

ACC 610 Final Project Guidelines and Rubric

Overview

The final project for this course is the creation of an accounting portfolio. The project is divided into **three milestones**, which will be submitted at various points throughout the course to scaffold learning and ensure quality final submissions. These milestones will be submitted in **Modules Three, Five, and Seven**. The final product will be submitted in **Module Nine**.

According to the AICPA (American Institute of Certified Public Accountants), a CPA in today's environment must not only have a high level of technical competence and a sense of commitment to service, but must also have good communications and analytical skills and the ability to work well with people. Employers are looking for individuals who have the ability to analyze and evaluate complex business problems combined with the interpersonal skills and maturity to make decisions in a client and customer service environment.

By adopting a real-life company in this course, you will apply the technical competence and other skills required by today's CPA. Through case study analysis, you will develop skills such as communication, presentation, and interpersonal relations, in conjunction with technical accounting knowledge.

In ACC 610, Financial Reporting I, your focus will be on developing skills in critical thinking and applying accounting theories and practices in accordance with Generally Accepted Accounting Principles (GAAP). You will analyze situations in your case studies and communicate results to decision makers with an emphasis on assets and liabilities, measurement, and reporting.

In this assignment, you will demonstrate your mastery of the following course outcomes:

- Analyze the conceptual framework, standards, standard setting, and presentation of financial statements for ensuring compliance with Generally Accepted Accounting Principles
- Differentiate between the Generally Accepted Accounting Principles and the International Financial Reporting Standards for their impact on financial statements
- Analyze results of consolidated financial statements for informing internal and external users of financial statements
- Analyze financial statement accounts using assertions related to the recognition, measurement, valuation, calculation, presentation, and disclosure of financial information for their accuracy and reliability
- Determine appropriate accounting treatments of business transactions, including adjusting entries, for their impact on the results of financial statements

Prompt

This course, ACC 610, is the first course in the Financial Reporting Series that includes ACC 610, ACC 620, and ACC 630. Throughout this series, you will apply the concepts you are learning using the financial data and business scenarios of a prominent retail company. You may choose from Wal-Mart, Target, Sears, Kroger, or Amazon. You will continue to use this company for all courses in the series.

The course project for ACC 610 will become part of the portfolio that you will build throughout the Financial Reporting Series. Portfolio pieces added during this course are a financial analysis paper, spreadsheets to address the questions posed in the paper, memorandums illustrating company communication, and a financial report.

Specifically, the following **critical elements** must be addressed:

- I. **Conceptual Framework:** For this part of the assessment, you will prepare a financial analysis paper addressing various topics about your chosen company, supporting your answers and claims with quantitative data where applicable. You will need to research your chosen company and obtain its latest audited financial statements (information that is available to the public online) in order to answer the following:
 - A. Explain how the **conceptual framework and accounting standards** apply to your company.
 - B. Analyze the information within the disclosure statements for information that would interest the **creditors** of your company.
 - i. What information would be important for someone in this role?
 - ii. Why would this information be important to them?
 - C. Analyze the information within the disclosure statements for information that would interest the **investors** of your company.
 - i. What information would be important for someone in this role?
 - ii. Why would this information be important to them?

- II. **Analysis of Financial Statements:** For this part of the assessment, you will continue your financial analysis paper. You will need to research your chosen company and obtain the last few years (at least two) of financial statements (information that is available to the public online) in order to answer the following questions:
 - A. Based on the information you have gathered, explain the changes in **financial ratios**. Has anything changed in the few years of financial statements that you have obtained?
 - i. What are the reasons for these changes?
 - B. Based on the information you have gathered, analyze the changes in the financial reports regarding **cash**. Be sure to examine the statement of cash flows.
 - i. What are the reasons for these changes?
 - C. Based on the information you have gathered, analyze the changes in the financial reports regarding the **account balance**.
 - i. What are the reasons for these changes?
 - D. Describe the type of **valuation method** that your company uses and explain why it uses this method.
 - i. What are the benefits of this method?
 - E. Based on industry trends, future plans of your company, and the information you have gathered, **predict** how your company will perform in the following year compared to competitors.

