

**ACC 465C: Financial Accounting Capstone**  
**Shidler College of Business**  
**University of Hawai‘i at Mānoa**

**Term: Spring 2025**

Professor: You-il (Chris) Park, Ph.D.

Times: Tuesday, 9:00 AM – 10:45 AM (Section 1)

Office: 808-956-7028

Tuesday, 11:00 AM – 12:45 PM (Section 2)

Email: [youil@hawaii.edu](mailto:youil@hawaii.edu)

**Class venue: BusAd D105**

Office location: BusAd C402b

Office Hours: Tue, 2:00 PM –3:00 PM or by appointment

### Course Overview

This course is designed to equip accounting majors with the skills necessary to utilize authoritative financial accounting resources in supporting accounting positions and making sound professional judgments. By the end of this course, students will be prepared to navigate complex accounting issues and demonstrate proficiency in applying financial accounting principles in real-world scenarios.

### Course Objectives

The primary objectives of this course are:

1. To develop a comprehensive understanding of financial accounting research and analysis.
2. To enhance the ability to access and utilize authoritative accounting information effectively and efficiently.
3. To foster critical thinking and problem-solving skills for addressing complex accounting issues.
4. To improve written and oral communication skills for clear and professional financial reporting.
5. To promote adaptability and continuous learning in a dynamic accounting environment.

### Key Areas of Focus

To achieve these objectives, the course will emphasize the following five key areas:

- **Proficiency in Financial Accounting Standards and Ethics:** Gaining expertise in authoritative financial accounting literature while upholding ethical standards in the practice of financial accounting.
- **Mastery of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC):** Developing the ability to identify, comprehend, and apply relevant sections of the ASC in addressing accounting challenges.
- **Analytical Problem-Solving:** Identifying financial accounting issues and using logical, evidence-based reasoning grounded in FASB Codification to propose solutions.
- **Effective Teamwork and Justification of Judgments:** Learning to substantiate accounting judgments clearly and cultivating strong collaboration and teamwork skills.
- **Critical Analysis of Current Events:** Applying critical thinking to evaluate the impact of current events on the accounting profession.

## Course Methodology

These objectives will be accomplished through a combination of:

- **Classroom Lectures:** Providing foundational knowledge and frameworks for financial accounting practices.
- **Study of Authoritative Literature:** Including the FASB Codification and other relevant materials.
- **Scholarly Research Papers:** Reviewing and analyzing academic research to broaden understanding.
- **Real-World Case Studies:** Applying principles to practical, real-world scenarios.
- **Group Discussions and Presentations:** Encouraging collaboration, communication, and teamwork.
- **Comprehensive Final Examination:** Assessing knowledge and application of the course material.

Please ensure that you bring the following items to each class: (1) a calculator, and (2) a laptop or tablet PC with internet access.

This course is specifically tailored for accounting-major students who have either completed ACC 418 with a minimum grade of C- or are currently enrolled in it. No exemptions will be granted. Additionally, ACC 465B must be taken concurrently with this course.<sup>1</sup>

## Course Materials

Laulima	As the course progresses, I will upload the syllabus, team assignment cases, and other pertinent materials to Laulima's "Resources" folder.
FASB Codification	On July 1, 2009, the FASB Accounting Standards Codification became the sole authoritative source for nongovernmental U.S. GAAP. Instructions for accessing the Codification will be provided.

## Course Schedule

Class	Date	Schedule
1	Tue, Jan 14	Introduction, lecture, and overview of the FASB Codification
2	Tue, Jan 21	Lecture and group project 1 discussion
3	Tue, Jan 28	Group presentation 1
4	Tue, Feb 4	Lecture and group project 2 discussion
5	Tue, Feb 11	Group presentation 2
6	Tue, Feb 18	Lecture and final project discussion
7	Tue, Feb 25	Final presentation
8	Tue, Mar 4	Final Exam

---

<sup>1</sup> Students who do not meet these prerequisites will be *administratively* dropped after the drop-or-add period and will not be eligible for a tuition refund.

## Class Format and Evaluation

The course will include independent study, interactive sessions (readings, lectures, group discussions, presentations), and a final exam covering academic research and practical case studies. The grading structure is outlined as follows. It is important to note that the grade obtained in this course will account for **50% of your final grade in ACC 465C**.

