

[REDACTED]

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**From:** [REDACTED]  
**Sent:** Thursday, February 14, 2013 3:08 PM  
**To:** [REDACTED]  
**Subject:** Accrued Liabilities  
**Attachments:** current liabilities.pdf

According to GAAP, accrued liabilities are the expenses incurred but not yet been paid, and it must be paid within one year or the operating cycle. An accrual for an uncertain expense was made in FY11 and you decided to use it in FY13 for an unrelated expense (printing service vs. coaching a manager). This is against the accounting principles. The expense was also not also related to the contingent liabilities such as ongoing lawsuit or a probable settlement that need to be disclosed in financial statement. I will make journal entry as you wish but you are wrong and you should need to consult with the auditor for what you are trying to make me do.