- III. **GAAP vs. IFRS:** For this part of the assessment, you will continue your financial analysis paper.
- A. Explain the steps that would be needed for your company to **transition** from GAAP to IFRS. For example, what would this transition entail? What would your chosen company need to do?
 - B. Explain how a **financial statement** would differ under IFRS as opposed to GAAP.
 - i. How is a financial statement under IFRS different from GAAP? How is it the same?
 - ii. What would the statements for your chosen company look like?
- IV. **Adjusting Entries:** For this part of the assessment, you will continue your financial analysis paper.
- A. Explain the type of **depreciation method** your company uses and why it uses this method.
 - B. Identify an example of an **adjusting entry** (other than depreciation) such as prepaid expenses, supplies, or unearned revenue and whether or not your company has this account listed on the balance sheet. You could consider why this might not be listed.
- V. **Financial Analysis:** For this part of the assessment, you will prepare spreadsheets and analysis to be included in your financial analysis paper.
- A. Prepare an Excel spreadsheet to compare **financial ratios** for your company to the industry averages.
 - B. Compose a **summation** as to how your company is performing in relation to its competitors. Be sure to base your answer on the spreadsheet you previously prepared.
- VI. **Communication:** For this part of the assessment, you will prepare memorandums to upper management addressing certain scenarios or situations.
- A. As the controller of your chosen company, compose a memo to the CEO addressing the advantages and disadvantages of **transitioning** from GAAP to IFRS.
 - B. As the controller of your chosen company, compose a memo to the CEO addressing the following scenario: Your largest customer has just gone **bankrupt**, and you must inform the CEO how this will affect your accounts receivable. Assume that the accounts receivable balance is at least \$100,000.
- VII. **Financial Report:** For this part of the assessment, you will prepare a financial report in response to a hypothetical scenario: A major global disaster (in this case an oil spill) has caused environmental damage and has affected global transportation as well. As the controller of your chosen company, you are tasked with providing a financial report to the board of directors addressing how this event will affect your company.
- A. Analyze the effects of the global disaster on the **financial statements** of your chosen company using the financial information from your company.
 - B. Recommend **strategies** to address the effects of the disaster on your chosen company based on your analysis.

Milestones

Milestone One: GAAP vs. IFRS

In **Module Three**, you will submit Critical Element III: GAAP vs. IFRS. You will explain the steps needed for your selected company to transition from GAAP to IFRS and how a financial statement would differ under IFRS as opposed to GAAP. **This milestone will be graded with the Milestone One Rubric.**

Milestone Two: Analysis of Financial Statements

In **Module Five**, you will submit Critical Element II: Analysis of Financial Statements. You will need to research your chosen company and obtain the last few years (at least two) of financial statements (information that is available to the public online). You will analyze and explain the changes in financial ratios, financial reports regarding cash, and financial reports regarding account balance. You will describe and explain the type of valuation method your company uses as well as your predictions for how the company will perform in the following year compared to competitors. **This milestone will be graded with the Milestone Two Rubric.**

Milestone Three: Adjusting Entries and Communication

In **Module Seven**, you will submit Critical Element Critical Element IV: Adjusting Entries and Critical Element VI: Communication. You will explain the type of depreciation method your company uses and identify as example of an adjusting entry. You will also compose a memo to the CEO addressing the advantages and disadvantages of transitioning from GAAP to IFRS, as well as a memo addressing how your company will be affected by your biggest customer going bankrupt. **This milestone will be graded with the Milestone Three Rubric.**

Final Submission: Accounting Portfolio

In **Module Nine**, you will submit your accounting portfolio. It should be a complete, polished artifact containing **all** of the critical elements of the final product. It should reflect the incorporation of feedback gained throughout the course. **This submission will be graded with the Final Project Rubric.**

Deliverables

Milestone	Deliverable	Module Due	Grading
1	GAAP vs. IFRS	3	Graded separately; Milestone One Rubric
2	Analysis of Financial Statements	5	Graded separately; Milestone Two Rubric
3	Adjusting Entries and Communication	7	Graded separately; Milestone Three Rubric
	Final Submission: Accounting Portfolio	9	Graded separately; Final Project Rubric

Final Project Rubric

Guidelines for Submission: Your accounting portfolio (financial analysis paper, spreadsheets, memos, and financial report) must be 6 to 10 pages in length (plus a cover page and references) and must be written in APA format. Use double spacing, 12-point Times New Roman font, and one-inch margins. Include at least two references cited in APA format.

