



**The Vincent C. Ross Institute of Accounting Research**  
40 West 4<sup>th</sup> Street, Rm. 300, New York, NY 10012

**Baruch Lev**, *Director*  
*e-mail: blev@stern.nyu.edu*  
**Seymour Jones**, *Associate Director*  
*e-mail: sjones@stern.nyu.edu*

## ROSS ROUNDTABLE

ON

# THE INTERNET AND ELECTRONIC COMMERCE: FINANCIAL REPORTING AND AUDITING CHALLENGES

**Date:** December 6, 1999 from 4:00 pm to 6:00 pm

**Location:** New York University  
Leonard N. Stern School of Business  
40 West Fourth Street  
Surdna Conference Room, Third Floor  
New York, NY 10012-1118

**Contact:** (212) 998-4144 or (212) 998-4143

**Roundtable Coordinator:**

Joshua Livnat, Professor, Department of Accounting, Taxation and Business Law

**Roundtable Theme**

This meeting will discuss the following issues:

1. What unique security risks are generated by e-commerce? How does a firm protect transactions? How does a firm protect its assets? Can intellectual property be properly protected? Can the most important assets be retained in the firm?

2. What specific accounting and auditing issues occur in internet and e-Commerce firms? How should activities such as barter advertising, issuance of stocks to registrants, and cross holdings, be accounted for? Can auditing firms benefit from the future growth of e-Commerce?

3. Is current financial reporting inadequate for e-commerce? Should investment in intangible assets be written off as a current expense? Can reasonable comparisons with non-digital firms be made? Should future growth expectations be incorporated into financial reports?

4. What is the exposure to future lawsuits? As internet firms expense most investments, they show accumulated losses. Nonetheless stock prices are high. If prices decline, does the discrepancy between market values and book values concern auditors?

**The Ross Roundtable provides a forum for "public opinion shapers" -- business writers, financial analysts, educators, corporate financial executives, regulators, etc. -- to discuss with policymakers important developments in capital markets and the financial world. To provide ample opportunity for participants to voice their opinions, the size of the Roundtable is limited.**



Stern School of Business, New York University is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. NASBA phone number: 615.880.4200. Web site: [www.nasba.org](http://www.nasba.org)

**Requirements for participation in program:  
Adequate business and/or academic experience**

**Recommended CPE Credits: 2**