

## ACC 201 Final Project Part II Guidelines and Rubric

### Overview

One of the measures of success in any business is profitability. Managers and business owners must have an understanding of how to assess the profitability of a company using information about its financial transactions. This is done through the use of accounting.

By working through the accounting cycle, you will understand how money flows through a company. Using this information can help you determine whether an organization can afford to stay open while employing current practices and what types of changes might be needed to allow the organization to become profitable if it is currently struggling financially. This process also helps you understand the level of commitment to attention to detail that is required in a successful business venture.

In this part of the final project, you will use your workbook and course-provided information to provide an overview of Peyton Approved's accounting system and general profitability. This will take the form of a bank memo.

This assessment addresses the following course outcomes:

- Interpret financial statements for informing business decisions
- Analyze how core accounting principles support responsible practices throughout the accounting cycle

### Prompt

Your dog, Peyton, has severe allergies and cannot have the usual store-bought dog treats. You have been making homemade treats for him that are all-natural and hypoallergenic. Over the past year, you have been making and selling these treats out of your home and have been quite successful. You now have an opportunity to open your own dog treat bakery. You have decided on a corporate form of business and have named your company Peyton Approved.

During Part I of the final project, you were asked to follow the business transactions for your company for a three-month period from the first step of the accounting cycle through the reporting process. Now you will use this information to compose a memorandum to the bank detailing the results of operations as communicated in the financial statements, as supporting documentation for a request for funding to expand Peyton Approved.

Use your completed workbook from Part I to prepare your memo. Be sure to include an overview of the company's accounting system, a discussion of the results of operations, and opportunities for the company to improve its profitability.

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

1. Provide an overview of the company's **accounting system**. Specifically:
  - a) What **basis** of accounting is used? Why is this basis most appropriate? How does it support responsible practices within the company?
  - b) What **strategies** is the business using to ensure responsible accounting practices? Why have these strategies been selected?
  - c) Describe the overall accounting process and **internal controls** for cash that are in place. For example, when are entries made, how often are statements produced and reviewed, and why?
2. Analyze the company's **performance** based on the accounting information you recorded. Specifically:
  - a) Analyze the results of **operations**. What do these results tell a business? For example, what is the company doing well, and what changes might be needed? Use the information in your workbook to support your answer.
  - b) What do the financial statements say about the **strengths and weaknesses** of the company's financial position? Be sure to discuss the role of ratio analysis in your response.
  - c) Is the company going in the **right direction**? Why or why not? Use the information in your workbook to support your answer.
  - d) What **opportunities** can the company explore given its strengths and weaknesses? How would these be beneficial? Support your response with information from your workbook.

## Final Project Part II Rubric

**Guidelines for Submission:** Your memo should be approximately 2–4 pages and should use double spacing, one-inch margins, and 12-point Times New Roman font. Sources should be cited according to APA style.

**Instructor Feedback:** This activity uses an integrated rubric in Blackboard. Students can view instructor feedback in the Grade Center. For more information, review [these instructions](#).

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
<b>Accounting System: Basis</b>	Meets "Proficient" criteria and demonstrates exceptional knowledge of different bases of accounting	Identifies the basis of accounting used, why it is most appropriate, and how it supports responsible accounting practices	Identifies the basis of accounting used but does not address why that basis is most appropriate and how it supports responsible accounting practice, or response contains inaccuracies	Does not identify the basis of accounting used	16
<b>Accounting System: Strategies</b>	Meets "Proficient" criteria and demonstrates especially keen insight into strategies and their implications for accounting practices	Identifies strategies being used to ensure responsible accounting practices, describing why strategies were selected	Identifies strategies being used to ensure responsible accounting practices but does not describe why strategies were selected	Does not identify strategies being used to ensure responsible accounting practices	16

<b>Accounting System: Internal Controls</b>	Meets "Proficient" criteria, and description is exceptionally clear and contextualized	Describes the overall accounting process and types of internal controls for cash that are in place	Describes the overall accounting process but does not describe the types of internal controls for cash that are in place, or response contains inaccuracies	Does not describe the overall accounting process	16
<b>Performance: Operations</b>	Meets "Proficient" criteria and uses concrete examples to substantiate claims	Analyzes the results of operations, describing what the results tell a business, supported by workbook information	Analyzes the results of operations but does not describe what the results tell a business, or response contains inaccuracies or lacks support	Does not analyze the results of operations	12
<b>Performance: Strengths and Weaknesses</b>	Meets "Proficient" criteria, and description is exceptionally clear and contextualized	Interprets what financial statements say about the strengths and weaknesses of the company's financial position, discussing role of ratio analysis	Interprets what financial statements say about the strengths and weaknesses of the company's financial position but does not discuss the role of ratio analysis	Does not interpret what financial statements say about the strengths and weaknesses of the company's financial position	12
<b>Performance: Right Direction</b>	Meets "Proficient" criteria and demonstrates awareness of what makes a company profitable	Discusses whether the company is going in the right direction and why, supporting response with workbook information	Discusses whether the company is going in the right direction and why, but with gaps in logic, accuracy, or support	Does not discuss whether the company is going in the right direction and why	12
<b>Performance: Opportunities</b>	Meets "Proficient" criteria and demonstrates keen awareness of the opportunities available	Identifies opportunities that the company can explore given its strengths and weaknesses, describing how the opportunities could be beneficial, supported by workbook evidence	Identifies opportunities that the company can explore given its strengths and weaknesses, describing how the opportunities could be beneficial, but with gaps in logic, accuracy, or support	Does not identify opportunities that the company can explore given its strengths and weaknesses	12
<b>Articulation of Response</b>	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy-to-read format	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	4
<b>Earned Total</b>					<b>100%</b>