Critical Elements	Exemplary	Proficient	Needs Improvement	Not Evident	Value
Conceptual Framework: Conceptual Framework and Accounting Standards [ACC-610-01]	Meets “Proficient” criteria and explanation provides keen insight into how the conceptual framework and accounting standards apply to the chosen company (100%)	Explains how the conceptual framework and accounting standards apply to the chosen company (90%)	Explains how the conceptual framework and accounting standards apply to the chosen company but explanation lacks depth or detail (70%)	Does not explain how the conceptual framework and accounting standards apply to the chosen company (0%)	5.5
Conceptual Framework: Creditors [ACC-610-01]	Meets “Proficient” criteria and analysis demonstrates why this information would interest creditors (100%)	Analyzes the information within the disclosure statements for information that would interest creditors (90%)	Analyzes the information within the disclosure statements for information that would interest creditors but analysis is cursory or lacks depth (70%)	Does not analyze the information within the disclosure statements for information that would interest creditors (0%)	5.5
Conceptual Framework: Investors [ACC-610-01]	Meets “Proficient” criteria and analysis demonstrates why this information would interest investors (100%)	Analyzes the information within the disclosure statements for information that would interest investors (90%)	Analyzes the information within the disclosure statements for information that would interest investors but analysis is cursory or lacks depth (70%)	Does not analyze the information within the disclosure statements for information that would interest investors (0%)	5.5
Analysis of Financial Statements: Financial Ratios [ACC-610-04]	Meets “Proficient” criteria and explains the reasons why these changes have occurred (100%)	Explains the changes in the financial ratios that have occurred (90%)	Explains the changes in the financial ratios that have occurred but explanation lacks depth or detail (70%)	Does not explain the changes in the financial ratios that have occurred (0%)	5.5
Analysis of Financial Statements: Cash [ACC-610-04]	Meets “Proficient” criteria and explains the reasons why these changes have occurred (100%)	Analyzes the changes in financial reports regarding cash and examines the statement of cash flows (90%)	Analyzes the changes in financial reports regarding cash but analysis lacks depth or detail (70%)	Does not analyze the changes in financial reports regarding cash (0%)	5.5

Analysis of Financial Statements: Account Balance [ACC-610-04]	Meets “Proficient” criteria and explains the reasons for why these changes have occurred (100%)	Analyzes the changes in financial reports regarding the account balance (90%)	Analyzes the changes in financial reports regarding the account balance, but analysis lacks depth or detail (70%)	Does not analyze the changes in financial reports regarding the account balance (0%)	5.5
Analysis of Financial Statements: Valuation Method [ACC-610-04]	Meets “Proficient” criteria and provides keen insight into the benefits of this method (100%)	Describes the valuation method of the chosen company and explains why it uses this method (90%)	Describes the valuation method of the chosen company and explains why it uses this method but explanation lacks depth or detail (70%)	Does not describe the valuation method of the chosen company or explain why it uses this method (0%)	5.5
Analysis of Financial Statements: Predict [ACC-610-03]	Meets “Proficient” criteria and provides keen insight into how the future plans of the company may inform its future success (100%)	Predicts how the chosen company will perform in the following year compared to competitors based on industry trends, future plans of company, and the information gathered (90%)	Predicts how the chosen company will perform in the following year compared to competitors, but prediction is cursory (70%)	Does not predict how the chosen company will perform in the following year compared to competitors (0%)	5.5
GAAP vs. IFRS: Transition [ACC-610-02]	Meets “Proficient” criteria and provides keen insight on how the chosen company would implement these steps (100%)	Explains the steps that would be needed for the chosen company to transition from GAAP to IFRS (90%)	Explains the steps that would be needed for the chosen company to transition from GAAP to IFRS but explanation lacks depth or detail (70%)	Does not explain the steps that would be needed for the chosen company to transition from GAAP to IFRS (0%)	5.5
GAAP vs. IFRS: Financial Statement [ACC-610-02]	Meets “Proficient” criteria and explanation shows a nuanced understanding of the differences between IFRS and GAAP (100%)	Explains how a financial statement would differ under IFRS as opposed to GAAP (90%)	Explains how a financial statement would differ under IFRS as opposed to GAAP but explanation lacks depth or detail (70%)	Does not explain how a financial statement would differ under IFRS as opposed to GAAP (0%)	5.5
Adjusting Entries: Depreciation Method [ACC-610-05]	Meets “Proficient” criteria and provides keen insight into why the chosen company uses this method (100%)	Explains the type of depreciation method of the chosen company and why this method is used (90%)	Explains the type of depreciation method of the chosen company and why this method is used but explanation lacks depth or detail (70%)	Does not explain the type of depreciation method of the chosen company and why this method is used (0%)	5.5

