JOURNAL OF
BUSINESS AND MANAGEMENT
Vol. 3, No.3, 2014: 340-349

FINANCIAL PERFORMANCE REVIEW OF ESSO MALAYSIA BERHAD IN COMPARISON TO THE OTHER EXXONMOBIL'S DOWNSTREAM SUBSIDIARY ESSO THAILAND

Arief Rahman Pratama and Ana Noveria
School of Business and Management
Institut Teknologi Bandung, Indonesia
arief.rahman@sbm-itb.ac.id

Abstract- In this research, Researcher analyze about the past financial condition of Esso Malaysia Berhad, as the latest issue of ExxonMobil downstream divestiture, in comparison with another ExxonMobil downstream in Asia, which is Esso Thailand. Researcher interest in assess the financial performance of Esso Malaysia Berhad before Esso Malaysia Berhad Divested in August 2011. Researcher wants to analyze the performance in according to the divestiture issues. ExxonMobil stated that Esso Malaysia Berhad had a continuous decline financial performance, and as the ExxonMobil downstream subsidiary, Esso Malaysia Berhad Contribute less than the other ExxonMobil Downstream industries. In assessing the financial performance of Esso Malaysia Berhad, researcher will use several methods which are time-series analysis (Compound Annual Growth Rate), cross-sectional analysis, common-size financial statement analysis, and DuPont system of Analysis. In overall, unfortunately Esso Malaysia Berhad has better performance than Esso Thailand in terms of financial ratios analysis, Compound Annual Growth Rate Comparison, cross-sectional analysis and DuPont system of analysis. Whereas, both Esso Malaysia Berhad and Esso Thailand have a similar performance in terms of common-size financial statement.

Keywords: financial performance review, CAGR, financial ratios, divestiture, Oil and Gas industry, Downstream Industry

Introduction

Ross (2010) stated that, divestiture is when organizations sell stock in companies to further a political or social cause. Divestiture first used aggressively in the 1970s and 1980s to protest apartheid in South Africa. In an effort to weaken the oppressive apartheid regime, colleges and universities spearheaded a major campaign, which peaked in the mid-80s, to divest from companies that did business in South Africa. One of the recent divestiture in oil and gas industry was the divestiture of Exxon Mobil Downstream subsidiaries in Malaysia, ESSO Malaysia Berhad. Exxon Mobil has reached an agreement with Philippines-based conglomerate San Miguel Corporation for the sale of Exxon's interests in three of its downstream businesses in Malaysia. As stated in XOM 2010 annual report, the downstream industry environment remains very challenging. The recent global economic recession had a negative impact on the global demand for refined products, and thus put considerable downward pressure on worldwide refining margins. Further, in prior years, the industry has experienced a period of robust refining margins, which encouraged the construction of additional industry capacity. Over the prior 20-year period, inflation-adjusted refining margins have been flat, with the recent prior years' stronger margins offsetting the longer-term trend of declining margins.

ExxonMobil stated that refining margins are largely driven by differences in commodity prices and are a function of the difference between what a refinery pays for its raw materials (primarily crude oil) and the market prices for the range of products produced (primarily gasoline, heating oil, diesel oil, jet fuel and fuel oil). Crude oil and many products are widely traded with published prices, including those quoted on multiple exchanges around the world. Prices for these commodities are determined by the global marketplace and are influenced by many factors, including global and regional supply/demand balances, inventory levels, refinery operations, import/export balances, currency fluctuations, seasonal demand, weather and political climate.

Due to the several issues, researcher interested to find out more about the ExxonMobil action in facing the today global challenges especially the Esso Malaysia Berhad divestment issues, where as stated in 2011, XOM Annual Report, Esso Malaysia Berhad had a continuous decline financial performance, and as the ExxonMobil downstream subsidiary, Esso Malaysia Berhad Contribute less than the other ExxonMobil Downstream industries. Based on those interests, researcher wants to make a review about Esso Malaysia Berhad Performance in according to the divestiture and the statement about the divestiture issues.

