EVERGREEN 2024 RELEASE NOTES

- New and Updated Content -

Thomas/Drake/Thornock/Spiceland, Financial Accounting for Managers

Release Overview: Changes were motivated by advice from reviewers and users of the textbook: streamlined text in many places to simplify and clarify discussion, including use of bulleted list to improve comprehension or emphasis of certain topics; updated feature stories in each chapter to include recent financial data, figures, and charts; added more Real-World Perspective illustrations in each chapter; increased and updated sustainability illustrations and cases; updated and rebranded Analysis sections in each chapter as Real-World Analysis including coverage of several new companies and updated financials; Updated Financial Analysis Cases using American Eagle Outfitter (Appendix A) and Buckle (Appendix B); updated Real-World Perspective Cases including EDGAR research cases; added new and revised videos: Guided Examples (Hints), Let's Review, Interactive Illustrations and Concept Overview Videos. To receive these updates, duplicate/copy your section on or after the upcoming release date.

DIGITAL CONTENT			
	Question Bank *NEW and UPDATED assessments have been tagged in Connect for easy filtering.*	**Instructor Resources**	**Videos / Interactives**
LOCATION OF UPDATED CONTENT IN CONNECT	Assignments tab > Add Assignment > Question Bank	Library tab > instructor resources	Assignments tab > Add Assignment > Question Bank (Or other location)
Updates Made	New and updated questions added to the Real-World Perspective Cases, Brief Exercises, Exercises, Problems, Journal Entries, and Test banks (static and algo) to reflect changes made to reading content. New algorithmic versions of selected static questions have also been created. These are tagged as "New 2024" or "Updated 2024" in the question bank filter. See content map (link to come) for more details and see updates to reading content on next page.	Updates to PowerPoints, Solutions Manual, and the CPA Exam Blueprint and Mapping have been made based on updates to the narrative.	Chapter 0X Videos> (Concept Overview Videos, Let's Review Videos, Interactive Illustration Videos, Applying Excel Videos) • 25 New or revised Let's Review/Interactive Illustration Videos • Updated 84 Concept Overview Videos to match text revisions. See content map (link to come) for details. Chapter XX> Chapter XX Exercises - Algorithmic and Static 13 New and 11 Revised Guided Example (Hint) videos have been added to accompany the End-of-Chapter Exercises. See content map (link to come) for details.

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GLOBAL INFORMATION FOR QUESTION BANKS	• **New Accessibility Filter**. Experience a simpler way to be mindful of accessibility as you create question bank assignments. New filter options make it easy to ensure all questions in your assignment work well with screen readers; can be used with keyboard only; have accessible audio, video, and images; and more. Use the "Screen Reader/Keyboard/CC" filter to find only accessible questions and the "Screen Reader/Keyboard/CC/AD-Vids described" filter to find accessible questions that also come with text descriptions of any videos that are included.
READING/ADAPTIVE CONTENT – eBook, SmartBook, Print	
LOCATION OF UPDATED CONTENT IN CONNECT	eBook on Connect home page AND Assignments tab > Add Assignment > Reading Assignment & SmartBook The table of contents for this release has undergone some changes. The details are included in the table below. If you have previously assigned Reading Assignments for any of the affected chapters or sections, you may need to rename your assignments to align to the new table of contents.
Chapter	**Content Changes**
Chapter 1 - A Framework for Financial Accounting	• Updated Feature Story to include a figure illustrating the revenue growth for Amazon and Sears. • Expanded discussion of how managers use financial accounting to make important business decisions (LO1–1). • Added Alternative Names margin notes for stockholders' equity, net income, income statement, balance sheet, and the auditor's report. • Added a new learning objective on the importance of understanding accounting (LO1–1). • Added new Real-World Perspectives illustrations for AutoZone, Boeing, McDonald's, Starbucks, Delta Air Lines, Bristol-Myers Squibb, General Electric, Royal Caribbean, and Best Buy. • Added a discussion of the difference between fiscal years and calendar years (LO1–6). • Updated the discussion of sustainability (ESG) reporting and the transition to the International Sustainability Standards Board (ISSB) (LO1–8). • Updated Real-World Perspectives cases financial statement data for Nike, Netflix, General Mills, and Nordstrom, respectively. • Added a new Sustainability Case for Uber.
Chapter 2 - The Financial Statements	• Updated Feature Story to include a figure illustrating Lululemon's profits over time. • Updated the illustrations throughout chapter using Lululemon's financial statements. • Added a discussion of short-term investments (LO2–1). • Added Alternative Names margin notes for accounts receivables, prepaid expenses, deferred revenue, accrued liabilities, book value, and revenue. • Expanded the discussion of basic and diluted EPS (LO2–5). • Added a discussion of restatements including an illustration about the proportion of restatements that have positive, negative, and neutral effects on net income (LO2–6). • Added a new illustration for Dell Technologies. • Updated Real-World Perspectives cases financial statement data for Costco, Amazon, Activision-Blizzard, and Domino's Pizza, respectively. • Updated the Sustainability Case for American Airlines.
Chapter 3 – The Accounting Cycle: During the Period	• Updated Feature Story to include charts illustrating growth in Walmart's annual revenues and changes in its major balance sheet accounts. • Added a new Sustainability illustration highlighting Spotify's statements on creating value through music and art. • Added Alternative Names margin notes for stockholders' equity and owners' equity. • Added new illustrations for Real-World Perspectives featuring Walmart, QuickBooks, Intuit, Oracle, and SAP.

