

University of Mississippi

eGrove

Federal Publications

Accounting Archive

1938

Administrative Policy on Financial Statements

United States. Securities and Exchange Commission

Follow this and additional works at: https://egrove.olemiss.edu/acct_fed



Part of the [Accounting Commons](#), and the [Taxation Commons](#)

Recommended Citation

United States. Securities and Exchange Commission, "Administrative Policy on Financial Statements" (1938). *Federal Publications*. 93.

https://egrove.olemiss.edu/acct_fed/93

This Article is brought to you for free and open access by the Accounting Archive at eGrove. It has been accepted for inclusion in Federal Publications by an authorized administrator of eGrove. For more information, please contact egrove@olemiss.edu.

For IMMEDIATE Release Monday, April 25, 1933

SECURITIES AND EXCHANGE COMMISSION
Washington

ACCOUNTING SERIES

Release No. 4.

Administrative Policy on Financial Statements

The Securities and Exchange Commission today issued the following statement of its administrative policy with respect to financial statements:

"In cases where financial statements filed with this Commission pursuant to its rules and regulations under the Securities Act of 1933 or the Securities Exchange Act of 1934 are prepared in accordance with accounting principles for which there is no substantial authoritative support, such financial statements will be presumed to be misleading or inaccurate despite disclosures contained in the certificate of the accountant or in footnotes to the statements provided the matters involved are material. In cases where there is a difference of opinion between the Commission and the registrant as to the proper principles of accounting to be followed, disclosure will be accepted in lieu of correction of the financial statements themselves only if the points involved are such that there is substantial authoritative support for the practices followed by the registrant and the position of the Commission has not previously been expressed in rules, regulations or other official releases of the Commission, including the published opinions of its Chief Accountant."

---oOo---