GASB CODIFICATION · FINANCIAL REPORTING

Section 2200

Annual Comprehensive Financial Report

GARS 2200

The blueprint for the ACFR itself — what it must contain, how MD&A is structured, and how the government-wide and fund statements divide up the story. Plain-language reference only; not a substitute for the authoritative text.

¶.101 – .105

What the ACFR Contains

Three sections, one document.
An introductory section (transmittal letter, table of contents), a financial section (auditor's report, MD&A, basic financial statements, RSI, combining and individual fund statements, schedules), and a statistical section.

Three pieces make up the basic financial statements.
Government-wide financial statements, fund financial statements, and notes to the financial statements — the minimum required alongside MD&A and other RSI.

¶.111 – .114

Government-Wide Statements

Two statements, no fiduciary activity.
The statement of net position and the statement of activities cover the whole government except its fiduciary funds, which appear only in the fiduciary fund statements.

Primary government and component units, side by side.
Separate columns distinguish the total primary government from its discretely presented component units, and governmental activities from business-type activities.

¶.106 – .110

MD&A: Five Required Topics

A guided tour, not boilerplate.
MD&A should cover, at most: an overview of the statements; a condensed financial summary comparing the current year to the prior year; detailed analyses of government-wide and major-fund results; significant capital asset and long-term financing activity; and currently known facts, decisions, or conditions expected to matter going forward.

Focused on the primary government.
Discretely presented component units are discussed only to the extent professional judgment says it's warranted.

¶.159 – .171

Fund Statements & the Major Fund Test

The general fund is always major.
Other governmental or enterprise funds are major if they clear both a 10% test (against their fund category) and a 5% test (against all governmental and enterprise funds combined) on any of several elements — or if officials simply consider them important to users.

Governmental funds get two statements.
A balance sheet, and a statement of revenues, expenditures, and changes in fund balances.

Proprietary funds get three.
A statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows.

Paraphrased for plain-language reference from GASB's Codification of Governmental Accounting and Financial Reporting Standards, Section 2200, "Annual Comprehensive Financial Report." Principal sources: NCGA Statement 1; GASB Statements 14, 34, 37, 44, 62, 63, 65, 84, 98, 100, 103. This summary is not authoritative — consult the current Codification (GARS-Online) or your auditor for application to a specific district.