Class Participation	5%	<p>The assessment criteria encompass the following aspects:</p> <ul style="list-style-type: none"> <li>• Regular attendance and active participation in class discussions, which includes proactive engagement with in-class queries</li> <li>• Timeliness</li> <li>• Respect for fellow students, entailing refraining from using phones or engaging in online chats, as well as consuming food, except during designated break times.</li> </ul>
Team Assignments	20%	<p>There will be three group assignments throughout the semester, each culminating in a presentation. Your initial grade will be based on the quality of your team’s written report, but this will be adjusted based on peer evaluations within your team.</p> <p><b>Deadlines &amp; Submission</b></p> <ul style="list-style-type: none"> <li>• <b>Due Dates:</b> Assignments are <b>due by 11:59 PM</b> on the day <i>before</i> your presentation. Specific dates are: <ul style="list-style-type: none"> <li>○ <b>Group Project 1 (5%): Monday, Jan 27</b> (for Class 3)</li> <li>○ <b>Group Project 2 (5%): Monday, Feb 10</b> (for Class 5)</li> <li>○ <b>Final Project (10%): Monday, Feb 24</b> (for Class 7) <ul style="list-style-type: none"> <li>▪ <b>Company Selection (No Overlap):</b> please select your “Next Nvidia” company and email me your team’s choice by January 20 (Mon), 11: 59 PM</li> </ul> </li> </ul> </li> <li>• <b>Submission:</b> Submit a PDF to <a href="mailto:youil@hawaii.edu">youil@hawaii.edu</a> by 11:59 PM on the due date.</li> <li>• File naming <b>MUST</b> follow the following format: <ul style="list-style-type: none"> <li>○ ACC465C-Section[#]-Team[#]-TeamProject[#]</li> <li>○ Example: <b>ACC465C-Section2-Team2-TeamProject2</b></li> </ul> </li> </ul> <p><b>Report Structure</b></p> <ul style="list-style-type: none"> <li>• <b>Main Essay:</b> <ul style="list-style-type: none"> <li>○ <b>Group Project 1:</b> Maximum <b>5 pages</b></li> <li>○ <b>Group Project 2:</b> Maximum <b>7 pages</b></li> <li>○ <b>Final Project:</b> Maximum <b>10 pages</b></li> </ul> </li> <li>• <b>Formatting Requirements:</b> <ul style="list-style-type: none"> <li>○ Minimum 1.5-line spacing</li> <li>○ 1-inch margins</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Times New Roman, 11-point font</li> <li>● <b>References &amp; Appendices:</b> <i>(Separate from the main essay)</i> <ul style="list-style-type: none"> <li>○ <b>Group Project 1:</b> Maximum <b>5 additional pages</b></li> <li>○ <b>Group Project 2:</b> Maximum <b>7 additional pages</b></li> <li>○ <b>Final Project:</b> Maximum <b>10 additional pages</b></li> </ul> </li> <li>● All submissions must adhere to these formatting and length requirements to ensure consistency and clarity in reporting.</li> </ul> <p><b>Collaboration &amp; Individual Work</b></p> <ul style="list-style-type: none"> <li>● Collaboration is Key: All team members <b>MUST</b> contribute to every question in the assignment. No one person should work on a question alone. This helps you prepare for the final exam.</li> <li>● Individual Work <b>Penalty:</b> <u>If there's evidence of someone working independently on a question alone, your team will be penalized.</u></li> </ul> <p><b>Late Submissions &amp; Allowed Resources</b></p> <ul style="list-style-type: none"> <li>● No Late Submissions: Late assignments will receive a zero.</li> <li>● Allowed Resources: You can use lecture notes, textbooks, the FASB Codification, and any reference materials from class or online (including academic research papers).</li> </ul> <p><b>Clarity &amp; Conciseness</b></p> <ul style="list-style-type: none"> <li>● Clear Writing: Use clear and concise language in your report. Avoid jargon and overly complex sentences.</li> <li>● Proofread: Carefully proofread your work before submitting it. Typos and grammatical errors can detract from your grade.</li> </ul> <p><b>Remember:</b></p> <ul style="list-style-type: none"> <li>● Start Early: Group projects take time. Don't wait until the last minute to start working on your assignments.</li> <li>● Communicate: Open communication is essential for successful group work. Make sure everyone is on the same page and understands their responsibilities.</li> </ul>
Presentations	10%	<p>In addition to the group grade on the written report, <b>each team member</b> will receive an individual evaluation based on their presentation skills.</p> <ul style="list-style-type: none"> <li>○ <b>Group Project 1 (2.5%):</b> <u>During Class 3</u></li> <li>○ <b>Group Project 2 (2.5%):</b> <u>During Class 5</u></li> <li>○ <b>Final Project (5%):</b> <u>During Class 7</u></li> </ul> <p><b>Evaluation Criteria</b></p> <ul style="list-style-type: none"> <li>● <b>Professionalism:</b> This includes your overall demeanor, attire, and respect for the audience and the learning environment.</li> <li>● <b>Clarity &amp; Coherence:</b> You should be able to articulate your team's reasoning clearly and logically, without relying heavily on notes.</li> </ul>