<p>Adjusting Entries: Adjusting Entry [ACC-610-05]</p>		<p>Identifies an example of an adjusting entry and whether or not the chosen company has this listed (100%)</p>	<p>Identifies an example of an adjusting entry and whether or not the chosen company has this listed but identification is inappropriate or incorrect (70%)</p>	<p>Does not identify an example of an adjusting entry and whether or not the chosen company has this listed (0%)</p>	<p>5.5</p>
<p>Financial Analysis: Financial Ratios [ACC-610-04]</p>		<p>Prepares a spreadsheet that compares financial ratios for the chosen company to the industry averages (100%)</p>	<p>Prepares a spreadsheet that compares financial ratios for the chosen company to the industry averages but spreadsheet contains miscalculations or errors (70%)</p>	<p>Does not prepare a spreadsheet that compares financial ratios for the chosen company to the industry averages (0%)</p>	<p>5.5</p>
<p>Financial Analysis: Summation [ACC-610-04]</p>	<p>Meets “Proficient” criteria and makes cogent connections between how the financial ratios in the spreadsheet inform the performance of the chosen company (100%)</p>	<p>Composes a summation as to how the chosen company is performing in relation to its competitors that is based on information from the spreadsheet (90%)</p>	<p>Composes a summation as to how the chosen company is performing in relation to its competitors that is based on information from the spreadsheet but summation is inaccurate or lacks detail (70%)</p>	<p>Does not compose a summation as to how the chosen company is performing in relation to its competitors that is based on information from the spreadsheet (0%)</p>	<p>5.5</p>
<p>Communication: Transitioning [ACC-610-02]</p>	<p>Meets “Proficient” criteria and uses industry-specific language to establish expertise (100%)</p>	<p>Composes a memo that addresses the advantages and disadvantages of transitioning from GAAP to IFRS (90%)</p>	<p>Composes a memo that addresses the advantages and disadvantages of transitioning from GAAP to IFRS but memo lacks depth or detail (70%)</p>	<p>Does not compose a memo that addresses the advantages and disadvantages of transitioning from GAAP to IFRS (0%)</p>	<p>5.5</p>
<p>Communication: Bankrupt [ACC-610-05]</p>	<p>Meets “Proficient” criteria and uses industry-specific language to establish expertise (100%)</p>	<p>Composes a memo that addresses how the bankruptcy will affect the chosen company’s accounts receivable (90%)</p>	<p>Composes a memo that addresses how the bankruptcy will affect the chosen company’s accounts receivable but memo lacks depth or detail (70%)</p>	<p>Does not compose a memo that addresses how the bankruptcy will affect the chosen company’s accounts receivable (0%)</p>	<p>5.5</p>
<p>Financial Report: Financial Statements [ACC-610-03]</p>	<p>Meets “Proficient” criteria and illustrates a nuanced understanding of the influence of global events on the well-being of a company (100%)</p>	<p>Analyzes the effects of the global disaster on the financial statements of the chosen company (90%)</p>	<p>Analyzes the effects of the global disaster on the financial statements of the chosen company but analysis lacks depth or detail (70%)</p>	<p>Does not analyze the effects of the global disaster on the financial statements of the chosen company (0%)</p>	<p>5.5</p>

Financial Report: Strategies [ACC-610-03]	Meets “Proficient” criteria and recommendations are well supported and logical (100%)	Recommends strategies that address the effect of the disaster on the chosen company (90%)	Recommends strategies that address the effect of the disaster on the chosen company but recommendations are inappropriate or lack detail (70%)	Does not recommend strategies that address the effect of the disaster on the chosen company (0%)	5.5
Articulation of Response	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy-to-read format (100%)	Submission has no major errors related to citations, grammar, spelling, syntax, or organization (90%)	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas (70%)	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas (0%)	1
Earned Total					100%