

# **A FINANCIAL STATEMENT ANALYSIS PROJECT FOR INTRODUCTORY FINANCIAL ACCOUNTING**

**Marilyn B. Misch**

*Business Administration Division  
Pepperdine University  
Malibu, California  
USA*

**Carolyn A. Galantine**

*Business Administration Division  
Pepperdine University  
Malibu, California  
USA*

## **ABSTRACT**

This paper describes a financial statement analysis project useful in both preparer-based and user-based introductory courses in financial accounting. The project requires students to analyze trends in corporate performance, to evaluate corporate financial decisions, to discuss non-financial statement issues that would be important to potential investors, to compare two companies within an industry, and to make investment recommendations. The project's requirements are completely detailed on a single page, and the project is applicable to companies in any industry. The project requires only limited introduction in the classroom, is easily adaptable to reflect instructor preferences, and may be used as either an individual or a group assignment. This paper includes the complete project requirement sheet, a grading rubric, a team evaluation form, examples of items that students might be expected to address in answering the questions posed, comments on the results of employing the project, and additional suggestions for implementation.

**Key words:** Financial statement analysis, financial decision making, introductory accounting project, accounting case

## INTRODUCTION

This paper presents a financial statement analysis project that has been used for more than a decade in a university's introductory financial accounting courses. The primary goal of the project is to develop students' technical, analytical, critical thinking and communication skills by requiring students to: analyze key aspects of a company's financial disclosures; evaluate a company's financial decisions; discuss non-financial items that affect a company's ability to be successful; compare one company to another in the same industry; and make and defend investment recommendations. In addition, when used as a group assignment, the project also develops students' understanding of group dynamics by requiring students to reflect on the group processes followed in completing the assignment.

The university in which the project has been employed is a small, private, liberal arts university, which has approximately 750 accounting, business, and international business majors, all of whom are required to take the introductory course in financial accounting. The course is most students' first or second course in business and generally is taken during students' freshman or sophomore years. Approximately 250 students are enrolled in the course each year, in sections of 25 to 30 students. The project is currently employed to strengthen the investor-orientation (user) dimension of courses that are primarily preparer-based, but the project does not require knowledge of journal entries and easily could be incorporated into user-based principles of accounting courses as well.

Along with emphasizing the importance of accounting disclosures in decision-making, the project meets the calls from both academics and practitioners in various business fields for undergraduate programs to develop students' communication skills and students' abilities to understand, analyze, and evaluate financial disclosures (Demong et al., 1979; American Accounting Association, 1986; Geary and Rooney, 1993; Collier and Wilson, 1994; Albrecht and Sack, 2000; Baker and Phillips, 2000). Many commercially-available financial statement analysis projects are in books exceeding 100 pages, and primarily require students to obtain descriptive facts about companies and industries (many of which will not apply to a particular company being analyzed) and to calculate ratios. Such projects are open to the common criticisms faced by accounting and finance programs of focusing too much attention on rule application and highly-structured problem solving, and failing to develop what Bloom's Taxonomy (1956) refers to as the higher-order skills of analysis, synthesis, and evaluation (Accounting Education Change Commission, 1990; Geary and Rooney, 1993; McWilliams and Pantalene, 1994; Albrecht and Sack, 2000). The project in this paper, on the other hand, is much more in keeping with the recommendations of authors such as Kimmel (1995), who call for using cases which do not have unique solutions and which require students to formulate recommendations on the basis of incomplete information. The project included here has only six requirements, which are completely detailed on a single page. Yet, while the requirements provide a systematic framework for completion, they also are open-ended, inducing students to create analyses tailored to the particular circumstances encountered by the specific companies and specific industries being analyzed at a particular point in time.

## **PROJECT OVERVIEW**

### **Project Requirements**

As may be seen in the assignment sheet included in Appendix 1, the project requires students to obtain annual reports for two companies in a given industry—one to serve as the “base company” and one to serve as the “comparison company.” Then, students are required to analyze key trends in the base company’s income statement and balance sheet accounts, to discuss the base company’s major sources and uses of funding, to discuss non-financial statement items that would be important to consider before investing in a company in the industry, to compare the base company to another company in the same industry, and to make an investment recommendation. Thus, the project develops students’ business knowledge by requiring the students to understand the drivers of success in a particular industry and to evaluate a particular company’s performance with regard to key issues. The project develops students’ technical knowledge by requiring that students accurately report the changes that have taken place in a particular company’s financial accounts, understand the underlying causes of the changes, and understand the relationships among financial statement accounts. The project develops students’ critical reasoning skills by requiring that students identify issues which would be particularly important to investors in the industry, assess company performance in regard to those areas, and make and defend investment recommendations. In addition, the project develops students’ communication skills by requiring students to prepare concise written reports and to make oral presentations detailing and defending their analyses and conclusions. Finally, when used as a group assignment, the project also develops students’ understanding of group dynamics by requiring students to reflect on the group processes followed in completing the assignment.