Literature Review

Divestiture Overview

In financial and economic scope, divestment or divestiture is the reduction of some kind of asset for financial, ethical, or political objectives or sale of an existing business by a firm. A divestment is the opposite of an investment. Divestiture can be explained as the disposition or sale of an asset by a company. A company will often divest an asset which is not performing well, which is not vital to the company's core business, or which is worth more to a potential buyer or as a separate entity than as part of the company. Jeff Madura (2007). According to Ross (2010) there are few objective of divestiture; the first one is to support the management to be more focus on the core business of the company rather than its poor performance subsidiary. When the company decides to restructure the investment portfolio, the company can take the opportunity to modify its message to the employees, investors and stakeholders. Jeff Madura (2007) stated that " In that situation, a divestiture works as a catalytic while giving the firm management the free hand to take those actions that it had been long waiting to take ". The risks that are considered to be associated with the cash flow and earning of dilution are actually less than the actual market risk. The main objective of the divestiture is the companies that had divested their assets can experiences significant growth in their stock price after the divesture.

Financial Ratio Analysis Overview

According to Ehsan Nikbakht (2000) "A financial ratio is a relative magnitude of two selected numerical values taken from an enterprise's financial statements". Financial ratio is often used in accounting, there are many standard ratios used to try to evaluate the overall financial condition of a corporation or other organization. Financial ratios may be used by managers within a firm, by current and potential shareholders of a firm, and by a firm's creditors.

Financial Trend Analysis Overview

Trend analysis is the implementation of collecting information and comparing company's financial report to review and mark the trend in the information. Trend analysis is one of tools in analyzing the performance of a company's financial report for the investment objectives. Investors or financial analyst can create an analysis in purpose to determine the financial position of the businesses. Financial trend analysis compared with others for the several years to determine the percentage in addition using the financial ratio analysis to simplify the comparison among the company's performances in several years of period. This financial trend analysis will contain of Time Series analysis, Cross Section Analysis, Compound Annual Growth Rate, and Common Size Income Statement Analysis

DuPont Analysis Overview

DuPont Analysis is a method of performance measurement that was started by the DuPont Corporation in the 1920s. With this method, assets are measured at their gross book value rather than at net book value in order to produce a higher return on equity (ROE). It is also known as "DuPont identity". DuPont analysis explain that ROE is affected by three things which are, operating efficiency, which is measured by profit margin, asset use efficiency, which is measured by total asset turnover, and the financial leverage, which is measured by the equity multiplier. According to Gitman L.J. (2009), It is believed that measuring assets at gross book value removes the incentive to avoid investing in new assets. New asset avoidance can occur as financial accounting depreciation methods artificially produce lower ROEs in the initial years that an asset is placed into service. If ROE is unsatisfactory, the DuPont analysis helps locate the part of the business that is underperforming.

Methodology

The main objective of this research is to have a financial conclusion about the correlation between the financial performance and the divestiture decision about ESSO Malaysia Berhad divestiture issue by analyzing the financial performance of ESSO Malaysia Berhad in the year of 2007-2011. The financial performance will be determined by assessing its financial ratios in comparison with other ExxonMobil's downstream industry and comparison to the oil and gas downstream industry.In this research; researcher will use several literature references to recognize the data analysis to be sharpened and objective. s. Data collection is the step where the researcher finds and collects the data. The collected data are used as the primary object to support this research. In this research, researcher uses the secondary data that published on the company's website. The Methods will be used to evaluate the performance of the company. The first method is using the financial ratio analysis to create a review about the company's performance in percentage. The second method is to measure the company's financial performance will be use time-series analysis, cross section analysis, CAGR comparison, common-size financial statements, and DuPont analysis (ROA and ROE) of ESSO Malaysia Berhad in comparison with ESSO Thailand and the industry average. The last section of this research is the conclusion and recommendation. The conclusion of this research will base on the analysis of ESSO Malaysia Berhad performance in comparison with the other downstream industry and the industry average. Researcher will conclude a correlation between the financial performance and the divestiture issue.

Data Analysis

Trend Analysis

Esso Malaysia Berhad and Esso Thailand are ExxonMobil's subsidiaries which accommodate the downstream operation of ExxonMobil. The financial performance review of Esso Malaysia Berhad and Esso Thailand have used several methods which are time-series analysis consist of financial ratio analysis and CAGR (Compound Annual Growth Rate) comparison, cross sectional analysis, common size financial statement, and DuPont system of analysis. In this research, researcher used the past financial report for 5 years from 2007 to 2011.

