

Fair Value Accounting: Current Practice and Perspectives for Future Research

Instructions on Footnote data

1. Overview

The data provided through this link are from SEC 10-K footnotes captured in individual .txt files. Specifically, the data are from footnotes related to fair value disclosures and loan disclosures. Data availability is limited to where “Interactive Data” was made available on EDGAR, with the earliest observations from 2010 and the latest from 2018. Text files are available for (1) fair value-related notes for all US firms in the SIC grouping beginning with “6” (all financial institutions) and (2) loan-related notes for all US firms in the SIC grouping beginning with “60” (depository institutions).

Files were pulled from EDGAR using the tools BeautifulSoup and Selenium. Footnote text was pulled from any footnote where the title included “Fair Value” for the fair value sample or “Loan” for the loan sample.

2. How is the data organized?

The data is split into fair value-related notes and loan-related notes. In addition, there are two folders for each category, one which includes the HTML tags and one that does not. *For the purposes of using the generic parser, we recommend the use of the files without tags.*

Each file name is formatted as follows:
“CIK_Year_Name of footnote on Edgar”

3. How do I analyze the data?

To start the process, we recommend adapting the tools made available through the Software Repository for Accounting and Finance (SRAF) from University of Notre Dame. This repository is related to Tim Loughran and Bill McDonald’s paper “Textual Analysis in Accounting and Finance: A Survey” (*Journal of Accounting Research*, 54:4, September 2016, 1187-1230). The “Generic Parser” made available on the website can be used to parse the .txt files and convert them into a single dataset with summaries of the textual properties. You will also need to download the Loughran-McDonald dictionary made available on the SRAF website.

After the data is parsed, you can use the CIK (Central Index Key) and year identifiers from the file name to merge with other datasets.