### **Classroom Implementation Approaches**

Currently, this project is being used by two professors in a preparer-based financial accounting course environment. Both professors introduce the project during the sixth week of a 16-week semester (shortly after the first examination), so that students are familiar with the basic financial accounting process at the time the project is introduced. As a first step, the professors organize students into groups of four to five people, balancing the groups based on both academic major and performance in the class to date (including performance on homework and the first exam), as well as to achieve diversity. The group format is used to encourage students to learn from each other, to motivate students to consider alternative viewpoints, to develop students’ understanding of group dynamics, and to limit the amount of time required of the project for both students and the faculty who must grade it.

Each professor uses a different approach in selecting the industry and companies for analysis. One professor takes industry suggestions from the class (with the restriction that there be sufficient companies so that no more than two groups will have to analyze the same pair of companies), writes the suggestions on the board, and asks students to vote for their top two choices. Then, a second vote is taken from among the top two original suggestions, with a majority vote determining the industry to be analyzed. Finally, groups have one week to send the professor an email proposing two companies to analyze, with first responders being given preference, so that no more than two groups analyze the same pair.

The other professor announces group assignments near the end of a class session, then allows groups ten minutes to discuss their industry preferences and to write their preferences on an index card. The professor then selects the industry from among those requested (based on suitability) and e-mails students a list of allowable companies. Groups then e-mail their choices to the instructor, with each group being assigned a unique company, and first responders being given preference. Once each group has been assigned a company, the groups are allowed to select a second company for comparison; thus, no more than two groups analyze the same pair of companies.

In the past, a third professor chose the industry for the class, allowed groups to choose a base company from a list (flipping a coin to determine which group would receive a company with multiple requests), and assigned a common company for comparison.

### **Introductory Discussion**

Once the groups are formed and the industry is decided, the professors hand out copies of the assignment sheet, grading rubric, team evaluation form, and suggestion sheet for obtaining annual reports (Appendices 1, 2, 3, and 4). Then, the professors show students an annual report from a company in a different industry, and spend approximately ten minutes discussing an item on the company's income statement that might be important for investors to consider, discussing one of the company's investing or financing activities, and discussing a non-financial item that would be important for a company in the industry. During this introduction, the professors emphasize the variety of comments that one might make. For example, a professor might comment that a 10% increase in sales could represent an improvement in some cases (such as when sales for the industry only increase 5%, or when related costs only increase 3%), a deterioration in other cases (such as when sales for the past several years have increased 15%), or stability in others (such as when sales have been increasing 10% for the past several years for both the company and the industry). A professor might comment that a company with large investments in property and equipment but few dividends might be seeking to expand, or that a company involved in a highly-competitive industry might be greatly affected by the popularity of its advertising campaigns. Next, the professors review the grading process, emphasizing the need for students to focus on items that would be important to investors. Finally, the professors discuss the various methods of obtaining annual reports. In total, the entire introductory process generally takes approximately twenty minutes of class time.

### **Grading Techniques**

Because the project asks open-ended questions, it is considered preferable to use a holistic grading rubric rather than to specify particular responses that must be included in the paper or presentation in order to obtain a particular grade. Indeed, a major advantage of the case is that there is no "optimal" answer to the questions being asked—appropriate responses will vary based on the companies and industries being analyzed. Appendix 2 includes a copy of the grading rubric currently being employed. As is noted in the Appendix, the rubric allocates 90 points to the written paper and 10 points to the oral presentation. The grade for the written paper is determined primarily by four factors: the level of understanding demonstrated; the relevance of the items discussed; the cohesiveness of the arguments presented; and the quality of the writing. The grade for the

presentation is determined by the importance of the items discussed, the professionalism of the team's presentation, and the responsiveness of team members to questions.

To support the written paper, the project requirements specify that students also submit the entire annual reports for both companies being analyzed, that the papers contain page references to the relevant portions of the financial statements, and that the relevant portions be highlighted. These requirements greatly facilitate the grading process, as they make it easy for faculty to verify the data included in the paper, if they so choose. Both of the faculty currently employing the project do verify all of the data included in the written paper, and have found that the grading process generally requires approximately 45 minutes per project. The verification process could be undertaken by a teaching assistant, which would significantly reduce the amount of faculty time required.