		<ul style="list-style-type: none"> <li>• <b>Audience Engagement:</b> An excellent presentation captures and maintains the audience’s interest. This can be achieved through eye contact, enthusiasm, and the use of relevant examples or visuals.</li> </ul> <p><b>Attendance &amp; Absences</b></p> <ul style="list-style-type: none"> <li>• <b>Mandatory Attendance:</b> Attendance on your assigned presentation day is mandatory. Failure to attend will result in a zero for the assignment, unless you have received prior approval from the instructor for exceptional circumstances.</li> <li>• <b>Medical Certificates:</b> If you are absent due to illness, you must provide a medical certificate to validate your absence.</li> </ul> <p><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• <b>Practice:</b> The best way to improve your presentation skills is to practice. Rehearse your part of the presentation multiple times, both alone and with your team.</li> <li>• <b>Teamwork:</b> While you are being evaluated individually, remember that you are part of a team. Support your teammates and work together to deliver a successful presentation.</li> </ul>
Final Exam	15%	<p><b>For the final exam, all students are required to bring their laptops.</b></p> <ul style="list-style-type: none"> <li>• The final exam is cumulative. All materials covered in class are fair game. The final exam format is open-book and open-notes. A calculator is required for the final exam. However, any internet use, except for the FASB codification website, or any collaboration, will not be permitted during the final exam. No make-ups will be allowed, except in extreme situations with prior approval. All excuses for illness must be supported by a doctor’s note.</li> </ul>

**Teamwork and Peer Evaluation:**

- **Self-Selected Teams:** You'll form your own teams for group projects **during the first class session**. Your attendance on the first day is crucial for this process.
- **Consistent Teams:** Once formed, your team composition will remain the same for the entire duration of the course.
- **Peer Evaluation:** At the end of Class 7, you will **confidentially evaluate the contributions of each of your teammates**. This peer feedback will be a significant factor in determining your individual grade for team assignments.

**Peer evaluations within your team will directly impact your grade for team assignments.** For example, if your team earns perfect scores (100%) on all assignments, but your peers rate your contribution at 75% of their own, your grade for those assignments will be adjusted accordingly, resulting in a 75% of the team’s assignment scores. Final grades will be determined using the traditional A, B, C, D, and F grading scale, with plus and minus modifiers included.

**Incomplete Status:** Regarding an ‘incomplete’ status, you must formally submit: (1) a request (no guarantee of approval); (2) justification for the request; and (3) an anticipated completion date for the course. Failure to meet these requirements will preclude you from receiving an ‘incomplete’ status, and your grade will be determined accordingly.

**Attendance: Attendance at all sessions within your registered sections is expected, and punctuality with thorough preparation is essential.** Each class encompasses substantial content, and comprehending each concept is pivotal for mastering subsequent material. Students who fall behind early in the course often encounter difficulties in catching up and achieving satisfactory performance. [Nonetheless, I am committed to assisting students who miss class due to valid reasons to the best of my ability.](#)

The University recognizes that certain emergency events are beyond students’ control, such as illness, family emergency, bereavement, and specific religious observations that may result in a student’s absence from course activity. Additionally, this course also recognizes conflicts that arise for students with regard to University-sanctioned athletic events and other competitions. All such events must be supported by proper documentation from an authorized professional or agency. Failure to notify the instructor on time that a class will be missed will be grounds for refusing to provide the student with a make-up assignment.

