This paper analyzes the reporting problems associated with off-balance sheet financing (OBSF) and explores possible resolutions to the controversy that surrounds OBSF and accounting for new types of financial instruments. In the Sections II through IV, we analyze three general issues of financial reporting that are central to an understanding of the disagreements surrounding OBSF: (1) the effect of different perspectives (representational faithfulness, decision usefulness, and contract enforcement or accountability) on financial reporting practices; (2) the duality of stocks and flows, and the attendant problems of classifying contracts for the purpose of financial reporting; and (3) the problem of reporting on statistically or contractually correlated resource flows. After addressing these three theoretical issues, we turn in Section V to examining a common form of off balance sheet financing. We conclude that formulation of intertemporally stable financial reporting standards would be facilitated if (1) contract enforcement considerations were added to the representational faithfulness and decision usefulness perspectives currently used by the Financial Accounting Standards Board (FASB), and (2) the range of financial reporting alternatives considered by the Board were expanded to include expected value reporting on one hand and reporting of contract sets on the other.