Esso Malaysia Berhad

Esso Malaysia Berhad 5 Years Financial Ratios Calculation						
Financial Ratios		2007	2008	2009	2010	2011
Profitability	Return on Assets (ROA)	2.12%	-14.33%	7.21%	12.83%	6.19%
	Return on Equity (ROE)	8.57%	-64.11%	28.35%	35.45%	20.69%
	Gross Profit Margin	4.72%	0.54%	7.50%	9.22%	7.18%
	Operating Profit Margin	0.78%	-2.81%	2.50%	4.37%	3.84%
	Net Profit Margin	0.59%	-2.14%	1.81%	3.19%	2.76%
Liquidity	Current Ratio	0.81	0.44	0.64	0.79	0.93
	Cash Ratio	0.66	0.91	3.76	4.88	1.22
Leverage/Debt	Debt Ratio	0.75	0.78	0.75	0.64	0.63
	Debt to Equity	3.05	3.47	2.93	1.76	2.12
Market	Earnings per Share	$0.0616	-$0.2800	$0.1536	$0.1675	$0.1897
	P/E Ratio	31.29	47.22	39.95	39.65	31.95
Activity	Asset Turnover	3.61	6.69	3.98	4.03	2.24
	Inventory Turnover	14.01	24.31	19.70	16.55	9.33

The profitability ratios of Esso Malaysia Berhad represent a significant decrease in 2007 to 2008 in all aspect of profitability ratio. The significant decrease in 2008 as the impact of global crisis in 2008, the contagion, which began in 2007 when sky-high home prices in the United States finally turned decisively downward, spread quickly, first to the entire U.S. financial sector and then to financial markets overseas. Although there is some increase in company's revenue which $ 2,832,534,000 in 2007 to $ 3,529,859,000 in 2008, the global crisis contributes to the increase of COGS that leads the company to the loss of income. As we can see on the table above, Esso Malaysia Berhad net profit margin ratio was decrease from 0.59% in 2007 to -2.14% in 2008. Although that, Esso Malaysia Berhad can keep up with the better performance in 2009-2011 which expressed by the significant increase in all aspect of probability ratios, although it start to decrease again in 2011. The lower amounts in 2011 generally occur as the impact of the adaptation process of Esso Malaysia Berhad acquisition by San Miguel Corporation in august 2011.

Esso Thailand

Esso Thailand (ETHAI) 5 Years Financial Ratios Calculation						
Financial Ratios		2007	2008	2009	2010	2011
Profitability	Return on Assets (ROA)	9.96%	-12.46%	7.18%	2.48%	1.35%
	Return on Equity (ROE)	28.92%	-33.61%	18.49%	6.64%	4.06%
	Gross Profit Margin	7.53%	-1.87%	6.83%	3.83%	3.86%
	Operating Profit Margin	5.37%	-4.06%	3.97%	1.24%	1.43%
	Net Profit Margin	3.53%	-3.09%	2.73%	0.92%	0.48%
Liquidity	Current Ratio	1.06	0.55	0.84	1.17	0.99
	Cash Ratio	0.04	0.02	0.04	0.05	0.02
Leverage/Debt	Debt Ratio	0.66	0.63	0.61	0.63	0.67
	Debt to Equity	1.90	1.70	1.58	1.68	2.01
Market	Earnings per Share	$0.2032	-$0.0656	$0.0376	$0.0376	$0.0089
	P/E Ratio	0.45	-3.15	4.81	0.63	0.53
Activity	Asset Turnover	2.82	4.04	2.63	2.69	2.79
	Inventory Turnover	8.86	13.48	9.76	8.82	8.47

The profitability ratios of Esso Thailand represent a significantly decline in 2007 to 2008 in all aspect of profitability ratio. The significant decrease in 2008 as the impact of global crisis in 2008, the contagion, which began in 2007 when sky-high home prices in the United States finally turned decisively downward, spread quickly, first to the entire U.S. financial sector and then to financial markets overseas. Although there is some increase in company's revenue which $ 6,182,624,000 in 2007 to $ 6,751,677,000 in 2008, the global crisis contributes to the increase of COGS that leads the company to the loss of income. As we can see on the table above, Esso Thailand net profit margin ratio was decrease from 3.53% in 2007 to -3.09% in 2008.