In addition to faculty evaluations of the papers and presentations, students are required to reflect on the processes that their teams followed and to evaluate the performance of the members of their teams. This evaluation is undertaken in order to give students insight into the group process as well as to reduce the "free-rider" problem which often occurs with group work. A copy of the team evaluation is included in Appendix 3. As may be seen from the evaluation form, students are required to detail the work performed by each member of the team and to rate the contribution of each member on a scale of 0 to 5. Students are told that the "default" rating should be a 3 (that the teammate contributed his or her share), and that all other scores require justification. Students are also advised that giving everyone a "5" is viewed identically to giving everyone a "3" and that individual project grades will be adjusted upward for teammates who make exceptional contributions or downward for teammates who fail to contribute appropriately. Teammates whose ratings average 1 point above that of the team have their scores raised by 5%. Teammates whose ratings are less than 1 point above the team average and at least 2.41 receive the grade on the paper that was determined by the grading rubric. In addition, all students whose ratings fall within the "fair share" or above range are given the "benefit of the doubt" if their final grade in the class is on the border between two grades. Teammates whose scores average between 1.5 and 2.4 have their project grade lowered by 10%. Teammates whose scores average between 0.5 and 1.49 have their project grade lowered by 20%. Finally, teammates whose scores average below 0.5 receive a zero on the project. Last year, approximately 6% of the students had their project grades raised, while 2% had their project scores lowered 10%, and one student had the project grade lowered 20%.

### **EXAMPLES OF APPROPRIATE RESPONSES BY REQUIREMENT**

While responses do vary with the industry, common analyses included in the income statement section include discussion of:

- The level and percentage changes of total revenues, the components of revenues, cost of sales, major expenses, operating income, net income, or earnings per share over the period being analyzed;
- The trend in the relationship between revenues and cost of sales, revenues and operating income, or revenues and net income over the period being analyzed;
- The causes of changes in the components of income statement accounts;
- The effect of "one-time" gains or losses on net income and on the calculation of trends in earnings; and

- The effect of major acquisitions or divestitures on revenues, expenses, or net income.

Common analyses included in the balance sheet section include discussion of:

- The level and percentage changes in cash, inventory, working capital, fixed assets, and debt;
- The trend in the current, acid test, debt-to-assets, and debt-to-equity ratios;
- The relationship between cash and investments, cash and current liabilities, and investments and debt;
- The relationship between changes in receivables or inventory and changes in revenues;
- The relationship between increases in fixed assets and a company's desire to expand operations; and
- The potential implications of having large cash balances, in terms of acquiring other companies or being an acquisition target.

Common responses included in the statement of cash flows section include discussion of:

- The appropriateness of increasing fixed assets in order to expand;
- The appropriateness of divestitures of businesses in underperforming areas;
- The appropriateness of investing in securities rather than in core productive assets;
- The risks and appropriateness of obtaining financing through debt or equity;
- The appropriateness of early retirements of debt;
- The reasons for acquiring treasury stock and the appropriateness of such acquisitions;
- The appropriateness of paying or increasing dividends, and the trade-off between paying dividends and reinvesting in the company; and
- The negative aspects of decreasing dividends.

Common responses included in the non-financial items section include discussion of:

- The importance of customer service and customer satisfaction;
- The relative standing of the company in customer satisfaction rankings and in market share;
- The importance of marketing campaigns to maintaining and increasing market share;
- The importance of proper geographic selection and political stability;
- The impact of government regulations;
- The impact of changes in general economic conditions;
- The quality and stability of senior management; and
- The company's emphasis on social responsibility and ethical business practices.

Common responses in the comparison and recommendation section include discussion of:

- The relative sizes of the two companies being analyzed and the impact of size differences on company stability and flexibility;
- The two companies' trends in revenues, costs, operating income, net income, earnings per share, and dividends;
- The relative ability of the two companies to meet their obligations as evidenced by working capital, acid test ratios, current ratios, and debt-to-asset ratios;
- The two companies' strategies in terms of levels and areas of expansion;

- The relative performance of the two companies' equity shares on the stock market;
- The relative rankings of the companies on customer satisfaction surveys and in market share;
- The relative quality and stability of company management; and
- The importance of determining whether an investor is looking for short-term returns or long-term growth.