Absences for reasons other than those explicitly excused will be categorized as unexcused and will lead to a reduction in the course grade. Additionally, any missed graded assignments or activities will receive a score of zero without recourse to instructor discretion.

**Students are expected to be attentive during other student presentations.** The instructor may ask non-presenting students for their comments and questions on other group presentations. Your participation in these activities will make up a significant portion of this element of your grade.

**Active and respectful participation is expected in this course.** To ensure a positive learning environment for everyone, certain behaviors will result in **a reduction of your participation points**. These include:

- **Missing class or arriving late** without prior approval.
- **Disrupting or disrespecting** other students' questions or comments.
- **Sleeping** during class.
- **Leaving early** without prior approval.
- **Engaging in non-class-related activities** during class time, such as using your phone for unrelated purposes or doing work for other courses.
- **Having ongoing conversations** with classmates or via social media that are not relevant to the course material.

**Alternative Meeting Place:** In case of a disturbance during class time (e.g., bomb threat), meet the instructor in the grassy area on the south (makai) side of George Hall. You will be given further

instructions at that point. On days of scheduled exams, you may be directed to a temporary classroom to take the exam.

## Course Policies

**Academic Honesty (UH Mānoa Student Conduct Code):** “The University expects students to maintain standards of personal integrity that are in harmony with the educational goals of this institution; to respect the rights, privileges, and property of others; and to observe national, state, and local laws and University regulations.”

**Make-up quizzes will not be accommodated unless arranged in advance or necessitated by a medical or family emergency.** Students requiring an alternative final exam schedule must obtain prior approval from the academic dean.

Shidler and SOA also have an Honor Code Policy. Please do not copy from another person’s homework, quiz, or exam. Please do not fail to cite sources of material that you have quoted or substantially paraphrased. Do not use unauthorized assistance. Do not hesitate to ask questions. Students are expected to behave with integrity in all academic endeavors. Cheating, plagiarism, and any other form of academic dishonesty are not tolerated. All incidents will be handled per the UH Student Code of Conduct. Please review the Student Conduct Code so you can make conscience and informed choices: [www.studentaffairs.manoa.hawaii.edu/policies/conduct\\_code/](http://www.studentaffairs.manoa.hawaii.edu/policies/conduct_code/)

**Academic Integrity Policy** (Acts of dishonesty—behaviors that conflict with the community standards that UH values and expects of students—include, but are not limited to, the following)

1. **Cheating, plagiarism, and other forms of academic dishonesty** (see below for more details), including:
  - **Use of unauthorized assistance** in quizzes, tests, or examinations.
  - **Use of sources beyond those authorized** by the instructor when writing papers, preparing reports, solving problems, or completing assignments.
  - **Acquisition of academic materials without permission**, including tests or other materials belonging to UH faculty, staff, or students.
  - **Engaging in behavior prohibited by the instructor** as outlined in the syllabus or class discussions.
  - **Providing unauthorized assistance**—directly or indirectly—to another student on any assignment, quiz, test, or exam.
  - **Copying, photographing, or recording test/exam questions or answers** in any manner.
  - **Using AI tools** (e.g., ChatGPT or similar platforms) to generate, complete, or substantively contribute to team projects or any other class assignments. Students may use AI tools only for language clarity or proofreading purposes; any use beyond this will be considered plagiarism.
2. **Furnishing false information** to any UH official, faculty member, or office.
3. **Forgery, alteration, or misuse** of any UH document, record, or form of identification.

The term “**cheating**” includes, but is not limited to:

- **Use of unauthorized assistance** in taking quizzes, tests, or examinations.
- **Use of sources beyond those authorized** by the instructor when writing papers, preparing reports, solving problems, or completing assignments.
- **Acquisition of academic materials without permission**, including tests or other materials belonging to UH faculty, staff, or students.
- **Engaging in behavior prohibited by the instructor** as outlined in the syllabus or class discussions.

The term “**plagiarism**” includes, but is not limited to:

- **Using another person’s published or unpublished work** without full and clear acknowledgment.
- **Submitting materials prepared by another person or agency**, including those engaged in selling academic work.
- **Using AI tools (e.g., ChatGPT or similar platforms) to generate, complete, or substantively contribute to team projects or any other class assignments.** Students may use AI tools only for language clarity or proofreading purposes; any use beyond this will be considered **plagiarism**.
- Additionally, the instructor explicitly prohibits and considers the following as **academic dishonesty**:
- **Providing unauthorized assistance**—directly or indirectly—to another student on any assignment, quiz, test, or exam.
- **Copying, photographing, or recording test/exam questions or answers** in any manner.