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	• Updated Real-World Perspectives cases financial statement data for Stryker, Netflix, Boeing, and CarMax, respectively. • Added a new Sustainability Case for Costco.
Chapter 4 – The Accounting Cycle: End of the Period	• Updated Feature Story to include charts for FedEx's annual stock returns and changes in net income. • Added new illustrations for Real-World Perspectives featuring Darden Restaurants, Etsy, Accenture, SEC, Carnival, DLT Resolution, and Toast. • Expanded discussion of the prepayments versus accruals (LO4–2). ○ Added 3 New headings in "Making Adjustments at End of the Period" section (Prepayments/Accruals). • Modified the discussion of adjusting entries in all Debits & Credits illustrations. • Added a new Sustainability illustration highlighting Carnival's commitment to sustainability in being an exemplary global corporate citizen. • Updated Real-World Perspectives cases financial statement data for McDonald's, BJ's Wholesale, Chipotle, and Build-a-Bear Workshop, respectively. • Added a new Sustainability Case for Allbird's.
Chapter 5 - Revenue and Receivables	• Updated Feature Story to include figures illustrating Tenet Healthcare's net income over time and the proportion of accounts receivable that it does or does not expect to collect. • Added Alternative Names margin notes for revenue, accounts receivable, credit sales, uncollectible accounts, and average collection period. • Added new discussion analyzing differences between bad debt expense and bad debt write-offs over time. • Added new Real-World Perspectives illustrations for Nordstrom, American Airlines, Vail Resorts, Dropbox, IBM, Macy's, Deer & Company, Tesla, Whirlpool, Microsoft, Tenet Healthcare, and Marriott Vacation Worldwide. • Updated Real-World Perspectives cases financial statement data for Delta Air Lines, Apple, Dropbox, and General Mills, respectively. • Updated the Sustainability Case for PotlatchDeltic. • Part C: Receivables Analysis renamed Real-World Analysis. • Combined Appendix 5A Percentage of Credit Sales Method and Appendix 5B Notes Receivable and Interest in one Appendix titled: "OTHER ISSUES FOR RECEIVABLES"
Chapter 6 - Inventory and Cost of Goods Sold	• Updated Feature Story to include charts for Best Buy's total assets and gross profits. • Updated illustrations to rank companies based on total inventory, show trends in inventory methods, and provide industry comparisons of inventory efficiency and gross profit measures. • Revised the Sustainability illustration to emphasize the importance of sustainability reporting. • Added or revised illustrations for Real-World Perspectives featuring Best Buy, Bassett Furniture, Kroger, Target, Amazon, Walgreens, Tesla, and Kohl's. • Added Alternative Names margin notes for inventory, merchandise inventory, cost of goods sold, cost of sales, cost of revenues, gross profit ratio, gross profit percentage, and gross margin ratio. • Expanded discussion of the income statement approach (LIFO) and balance sheet approach (FIFO) (LO6–4). • Updated Real-World Perspectives cases financial statement data for Sprouts, GameStop, Broadcom, and Caterpillar, respectively. • Revised and updated the Sustainability Case for The Gap. • Part C: Inventory Analysis renamed Real-World Analysis.
Chapter 7 - Long-Term Assets	• Updated Feature Story to show trends and amounts of Disney's tangible and intangible assets. • Updated illustrations to rank companies based on brand values, research and development expenditures, and goodwill. • Revised the Sustainability illustration for Delta Air Lines to discuss the impact of its long-term assets on the environment. • Added or revised illustrations for Real-World Perspectives featuring Workday, Chipotle, Michael Kors, Jimmy Choo, Lululemon, Snowflake, Yahoo, and FedEx.