Growth Rate Comparison

CAGR		
Year 2009 - 2013	EMB	ETHAI
Net Sales	-10.26%	0.57%
Cost of Goods Sold	-10.73%	1.36%
Gross Profit	-2.40%	-12.01%
Operating Income	23.37%	-22.83%
Net Income	22.34%	-32.40%

Based on the growth rate comparison between Esso Malaysia Berhad and Esso Thailand, the growth rate analysis indicates different strength and from the calculation of Compound Annual Growth Rate implemented from the income statement of both Esso Malaysia Berhad and Esso Thailand. The income statements consist of net sales, cost of goods sold, gross profit, operating income, and finally the net income or total comprehensive income for the year.In the calculation of Compound Annual Growth Rate, both of company experienced a negative amount of growth rate. Esso Malaysia Berhad had decreasing number of net sales due to the global crisis and declining numbers in refinery productivity during 2007 to 2011, while Esso Thailand has 0.57% growth in their Net Sales ratio..In this Compound Annual Growth Rate comparison of both companies, Esso Malaysia Berhad shows better growth rate compared to the Esso Thailand growth rate. Esso Malaysia Berhad has better a growth in terms of cost of goods sold, gross profit, operating profit, and net income. Those results indicates that Esso Malaysia Berhad has a good capability in managing the cost of goods sold efficiency, and expenses, while Esso Thailand has a good capability in managing their sales volume. In overall Esso Malaysia Berhad has a better growth rate than the Esso Thailand. Looking for the further opportunity, with some improvement, Esso Malaysia Berhad has a better future prospect than Esso Thailand.

Cross Sectional Analysis

2011				
Financial Ratios		Industry Average	EMB	ETHAI
Profitability	Return on Assets (ROA)	6.67%	6.19%	1.35%
	Return on Equity (ROE)	12.80%	20.69%	4.06%
	Gross Profit Margin	n/a	7.18%	3.86%
	Operating Profit Margin	n/a	3.84%	1.43%
	Net Profit Margin	1.80%	2.76%	0.48%
Liquidity	Current Ratio	1.38	0.93	0.99
	Cash Ratio	1.08	1.22	0.02
Leverage/Debt	Debt Ratio	n/a	0.63	0.67
	Debt to Equity	n/a	2.12	2.01
Market	Earnings per Share	n/a	$0.190	$0.0089
	P/E Ratio	18.70	31.95	0.53
Activity	Asset Turnover	2.01	2.24	2.79
	Inventory Turnover	8.71	9.33	8.47

This cross-section analysis used industry value from historical data on August, 2011, where Esso Malaysia Berhad had divested by ExxonMobil. To create more comprehensive analysis: researcher use the Oil and Gas Downstream Industry average ratio to become basic comparison for the cross sectional analysis. The average industry ratio was taken from (www.bizstats.com, 2014). Cross-sectional analysis compares both companies financial performance in the same point in time. Comparison in this report used Esso Malaysia Berhad, Esso Thailand, and industry average financial ratio as the performance benchmark. The objectives of this cross-sectional analysis are to compare and make an overview of strength and weaknesses of both companies.From the probability aspects, Esso Malaysia Berhad had better profitability index than Esso Thailand, as we can see on the table above, Esso Malaysia Berhad had better index in all of the profitability aspect, such as ROA, ROE, Gross Profit Margin, Operating profit Margin, and Net Profit Margin. It shows that Esso Malaysia Berhad can perform better sales in gaining revenue and better management in saving their expenses. Esso Thailand had a positive index in all aspect of profitability ratio, but all of the ratios are much less than Esso Malaysia Berhad, although the divestment decision still running and reach the agreement to divest. In overall, it can conclude that based on cross-sectional analysis measured by the calculation of financial ratios from the last data in 2011, Esso Malaysia Berhad has a better performances with 10 out of 13 aspect ratios than Esso Thailand. Nevertheless Esso Malaysia Berhad leads in all of profitability ratios, which shows that Esso Malaysia Berhad is more profitable business prospect than Esso Thailand.

