



CAREER CLUSTER

Finance

CAREER PATHWAY

Accounting

INSTRUCTIONAL AREA

Financial Analysis

ACCOUNTING APPLICATIONS SERIES EVENT

PARTICIPANT INSTRUCTIONS

- The event will be presented to you through your reading of the 21st Century Skills, Performance Indicators and Event Situation. You will have up to 10 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 10 minutes to make your presentation to the judge (you may have more than one judge).
- You will be evaluated on how well you demonstrate the 21st Century Skills and meet the performance indicators of this event.
- Turn in all of your notes and event materials when you have completed the event.

21st CENTURY SKILLS

- Critical Thinking – Reason effectively and use systems thinking.
- Problem Solving – Make judgments and decisions, and solve problems.
- Communication – Communicate clearly.
- Creativity and Innovation – Show evidence of creativity.

PERFORMANCE INDICATORS

- Explain the concept of accounting.
- Prepare a chart of accounts.
- Analyze transactions and accounts.
- Document business processes.
- Ask relevant questions.

EVENT SITUATION

You are to assume the role of an accounting associate for a CPA firm. A new client, the owner of EDGEWOOD EQUESTRIAN, LLC., (judge) recently purchased the 120-acre ranch and wants you to help set up financial records for the company

EDGEWOOD EQUESTRIAN, LLC., raises Arabian show horses. The owner (judge) installed a feed barn, arena, horse stables and horse exercise equipment. The owner (judge) also purchased 20 pure bred Arabian horses.

The owner (judge) would like you to help set up the financial records for the new company. You have toured the ranch and requested that the owner (judge) give you a list of everything the company owns, all debt, potential revenue streams and potential expenses. The list is below:

- Boarding Services
- Riding Lessons
- Horse Show Cash Awards
- Hay
- Grain
- Tack (equipment/accessories used with horses)
- Horse Cleaning Supplies (shampoos, shine sprays, fly sprays)
- Grounds Keeper Salary
- Twenty Arabian Horses
- Ranch Hand Wages
- Pitchforks/Shovels
- Horse Exercise Equipment
- Horse Stables
- Feed Barn
- Land
- Mortgage
- Line of Credit
- Cash
- Investments

The owner (judge) wants you to:

- Classify the above accounts into: Assets, Liabilities, Equity, Revenue and Expenses
- Explain the classifications you have chosen for each
- Discuss/Suggest any accounts the owner (judge) might have missed

You will present the information to the owner (judge) in a role-play to take place in the owner's (judge's) office. The owner (judge) will begin the role-play by greeting you and asking to hear your ideas. After you have presented the information and have answered the owner's (judge's) questions, the owner (judge) will conclude the role-play by thanking you for your work.

JUDGE INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Participant Instructions, 21st Century Skills and Performance Indicators
2. Event Situation
3. Judge Role-Play Characterization
Allow the participants to present their ideas without interruption, unless you are asked to respond. Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
4. Judge Evaluation Instructions and Judge Evaluation Form
Please use a critical and consistent eye in rating each participant.

JUDGE ROLE-PLAY CHARACTERIZATION

You are to assume the role of the new owner of EDGEWOOD EQUESTRIAN, LLC. You recently purchased the 120-acre ranch and want an accounting associate (participant) to help set up financial records for the company

EDGEWOOD EQUESTRIAN, LLC., raises Arabian show horses. You installed a feed barn, arena, horse stables and horse exercise equipment. You also purchased 20 pure bred Arabian horses.

