

TOPIC	ACCOUNTING PRINCIPLES	SUB-SECTION 02.10.70
SECTION	GAAP ACCOUNTING PRINCIPLES	ISSUANCE DATE APRIL 30, 2003
SUB-SECTION	FINANCIAL REPORTING	REVISED - 2018

FINANCIAL REPORTING

Financial statements are the means by which the information accumulated and processed in financial accounting is periodically communicated to those who use it, and should present fairly in conformity with GAAP, the financial position and the results of operations for a designated period of an individual entity. Effective financial statements should show whether there has been proper stewardship of assets and serve as useful managerial tools.

The mechanism by which these requirements will be satisfied is the basic set of financial statements. These statements should utilize terminology and classifications which are consistent within the financial reporting structure, and should be prepared on a comparative basis where practicable and meaningful.

DFA will prepare and publish, as a matter of public record, a Comprehensive Annual Financial Report (CAFR) for all state funds. The Office of the State Auditor (OSA) will audit the CAFR in accordance with auditing standards generally accepted in the United States of America. The audited CAFR is published prior to January of each year for the previous fiscal year. The content of the CAFR is outlined below:

1. Table of Contents
2. Introduction Section - Letter of Transmittal, Officials of State Government, Organization Chart and Certificate of Achievement for Excellence in Financial Reporting
3. Financial Section
 - a. Auditor's Report
 - b. Management's Discussion and Analysis
 - c. Basic Financial Statements
 - Government-wide Financial Statements - Statement of Net Position; Statement of Activities
 - Governmental Funds Financial Statements - Balance Sheet; Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position; Statement of Revenues, Expenditures, and Changes in Fund Balances; Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
 - Proprietary Funds Financial Statements - Statement of Net Position; Statement of Revenues, Expenses, and Changes in Fund Net Position; Statement of Cash Flows
 - Fiduciary Funds Financial Statements - Statement of Fiduciary Net Position;- Statement of Changes in Fiduciary Net Position
 - Component Units Financial Statements - Statement of Net Position;- Statement of Activities
 - d. Required Supplementary Information - Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) All Budgetary Funds and Notes;- Schedule of Funding Progress- Pension Trust Funds and Notes - Other Post-Employment Benefits.

**STATE OF MISSISSIPPI
DEPARTMENT OF FINANCE AND ADMINISTRATION**

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- e. Supplementary Information - Combining and Individual Fund Financial Statements and Supporting Schedules Proprietary Funds - Non-major Enterprise Funds, Internal Service Funds; Fiduciary Funds – Pension Trust Funds, Agency Funds; Non-major Component Units – Combining Statement of Net Position, Combining Statement of Activities.
- 4. Statistical Section – to reflect social and economic data to allow a broader understanding of the environment in which the state operates, as well as, historical perspectives and financial trends to assess the fiscal capacity of state government.

The foregoing discussion is by no means exhaustive. Additional statements and reports are prepared as required.