## RESULTS

At the beginning of the most recent semester completed, the professors in each of the introductory financial accounting classes gave students a survey to determine how many of them had seen an annual report prior to enrolling in financial accounting. Based on that survey, fewer than 20% of the students had ever looked at an annual report prior to entering the class, and only 25% could give even one detailed answer when asked about financial items that would be important to investors. Despite the students' initial lack of familiarity with financial disclosures, 90% of the teams, in their final reports, demonstrated moderate or better understanding of key financial disclosures, the relationships among accounts, and the drivers of success for the industries being reviewed. In addition, during the oral presentations at the end of the term, students addressed the vast majority of the items presented above in the "examples of appropriate responses" discussion. Also, because students understand from the beginning that team members will be required to give detailed descriptions of each team member's contribution and to rate the contributions numerically (and that the ratings have a potential impact on grades), free riding appears to be less of an issue than might otherwise be expected in a group project.

With regard to student perceptions of the project, over 90% of the students commented favorably on the project in the team evaluation forms in the most recent semester, and in the university-mandated anonymous teacher evaluations given at the end of class each term, approximately one-third of the class typically identifies the project as being "the best aspect of the class." In addition, at the end of the most recent term, an anonymous survey was administered to directly seek student perceptions of the project. The results of the survey are summarized below in Table 1.

As Table 1 indicates, the large majority of students "agreed" or "strongly agreed" that the project increased their understanding of both financial accounting (#14) and the importance of understanding both financial and nonfinancial measures when evaluating corporate performance (#1). A similar majority "agreed" or "strongly agreed" that the project required them to analyze trends in corporate performance (#2), increased their understanding of financial statement disclosures (#3), increased their abilities to evaluate corporate financial decisions (#4) and increased their abilities to make investment decisions (#7). While many students "agreed" that the project improved their technical skills (#8), 41% of students rated the project as "neutral" in this area. This result is somewhat surprising given the strong ratings regarding the project's influence on students' understanding of financial accounting and financial statement disclosures, and may reflect a lack of clarity inherent in the general term "technical skills." A substantial majority of the students "agreed" or "strongly agreed" that the project improved their ability to discuss non-financial statement items important to investors (#5), improved their ability to compare companies within an industry (#6), increased their analytical and critical thinking skills (#9 and #10), and increased their understanding

TABLE 1

FINANCIAL STATEMENT ANALYSIS PROJECT SURVEY RESULTS  
(by # of students responding)

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Completing the project:					
1. Assisted me in understanding the importance of both financial and nonfinancial measures in the analysis of corporate performance	0	1	12	67	28
2. Required me to analyze trends in corporate performance	0	2	6	59	41
3. Increased my understanding of financial statement disclosures	0	2	10	65	31
4. Improved my ability to evaluate corporate financial decisions	0	4	12	58	34
5. Improved my ability to discuss non-financial statement issues that would be important to potential investors	1	4	20	63	20
6. Improved my ability to compare two companies within an industry	0	3	20	51	34
7. Improved my ability to make investment decisions	0	4	11	64	29
8. Improved my technical skills	2	15	44	41	6
9. Improved my analytical skills	1	5	20	58	24
10. Improved my critical thinking skills	2	6	22	56	22
11. Improved my written communication skills	2	10	44	36	16
12. Improved my oral communication skills	4	12	53	33	6
13. Increased my understanding of team interactions	1	6	23	52	26
14. Increased my understanding of financial accounting	0	2	8	60	38

of team interactions (#13), with most of the others rating the project as “neutral” in these categories. The students were more neutral with regard to the project’s influence on their communication skills (#11 and #12), which may reflect the team-based nature of the project, as the students with the strongest communication skills may have taken responsibility for preparing the final drafts of the papers and/or preparing the presentations. Overall, both the survey results and the comments in the team and instructor evaluations indicate that the students view the project as a success.

### **CONCLUSION**

This paper has presented a group-based financial statement analysis project that was incorporated into a preparer-based introductory financial accounting course, but the project easily could be adapted to other settings, or to address additional issues. Because the project does not require knowledge of journal entries, it could be incorporated into user-based accounting courses and/or courses in accounting or finance targeted toward non-business majors. If a written project is not desired, the questions posed by the project could be used to stimulate class discussions of financial topics. If individual assignments are preferred, the project is sufficiently compact as to make individual completion feasible. If an international dimension is desired, the project could be modified to require comparison of companies from different countries.

For many years, business leaders have been emphasizing the need for universities to enhance students’ technical, communication, and critical thinking skills, to ensure that graduates can effectively handle unstructured problems, to improve students’ abilities to make and defend recommendations, and to improve students’ understanding of the broader business environment and the drivers of corporate success. Projects such as the one described in this paper help students to develop these desired abilities, and give students a richer understanding of the importance of accounting information and the usefulness of accounting disclosures in the decision-making process.

