

Understanding Financial Statements - Group Final Project

Presenting on a company investigated by the Securities and Exchange Commission (SEC)

Purpose of this assignment

To provide students with a real world way of applying class concepts by investigating the impact of improper financial information reporting on various stakeholders.

Selecting a company

Select your company based on the following criteria:

- Choose publicly traded companies because they are the ones regulated by the SEC and also there is usually lots of information out there about them.
- Choose a company that violated some aspect of the accounting principles we talked about in class such as revenue recognition, expense recognition, depreciation, materiality and/or others.
- If someone is caught simply stealing, that would not be a good prospect. Look for companies that took liberties with their “understanding” of the principles such that they gained and stakeholders were (probably) harmed.

Suggested approach to the presentation

- Check out the Presentation Evaluation Form included with this document. Your first goal is to get a high score from your fellow classmates who will watch and evaluate your presentation.
- Remember that all group members get the same grade so work together to make it excellent.
- Break your presentation into four basic parts (not mandatory – there are to get you started):
 - Who is the company and what did they do as a normal part of business?
 - What did they do that got them into trouble with the SEC?
 - What is the applicable accounting principle and how did they bend it?
 - What was the impact to shareholders, investors, employees and other stakeholders as a result of their actions?
 - What is your personal impression of what they did?
- For session 6: Class selects companies and forms groups around them. 6 groups max of 2-4 members each. No single person “groups.”
- For session 7: Educate each other on the company history and normal operation.
- For session 8: Educate each other on what got them in trouble, impact, etc.
- For session 9: Draft the presentation.
- For session 10: Final presentation.

Have fun with this exercise. A lot of learning happens here and you will likely be surprised how much you have learned in just a few weeks. Keep me informed of how you are doing.

Presentation Evaluation Form

General Information: This form will be completed by fellow students and the instructor then the average will be calculated. All presenting group members should expect to receive the average points.

To the audience members: Circle the level that best matches your assessment for the area involved. Please add up your total number of points given and enter that number below in Total Points Obtained.

Group: _____ Company _____

1) [5pts.] The presentation added value to class content.

Disagree		Adequate		Agree
1	2	3	4	5

2) [5pts] The presentation did an effective job of integrating the course concepts.

Disagree		Adequate		Agree
1	2	3	4	5

3) [5pts] How would you rate the level of analysis performed?

Poor		Average		Excellent
1	2	3	4	5

4) [5pts.] How would you rate the level of professionalism of the presentation?

Poor		Average		Excellent
1	2	3	4	5

Total Points Obtained: _____ **(Please Total)**

Comments: _____