Violations of these policies will be subject to academic and disciplinary penalties in accordance with university guidelines. Please NOTE that UH disciplinary proceedings can be instituted against a student charged with conduct that potentially violates both the criminal law and this Student Conduct Code (that is, if both possible violations result from the same factual situation) without regard to the pendency of civil or criminal litigation in court or unlawful arrest and prosecution. If a student is caught committing an act of Academic Dishonesty, he or she will receive a grade of “F” for the course and be referred for disciplinary action as provided by the University Student Conduct Code.

**Withdrawal/Drop Policy:** Review Shidler College information for the last day to drop without a “W” and the last day to withdraw with a “W.” If a student stops attending class and does not drop the course, a grade of “F” will be assigned at the end of the semester. The student has the responsibility to withdraw from the course.

**Statement on Disability:** The University of Hawai‘i at Mānoa is committed to a policy of non-discrimination and provides equal access to its programs, services, and activities to students with disabilities. If you have a disability and related access needs, please contact the *KOKUA* Program (UH Disabled Student Services Office) at 808-956-7511, [kokua@hawaii.edu](mailto:kokua@hawaii.edu), or go to Room 013 in the Queen Lili‘uokalani Center for Student Services. I will work with you and *KOKUA* to meet your access needs based on disability documentation.



**TITLE IX:** The University of Hawaii is committed to providing a learning, working, and living environment that promotes personal integrity, civility, and mutual respect and is free of all forms of sex discrimination and gender-based violence, including sexual assault, sexual harassment, gender-based harassment, domestic violence, dating violence, and stalking. If you or someone you know is experiencing any of these, the University has staff and resources on your campus to support and assist you. Staff can also direct you to resources that are in the community.

- If you wish to remain *ANONYMOUS*, speak with someone *CONFIDENTIALLY*, or would like to receive information and support in a *CONFIDENTIAL* setting, contact the confidential resources available here:

<http://www.manoa.hawaii.edu/titleix/resources.html#confidential>

- If you wish to **REPORT** an incident of sex discrimination or gender-based violence, including sexual assault, sexual harassment, gender-based harassment, domestic violence, dating violence, or stalking, as well as to receive information and support, contact:

**Dee Uwono**

Director and Title IX Coordinator

2500 Campus Road, Hawai'i Hall 124

Honolulu, HI 96822

(808) 956-2299

[t9uhm@hawaii.edu](mailto:t9uhm@hawaii.edu)

- As a UH faculty member, I must immediately report any incident of sex discrimination or gender-based violence to the campus Title IX Coordinator. Although the Title IX Coordinator and I cannot guarantee confidentiality, you will still have options about handling your case. My goal is to ensure you know the range of options available to you and access the resources and support you need. For more information regarding sex discrimination and gender-based violence, the University's Title IX resources, and the University's Policy, Interim EP 1.204, go to <http://www.manoa.hawaii.edu/titleix/>

---

## FINAL PROJECT

### Discovering a “Next Nvidia” Public Firm

---

This project aims to enhance your skills in **financial statement analysis**, **interpretation of disclosures**, and **professional communication**, preparing you for real-world accounting challenges.

**Company Selection (No Overlap):** please select your “Next Nvidia” company and email me your team’s choice at [youil@hawaii.edu](mailto:youil@hawaii.edu)

- **Deadline:** January 20 (Mon), 11:59 PM
- **Task:** Identify a publicly traded company that your team believes has the potential to be the “Next Nvidia” firm—a high-growth, innovative company. You may draw inspiration from sources such as news articles, books, YouTube videos, or personal experience.

**Project Overview:** Choose a publicly traded company for a comprehensive financial analysis, focusing on a firm your team believes has the potential to become the “Next Nvidia,” based on various sources such as news, books, YouTube, or personal experience. For example, consider Elon Musk’s prediction in this [YouTube video](#).