Common Size Financial Statement Analysis

Common size financial statement analysis is an appropriate analysis in assessing two different companies, after the trend analysis and cross-sectional analysis. Common size financial statement consists of common size income statement and common size balance sheet. This research analyze deeply about the each income statement categorize as a percentage of net/total sales, which will only use the common size income statement. For the common size income statement analysis, both Esso Malaysia Berhad and Esso Thailand has a great point in percentage of cost of goods sold as the direct impact of the global economic crisis in 2008. The dominant numbers of cost of goods sold were experienced by both of the companies. Moreover, Esso Malaysia Berhad and Esso Thailand cannot keep up with the amount of net sales to cover the increasing amount of cost of goods sold, which result loss in 2008. In overall, the amount income size income statement percentages were dominated by the cost of goods sold

DuPont System of Analysis

2007		
	EMB	ETHAI
Net Profit Margin	0.59%	3.53%
Total Asset Turnover	3.61	4.04
Equity Multiplier	4.05	2.90
ROA	2.37%	14.24%
ROE	8.57%	41.34%
2008		
	EMB	ETHAI
Net Profit Margin	-2.14%	-3.09%
Total Asset Turnover	6.69	4.04
Equity Multiplier	4.47	2.70
ROA	-14.33%	-12.46%
ROE	-64.11%	-33.61%
2009		
	EMB	ETHAI
Net Profit Margin	1.81%	2.73%
Total Asset Turnover	3.98	2.63
Equity Multiplier	3.93	2.58
ROA	7.21%	7.18%

ROE	28.35%	18.49%
2010		
	EMB	ETHAI
Net Profit Margin	3.19%	0.92%
Total Asset Turnover	4.03	2.69
Equity Multiplier	2.76	26.78
ROA	12.83%	2.48%
ROE	35.45%	66.35%
2011		
	EMB	ETHAI
Net Profit Margin	2.76%	0.48%
Total Asset Turnover	2.24	2.79
Equity Multiplier	3.34	3.01
ROA	6.19%	1.35%
ROE	20.69%	4.06%

Operating Efficiency
Operating efficiency of DuPont system of analysis has driven by calculation of net profit margin. The net profit margin both of Esso Malaysia Berhad and Esso Thailand indicates volatility in 2007-2011. Start from the extreme decline in 2007 to 2008 due to the global economic crisis in 2008. Esso Thailand has a better net profit margin percentage better than Esso Malaysia Berhad in 2007, which is 3.53%, which is the highest net profit margin experienced by Esso Thailand, whereas the Esso Malaysia Berhad has 0.59% on its net profit margin percentage. The net profit margin start to increase in 2009, and Esso Thailand still has a better percentage than Esso Malaysia Berhad, but we can see the trend for Esso Thailand was declining until 2011, whereas the Esso Malaysia Berhad trend was increase until 2011 and start to decline again in 2011. In overall, Esso Malaysia Berhad reaches their peak performance in 2010 where Esso Malaysia Berhad experienced the highest net Income in 2007-2011 period which amounted to RM 268,579,000 ($ 83,489,000).

Asset-Use Efficiency
Asset-use efficiency of DuPont system of analysis has driven by calculation of total asset turnover. The total asset turnover for Esso Malaysia Berhad start to increase in 2008, and decline in 2009, but it continuously increases until 2011. It shows that Esso Malaysia Berhad have a good management in using their asset to become profitable. For Esso Thailand, the asset turnover graph shows continuously decline in 2007-2011 period that shows the asset-use efficiency is low.

Financial Leverage
Financial leverage of DuPont system of analysis has driven by the calculation of equity multiplier. The equity multiplier was calculated by dividing the total asset with total equity. The equity multiplier for both Esso Malaysia Berhad and Esso Thailand experienced a continuously decline from 2007 to 2010, and start do increase in 2011. In overall, The DuPont system of analysis using return on assets and return on equity decomposition indicates the calculation of net profit margin is the highest impact for the DuPont system of analysis. It shows the profitability of both companies in a year. Esso Malaysia Berhad shows its highest profitability was on 2010, where Esso Malaysia Berhad

had 3.19% in their return on assets. Whereas, Esso Thailand shows the highest profitability in 2007 which had 2.73% in their return on assets

