

The Changing Public Reports by Management and The Auditors Of Publicly Held Corporations: An Updated Comparative Study Of General Motors Corporation And Ford Motor Company

Charles J. Pineno, Shenandoah University
Mark L. Tyree, Shenandoah University

EXECUTIVE SUMMARY

As a result of the Enron debacle and based on a wave of revelation of accounting irregularities and securities fraud inter linked to Adelphia, Tyco and WorldCom, Congress passed the Sarbanes-Oxley Act (SOX) in June 2002. This was the most significant securities law change since passage of the original Federal Securities Law in 1933 and 1934. This paper provides background information on sections 302 and 404 of the Act. Based on that information, The Internal Controls Report of management and the Independent Auditor's Report of General Motors Corporation and Ford Motor Company from the years 2002 through 2008 are summarized, analyzed, and compared.

Keywords: Financial reporting, Auditors, Management, Internal controls, Sarbanes-Oxley Act.