
Inventories	4,172	4,734
Deferred tax assets	2,594	2,117
Other current assets	1,649	2,512
Total current assets	32,084	31,358
Property, plant and equipment, net	31,428	27,983
Marketable equity securities	6,221	4,424
Other long-term investments	1,473	493
Goodwill	10,513	9,710
Identifiable intangible assets, net	5,150	6,235
Other long-term assets	5,489	4,148
Total assets	\$ 92,358	\$ 84,351
Liabilities and stockholders' equity		
Current liabilities:		
Short-term debt	\$ 281	\$ 312
Accounts payable	2,969	3,023
Accrued compensation and benefits	3,123	2,972
Accrued advertising	1,021	1,015
Deferred income	2,096	1,932
Other accrued liabilities	4,078	3,644
Total current liabilities	13,568	12,898
Long-term debt	13,165	13,136
Long-term deferred tax liabilities	4,397	3,412
Other long-term liabilities	2,972	3,702
Commitments and contingencies (Notes 18 and 26)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 50 shares authorized; none issued		
Common stock, \$0.001 par value, 10,000 shares authorized; 4,907 issued and outstanding (4,944 issued and outstanding in 2012) and capital in excess of par value	21,536	19,464
Accumulated other comprehensive income (loss)	1,243	(399)
Retained earnings	35,477	32,138
Total stockholders' equity	58,256	51,203
Total liabilities and stockholders' equity	\$ 92,358	\$ 84,351

COMPLEXITY

Intel's 2013 Form 10-K, page 52. www.seo.gov
See accompanying notes in the 10-K.

How are We Going to Deal with Complexity?



“I wouldn’t give a fig for the simplicity **this side of complexity** but I’d give my life for simplicity on the **far side of complexity**”

Oliver Wendell Holmes

INTEL CORPORATION CONSOLIDATED BALANCE SHEETS		
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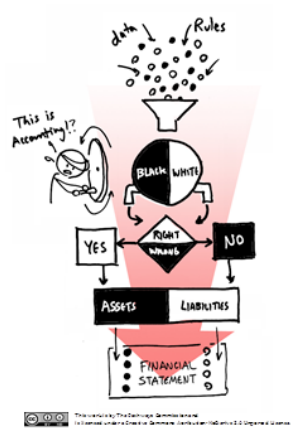
Intel's 2013 Form 10-K, page 52. www.sec.gov
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How are We Going to Deal with Complexity?

SIMPLICITY ON **THIS**
SIDE OF COMPLEXITY



Simple but **shallow**

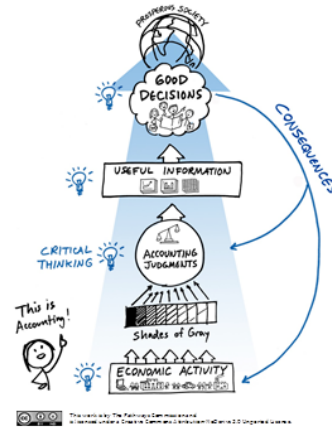


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SIMPLICITY ON THE **FAR**
SIDE OF COMPLEXITY



Simple yet **deep**



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