Conclusion

In the early period, which is 2007, it shows a different performance between the early period and the last period in 2011. In 2007 Esso Thailand showed a better performance, it figured by the financial ratios of Esso Thailand. In 2008, as the direct effect of the global crisis, both of company experienced a significant decrease. The global crisis impacted the significant increase in the cost of goods sold, which contains the increase of operational cost and raw material cost. Both of company experienced about 3 percent decline in their net income ratios. Both of company also suffered a significant loss in this period. Esso Malaysia Berhad and Esso Thailand covered their loss in in year 2009; both of company can perform better performance and successfully earn positive net income. In this period, Esso Malaysia Berhad experienced better financial ratios than Esso Thailand; it can be showed by several profitability ratios. Esso Malaysia Berhad continuously improves their financial performance until 2010. Esso Malaysia Berhad can showed a significant improve in every aspect of financial ratios. Although in 2011, both of company experienced a decline in their financial ratios
From the growth analysis, using the Compound Annual Growth Rate comparison of both companies, Esso Malaysia Berhad shows better growth rate compared to the Esso Thailand growth rate. Esso Malaysia Berhad has better a growth in terms of cost of goods sold, gross profit, operating profit, and net income. Those results indicates that Esso Malaysia Berhad has a good capability in improving the cost of goods sold efficiency, and expenses, while Esso Thailand has a good capability in managing their sales volume. In overall Esso Malaysia Berhad has a better growth rate than the Esso Thailand. From the cross sectional analysis, Esso Malaysia Berhad successfully managed their operation as well. In overall, it can conclude that based on cross-sectional analysis measured by the calculation of financial ratios from the last data in 2011, Esso Malaysia Berhad has a better performances with 10 out of 13 aspect ratios than Esso Thailand. Nevertheless Esso Malaysia Berhad leads in all of profitability ratios, which shows that Esso Malaysia Berhad is more profitable business prospect than Esso Thailand.

After reviewed Esso Malaysia Berhad performance, Researcher would like to conclude about the divestiture issue of Esso Malaysia Berhad. As stated in 2011, XOM Annual Report, Esso Malaysia Berhad has a continuously decline financial performance, and as the ExxonMobil downstream subsidiary, Esso Malaysia Berhad Contribute less than the other ExxonMobil Downstream industries. But after all of the financial reviews that researcher had done, Esso Malaysia Berhad Still Have better Financial Performance than another ExxonMobil Downstream industry which still operates until now. Based on ratio and growth aspect, Esso Malaysia Berhad shows a better performance than Esso Thailand. We can conclude that, ExxonMobil company want to focus with the upstream industry, in correlation with the 2010 annual report that ExxonMobil are concentrating to shift their focus to the upstream industry which is more profitable than the downstream industry. Therefore, ExxonMobil are in the process phase to release their unprofitable industry, with sustainable process for their downstream industry.

References

Groppelli, Angelico A.; Ehsan Nikbakht.2000.*Finance, 4th ed*. Barron's Educational Series, Inc.
Jeff Madura.2007. *Introduction to Business, Fourth Edition*. USA: Thomson South-Western
The Handbook of Traditional and Alternative Investment Vehicles By Mark J. P. Anson, Frank J. Fabozzi, Frank J. Jones
Oil and Gas Downstream section Industry Average ratios. Retrieved from

http://www.bizstats.com/sole-proprietorship-business-financials/mining-7/oil-gas-extraction-8/show

Compyterized Investing, 2012. *Deconstructing ROE: DuPont Analysis*. Retrieved from *http://www.aaii.com/computerizedinvesting/article/deconstructing-roe-dupont-analysis*

Damodaran, A. 2006. *Investment Valuation: Tools and Techniques for Determining The Value of Any Asset*. New Jersey: Willey Finance.

Gitman, Lawrence J. 2012. *Principles of Managerial Finance.* New York: Pearson.

Reuters. 2014. *Financial Ratios of Industry Average*. Retrieved from *http://www.reuters.com/finance/stocks/financialHighlights?symbol=AALI.JK*

Ross, Stephen A. 2010. *Corporate Finance.* New York: Mc-Graw-Hill/Irwin.

Williams, Jan R.; Susan F. Haka; Mark S. Bettner; Joseph V. Carcello (2008). *Financial & Managerial Accounting*. McGraw-Hill Irwin.

Bodie, Zane; Alex Kane and Alan J. Marcus (2004).*Essentials of Investments, 5th ed*. McGraw-Hill Irwin.

Weston, J. (1990). *Essentials of Managerial Finance*. Hinsdale: Dryden Press

Houston, Joel F.; Brigham, Eugene F. 2009.*Fundamentals of Financial Management*. [Cincinnati, Ohio]: South-Western College Pub.

Weygandt, J. J., Kieso, D. E., & Kell, W. G.1996.*Accounting Principles* (4th ed.). New York, Chichester, Brisbane, Toronto, Singapore: John Wiley & Sons, Inc