- **Submission Deadline: February 24 (Mon), 11:59 PM (the report and the presentation slides)**
  - Submit a PDF to [youil@hawaii.edu](mailto:youil@hawaii.edu)
  - File naming **MUST** follow the following format:
    - ACC465C-Section[#]-Team[#]-FinalProject
    - Example: **ACC465C-Section2-Team2-FinalProject**

- **Presentation: Session 7, February 25 (Tues)**

- **Final Grade Determination:** Each team will present their analysis to the class during the in-person session. Your final grade for the project will be determined as follows: 5% (based on presentations – **individual grading**) and 10% (based on written report – **team grading**). Make sure all team members are **equally** present.
  - In addition to the group grade on the written report, **each team member** will receive an individual evaluation based on their presentation skills.
    - **Presentation Evaluation Criteria**
      - **Professionalism:** This includes your overall demeanor, attire, and respect for the audience and the learning environment.
      - **Clarity & Coherence:** You should be able to articulate your team's reasoning clearly and logically, without relying heavily on notes.
      - **Audience Engagement:** A good presentation captures and maintains the audience's interest. This can be achieved through eye contact, enthusiasm, and the use of relevant examples or visuals.

#### Project Guidelines:

1. **Company Selection:** Choose a publicly traded company.

2. **Documents to Obtain:** Acquire the most recent 10-K, 10-Q, and proxy statements using the EDGAR database or the company's website. Also, gather analyst reports, press releases, and information about competitors and the industry.
3. **Industry Averages:** Obtain industry averages for ratios and common-size financial statements.

**Purpose:** Financial statements and disclosures provide critical information to external investors, creditors, and regulators about a company's performance. Investors seek profitability comparisons to industry peers and management effectiveness, creditors assess the firm's ability to repay debt, and regulators ensure compliance with laws and protections for the public. This assignment will teach you how to gather, organize, and analyze financial statement information to understand a company's profitability, liquidity, solvency, and overall performance over time and relative to its industry peers.

### Grading Criteria for the Essay Component

1. Ratio and Financial Statement Analysis:
  - Prepare a set of financial ratios and common-size financial statements for the last three fiscal years of your selected company.
  - Include the tables in the Appendix (approximately 3 pages).
  - Provide an interpretation of these ratios and statements in the main essay.
2. Industry Comparison:
  - Obtain industry averages and integrate these into the tables created in step 1.
  - Include the industry averages in the Appendix.
  - Discuss and interpret the comparisons in the main essay.
3. Disclosure Analysis:
  - Write a maximum 2-page analysis of the firm's footnote disclosures and other relevant information from the 10-K and Proxy Statement.
  - The analysis must be original and not copied from any published material.
4. Overall Financial Analysis:
  - Prepare a maximum 5-page analysis evaluating the firm's profitability, turnover, liquidity, and solvency.
  - Compare the firm's performance over time and against industry averages.
  - Incorporate insights from analyst reports and other relevant business information.
  - Conclude with your personal assessment of the firm's potential as an investment, credit risk, or employer.
5. Submission Requirements:
  - The final report must include:
    - A main essay (maximum of 10 pages) with a minimum 1.5 spacing, 1-inch margins, and 11-point Times New Roman font.
    - An Appendix (up to 10 additional pages) containing tables, ratios, and supporting materials.
  - One group member should email the final report and presentation slides to youil@hawaii.edu by 11:59 PM on Monday, February 24, the day before the presentation.

### **Formatting Guidelines**

- Follow consistent formatting across all group assignments.
- Ensure clarity, professionalism, and adherence to academic standards.

### **Key Notes for Grading**

- Your analysis should be well-reasoned and thorough, reflecting a clear understanding of the financial data.
- Ensure all interpretations are supported by evidence from your research and calculations.

### **Additional Guidance & Advice**

Throughout the course, we'll discuss financial statement analysis concepts that directly relate to your project. Feel free to bring your firm's financial statements to class and actively work on the project as we cover each chapter. This approach will significantly enhance your learning, streamline the project workload, and positively impact your grade.