You would like the accounting associate (participant) to help set up the financial records for the new company. The accounting associate (participant) has toured the ranch and requested that you submit a list of everything the company owns, all debt, potential revenue streams and potential expenses. The list you provided is below:

- Boarding Services
- Riding Lessons
- Horse Show Cash Awards
- Hay
- Grain
- Tack (equipment/accessories used with horses)
- Horse Cleaning Supplies (shampoos, shine sprays, fly sprays)
- Grounds Keeper Salary
- Twenty Arabian Horses
- Ranch Hand Wages
- Pitchforks/Shovels
- Horse Exercise Equipment
- Horse Stables
- Feed Barn
- Land
- Mortgage
- Line of Credit
- Cash
- Investments

You want the accounting associate (participant) to:

- Classify the above accounts into: Assets, Liabilities, Equity, Revenue and Expenses
- Explain the classifications the accounting associate (participant) has chosen for each
- Discuss/Suggest any accounts the owner (judge) might have missed

The participant will present information to you in a role-play to take place in your office. You will begin the role-play by greeting the participant and asking to hear about his/her ideas.

During the course of the role-play, you are to ask the following questions of each participant:

1. How does ethics apply to accounting?
2. How often should we meet to discuss finances?

Once the accounting associate (participant) has presented information and has answered your questions, you will conclude the role-play by thanking the accounting associate (participant) for the work.

You are not to make any comments after the event is over except to thank the participant.

SOLUTION

1. Classify the accounts above into Assets, Liabilities, Equity, Revenue and Expenses
 - Boarding Services Income: Revenue
 - Riding Lesson Income: Revenue
 - Horse Show Cash Awards: Revenue
 - Hay: Expense
 - Grain: Expense
 - Tack: Expense, could also be considered an asset, depending on dollar amount and life
 - Horse Cleaning Supplies (shampoos, shine sprays, fly sprays): expense
 - Grounds Keeper Salary: Expense
 - Twenty Arabian Horses: Assets
 - Ranch Hand Wages: Expense
 - Pitchforks/Shovels: Expense
 - Horse Exercise Equipment: Assets
 - Horse Stables: Assets
 - Feed Barn: Assets
 - Land: Assets
 - Mortgage: Liability
 - Line of Credit: Liability
 - Cash: Asset
 - Investments: Asset
2. Meet with the owner to explain the account classifications you used for each account listed.
 - Assets: owned by the company, providing a future benefit
 - Liabilities: debt or obligation of the company
 - Equity: owner's financial interest in the company
 - Revenue: sale of goods or services
 - Expenses: cost of selling goods or services
3. Discuss any accounts the owner might have missed.
 - Capital: Equity Account
 - Retained Earnings: Profit retained in the company not paid out to the owner/owners, Equity
 - Accounts Payable: Taxes, Salaries, etc.: Liability
 - Accounts Receivable: Assets
 - Depreciation: Contra Asset
 - There are many other accounts that might be mentioned.

EVALUATION INSTRUCTIONS

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event.

Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event director and the other judges to ensure complete and common understanding for judging consistency.

Level of Evaluation	Interpretation Level
Exceeds Expectations	Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 th percentile of business personnel performing this performance indicator.
Below Expectations	Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 th percentile of business personnel performing this performance indicator.
Little/No Value	Participant demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps this person should seek other employment; would rank in the 0-49 th percentile of business personnel performing this performance indicator.



**ACCOUNTING APPLICATIONS SERIES
2021**

JUDGE'S EVALUATION FORM
DISTRICT EVENT #1 - VIRTUAL

Participant: _____

INSTRUCTIONAL AREA:
Financial Analysis

ID Number: _____

Did the participant:		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Explain the concept of accounting?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
2.	Prepare a chart of accounts?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
3.	Analyze transactions and accounts?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
4.	Document business processes?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
5.	Ask relevant questions?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
21st CENTURY SKILLS						
6.	Reason effectively and use systems thinking?	0-1	2-3	4	5-6	
7.	Make judgments and decisions, and solve problems?	0-1	2-3	4	5-6	
8.	Communicate clearly?	0-1	2-3	4	5-6	
9.	Show evidence of creativity?	0-1	2-3	4	5-6	
10.	Overall impression and responses to the judge's questions	0-1	2-3	4	5-6	
TOTAL SCORE						