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	• Added Alternative Names margin notes for service life, useful life, residual value, salvage value, activity-based depreciation, units of production, and units of output. • Revised discussion of internally developed versus externally developed assets (LO7–2). • Revised the discussion of changes in depreciation estimates (LO7–4). • Provided additional clarification on intangible assets subject to amortization (LO7–5). • Part C: Asset Analysis renamed Real-World Analysis. • Chapter Appendix: Impairment of Long-term Assets TITLE CHANGED (A Head) to "Other Topics Related to Long-Term Assets." • Added a new Learning Objective (LO7–9) to introduce the concept of deferred taxes as they relate to the use of various depreciation methods. ○ New sections titled: Deferred Taxes: Straight-line vs MACRS tagged to New LO7-9 • Added Brief Exercises, Exercises, Journal Entry Brief Exercises, and Journal Entry Exercises for deferred taxes related to asset depreciation in support of the new (LO7–9). • Updated Real-World Perspectives cases financial statement data for Norfolk Southern, Texas Roadhouse, Shoe Carnival, and Abercrombie and Fitch, respectively. • Revised and updated the Sustainability Case for Adobe.
Chapter 8 - Cash and Investments	• Updated Feature Story to include figures illustrating the breakdown of Microsoft's assets and comparing Microsoft's level of investment to that of Alphabet, Meta, and Apple. • Added Alternative Names margin note for equity investments. • Added a discussion of activist investors (LO8–3). • Part D: Cash and Investment Analysis renamed Real-World Analysis. • Changed heading Investment Analysis to include Microsoft Added new Real-World Perspectives illustrations for Adobe, Coca-Cola, PepsiCo, Berkshire Hathaway, Microsoft, Apple, Meta, and Alphabet. • Updated Real-World Perspectives cases financial statement data for Gilead Sciences, Zoom Video Communications, Cisco Systems, and Biogen, respectively. • Updated the Sustainability Case for BlackRock.
Chapter 9 - Liabilities	• Updated Feature Story to include figures presenting deferred revenue and long-term debt at Delta Air Lines, American Airlines, and United Airlines. • Added Alternative Names margin notes for short-term liabilities, long-term liabilities, acid-test ratio, and market interest rate. • Added a discussion of gift cards as common source of deferred revenue (LO9–3). • Added new Real-World Perspectives illustrations for United Airlines, Southwest Airlines, ExxonMobil, The Singing Machine Company, Delta Air Lines, AT&T, and PepsiCo. • Added warranties and solvency to the glossary. • Part C: Liquidity and Solvency Analysis renamed Real-World Analysis. • Updated Real-World Perspectives cases financial statement data for Tesla, Chevron, Johnson & Johnson, and Nike, respectively. • Updated the Sustainability Case for DuPont.
Chapter 10 - Stockholders' Equity	• Updated Feature Story to show components of Meta's equity, as well as trends in IPOs over the past two decades. • Added simple discussion of SPACs to the Feature Story. • Added or revised illustrations for Real-World Perspectives featuring the IRS, Applied Materials, Boston Scientific, Boeing, Autodesk, and Centene. • Added Alternative Names margin notes for contributed capital, paid-in capital, invested capital, stockholders' equity, shareholders' equity, share repurchases, and stock buybacks. • Updated Illustration 10–7 to show trends in cash dividends versus stock repurchases. • Revised discussion of important dividend dates (LO10–5).

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	• Revised the Sustainability illustration for Goldman Sachs discussing its investments in human capital. • Part D: Equity Analysis renamed Real-World Analysis. • Revised the discussion of earnings per share (LO10–8). • Updated Real-World Perspectives cases financial statement data for Lyft, AbbVie, Marriott, and Clorox, respectively. • Revised and updated the Sustainability Case for Columbia Sportswear.
Chapter 11- Statement of Cash Flows	• Updated Feature Story comparing Apple's net income and operating cash flows, as well as showing trends in Apple's operating, investing, and financing cash flows over the past decade. • Clarified discussion of classification of cash flow activities (LO11–1). • Added or revised illustrations for Real-World Perspectives featuring Roku, CVS, Lowe's, Chembio, Apple, and Alphabet. • Added a new Sustainability illustration for Volkswagen discussing the cash flow ramifications of its transformation towards electric vehicles. • Revised the presentation of adjustments to net income in computing operating cash flows. • Updated Illustration 11–15 of cash flow patterns for Rivian, Airbnb, Costco, and SunPower. • Updated Illustration 11–34 for ranked comparisons of free cash flows. • Updated Real-World Perspectives cases financial statement data for CVS, Micron, Lam Research, and Oracle, respectively. • Revised and updated the Sustainability Case for Conagra Brands.
Chapter 12 - Financial Statement Analysis	• Updated Feature Story to include figures comparing sales growth of VF Corp and Nike. • Updated the financial statement information and ratios for Nike and VF Corp. • Added Alternative Names margin notes for average collection period and average days in inventory. • Added a discussion of two new ratios, including EBITDA margin and the debt to EBITDA ratio (LO12–4). • Added a new real-world perspective illustration using Valvoline. • Added survey evidence that reveals managers' perceptions of the benefits of meeting earnings targets. • Updated the Sustainability box examining how sustainability reporting impacts firm value. • Updated Real-World Perspectives cases financial statement data for Cisco Systems versus Arista Networks, Levi Strauss versus Ralph Lauren, Home Depot versus Lowes, and Delta Air Lines versus Southwest Airlines, respectively. • Updated the Sustainability Case for Nike. Added brief exercises and exercises that include EBITDA.
Appendix D- International Financial Report Standards	• Updated the introduction to the globalization of accounting standards.

GENERAL NOTES

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