### **Useful Analyses To Consider**

- **Industry Analysis and Common-Size Financial Statements**
  - Utilize the UH Manoa Hamilton Library website to access industry averages and other valuable resources for benchmarking your company against its peers.
  - Create spreadsheets to calculate common-size financial statements and ratios for the past three years.
  - Include a column for industry averages in your spreadsheets for comparison.
  - Analyze trends and identify the major expense categories for your company.
  - Calculate pre-tax and after-tax profit margins.
  - Break down Return on Equity (ROE) into its three components: Return on Assets (ROA), Profit Margin, and Leverage.
  - Determine if your company's profitability is driven by margins or volume.
  - Assess its capital intensity and leverage levels.
- **Profitability and Operating Ratios**
  - Compute key profitability and operating ratios for the past three years.
  - Identify trends and compare your company's performance to industry benchmarks.
  - Determine the primary sources of revenue and understand the company's revenue recognition policies.
  - Calculate the R&D spending ratio.
  - Analyze any unusual/extraordinary items or discontinued operations on the income statement.
  - Determine the income tax expense percentage.
  - Examine the Tax footnote to identify permanent and temporary differences that create deferred taxes.
  - Assess if the company has any foreign currency translation adjustments.
- **Liquidity and Turnover Ratios**
  - Calculate liquidity and turnover ratios for the past three years.
  - Analyze trends and compare them to industry standards.

- Understand the nature of the company's accounts receivable and assess the adequacy of its allowance for doubtful accounts.
- Determine the collection period for accounts receivable.
- Examine the nature of inventory and the costing method used for valuation.
- Assess the company's capital intensity and fixed asset turnover ratio.
- Identify the depreciation methods used.
  
- **Solvency Ratios**
  - Compute solvency ratios for the past three years.
  - Identify trends and compare them to industry norms.
  - Review the debt footnote to determine interest rates, the presence of interest rate swaps, and upcoming long-term debt maturities.
  - Research the company's credit rating.
  
- **Stockholders' Equity**
  - Identify the classes of stock the company has and describe their key characteristics (par value, issued and outstanding shares, cumulative features, etc.).
  - Determine if the company issued stock or repurchased treasury stock during the year. If so, understand the accounting method used for treasury stock.
  - Assess if the company paid cash dividends or issued stock dividends/stock splits.
  - Calculate return on equity, payout ratio, and dividend yield for the past three years.
  - Compute the book value per share and compare it to the market value at the most recent year-end.
  - Analyze the company's stock compensation plans.
  
- **Investments and Intangible Assets**
  - Identify the reporting entity and the number of consolidated entities.
  - Determine if the company has investments accounted for using the equity method.
  - Review the investments footnote to understand the amounts classified as trading, available-for-sale, and held-to-maturity securities.
  - Assess if the company has intangible assets and how they are valued.
  
- **Leases and Other Long-Term Liabilities**
  - Determine if the company has capital or operating leases and their five-year maturity schedule.
  - Examine the types of retirement and post-retirement benefit plans offered and their funding status.
  - Identify any special purpose entities and whether they are consolidated.
  - Statement of Stockholders' Equity
  - Analyze the components of other comprehensive income.
  - Identify any new information not previously encountered in other financial statements.
  
- **Statement of Cash Flows**
  - Identify significant non-cash operating expenses and any income/revenue items that don't generate cash.
  - Analyze the primary investing and financing activities of the company.

- **Additional Analysis and Conclusion**
  - Review any remaining footnote disclosures and seek clarification on any unclear items.
  - Identify the company’s auditors and determine if there have been any auditor changes in the past three years.
  - Assess if the company received an unqualified opinion on internal controls and financial statements.
  - Review recent financial news about your company and check their website for any updates or analyst presentations.
  - Identify any significant events or surprises since the last year-end.
  - Conclude your analysis by answering these key questions:
    - Would you invest in this firm?
    - Would you like to work for this firm?
  - Is this firm truly a potential “Next Nvidia”?
  
- To support your analysis, please utilize the following resources:
  - **Analyst Reports, Industry Databases, & Financial News:** Leverage these resources to gain insights into your chosen company and its industry.
  - **UH Manoa Hamilton Library Electronic Databases:**
    - Access the library's electronic databases through the subject matter index under “Business.”
    - Specifically, explore Mergent Online for company and industry information, including analyst reports and financial ratios.
  - **Additional Online Resources:**
    - [Morningstar Analyst Reports](#)
    - [Moody's Ratings](#)
    - [S&P Global](#)
    - U.S. GAAP vs. IFRS:
      - [IAS Plus](#)
      - [IFRS Foundation](#)
    - [NYSE](#)
    - [NASDAQ](#)
    - [SEC Filings](#)