Initial Analysis Of 10-K

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Walmart Company is the greatest retailer with around 20,000 stores across the world including more than 5,000 stores in the United States. It is also the world’s biggest company in revenue and the largest importer of goods to the United States of America contributing suggestively to the United States national trade shortage. The Company publicly traded the family-owned business as it is controlled by the Walton family. The Company was the biggest U.S. grocery retailer in the year 2016. To Company business activities involves the grocery, entertainment to sporting goods and craft. They also provide the deep collection that their customers appreciate. The Company also operate in three primary store formats in the United States where each custom tailored to its neighborhood.

The Company also gives back to the society in which they normally serve where they introduced the Walmart Foundation and the commitment to fight hunger in United States. The company also consists of the three retail formats which are very popular in the United States including Neighborhood markets, Discount Stores and Supercenters. The discount stores normally sell the commodity of mostly non-grocery products

Walmart stores operates different retail formats in the United States, Brazil, Canada and various countries. In their fiscal 2009 the company operated around 7,900 stores in around 15 countries generating the annual revenues. The company believes in the IFRS because as it is broadcasted by the international Accounting Standards Board (IASB) because it has the ability to set the standards. The company believe that there are potential benefits that could be realized if all countries followed one set of high-quality accounting standards for public and statutory reporting. For the global company like Walmart, these benefits usually include standardized reporting systems, effective in the accounting training and the competence of the financial statement review. Also, these benefits are limited to the extent that different government regulatory bodies in the countries that the company operate in adopt IFSR. Failure to attain this consistency in reporting standards reduces or eliminates any benefits. Currently, the company does not see any other significant benefits to offset the expected costs in adopting IFRS (Michelson, 2013).

Change to the new set of accounting standards in the U.S would be a very hard and complex undertaking. This decision should not be made with the advantage of as much information as possible. The company also does not believe enough information has been gathered to fully understand the effect of conversion in the U.S. to IFRS. The effect of present differences among the U.S GAAP and the IFRS on U.S organization’s financial statement,the comparability of financial statements prepared using IFRS, the funding and independence of the IASB, and the degree to which IFRS will be adopted around the world without local or regional nonconformities established(Courtemanche, & Carden, 2011).

The responsibility of the external auditor usually depends on the company but in Walmart, there are some basic duties which may include the collection and analyzing of the data to determine the financial status. The External Auditor responsibility provides a significant influence on the Company being audited and its stakeholders. They usually provide the statistical analysis on the clarity and effectiveness of the accounting policies put in place by the company. The statement of financial position provides creditors and analysts with information on company’s resources. It is very important to assess the financial health of the company; in 2010 Walmart had a current ratio of about 0.9 and the industry had a 1.2. The quick ratio is a measure of the company’s ability to meet the short-term obligations.

References

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