### **APPENDIX 1 FINANCIAL ACCOUNTING TEAM PROJECT**

#### **REQUIRED: WRITTEN PROJECT**

1. Obtain the most recent annual report for two companies in the \_\_\_\_\_ industry. The reports should contain at least three years of income statement data and two years of balance sheet data.
2. Analyze at least 3 (three) items on the income statement for your base company that would be important to an investor, and discuss whether your company’s performance related to these items appeared to be improving, deteriorating, or remaining stable. Justify your answer.
3. Analyze at least 3 (three) items on the balance sheet for your base company that would be important to an investor, and discuss whether your company’s performance related to these items appeared to be improving, deteriorating, or remaining stable. Justify your answer.

4. Analyze your base company's investing and financing activities for the most recent year as identified in the statement of cash flows, specifically identifying the two largest investing activities and the two largest financing activities. Discuss whether you agree or disagree with the investing and financing strategies that your company appears to be employing.
5. Identify 2 (two) items not included in (or derived from) the financial statements that you think would be important to someone considering whether to invest in your company. Discuss your reasons for believing that these two items about the company would be important in making an investment decision. (Hint: you might want to consider items discussed in other business classes.)
6. Compare your base company's financial statements with those of the second company in the \_\_\_\_\_ industry. If you were making a decision to invest in one of the two companies, which company would you choose? Why? (Note: your answer in this section must include some financial issues, but your answer need not be limited to a discussion of financial issues.)

**Note:**

1. You must submit the entire annual report for each company being discussed.
2. Your analysis must include page references to relevant portions of the annual reports, and the relevant portions of the annual reports must be highlighted. Your report must also contain appropriate quotation marks for quoted material and appropriate citations for material taken from sources outside the financial statements.
3. Your analysis is limited to 6 (six) pages, and must be typed, double-spaced, and have at least a 10-point font.
4. The assignment is due on the date specified in the syllabus.

**REQUIRED: TEAM PRESENTATION**

Prepare a 15 minute presentation for the class summarizing the results of your team's project. Each member of the team **MUST** participate in the presentation, and after the presentation you will be expected to entertain questions for 5-10 minutes from both the class and the professor.

## **APPENDIX 2 GRADING RUBRIC**

The written projects are worth 90 points and will be graded in two phases:

- First, the projects will be reviewed for compliance with the basic requirements and for composition. Any projects submitted without the entire annual reports for both companies being discussed, without appropriate page references to the relevant portions of the annual reports, without appropriate highlighting of the relevant portions of the annual reports, without appropriate citations for material taken from sources outside the annual reports, and/or with excessive composition errors will have to be resubmitted. Any papers requiring resubmission for the above reasons will be docked a minimum of 27.5 points out of 90.
  
- Second, the papers will be reviewed for content and will be graded using the following rubric
  - 81-90 points: The paper is well written, free of grammatical and other writing errors, and well organized. The report addresses each of the issues specified in the requirements, uses appropriate examples to illustrate concepts discussed, and integrates the annual report data with the narrative. The report focuses on important items, demonstrates a thorough understanding of the relationships among financial statement data, and is cohesive.
  - 72-80.5 points: The paper generally is well written but may have minor grammatical or other writing errors or lack smooth transitions. The report addresses the issues specified in the requirements, demonstrates understanding, and focuses mainly on important items, but does not fully synthesize the material being discussed, and/or does not integrate the annual report data with the narrative.
  - 67.5-71.5 points: The paper does not have excessive grammatical or other writing errors. The report addresses the issues specified in the requirements, but demonstrates only moderate understanding, and/or lacks integration.
  - 63-66.5 points. The paper does not have excessive grammatical or other writing errors. The report addresses the issues specified in the requirements, but demonstrates only minimal understanding of one or more of the issues.
  - 54-62.5 points. The paper is acceptable after initially requiring resubmission due to failure to comply with the basic requirements, excessive composition errors, or failure to demonstrate understanding of two or more of the issues required to be discussed.
  - 0 points. The paper fails to meet the basic requirements, has excessive composition errors, and/or fails to demonstrate understanding of two or more of the issues required to be discussed after a first resubmission.

The oral presentations are worth 10 points, with 5 points allocated to the importance and relevance of the matters discussed; 3 points allocated to the professionalism of the presentation; and 2 points allocated to the team's responsiveness to questions. Every member of the team is required to participate in the presentation.

**APPENDIX 3  
TEAM EVALUATION FORM**

Please submit a 2 page review of the process that your team followed in completing the project for this class. Your review should include a description of: 1) the way that the team was organized (was there a “team leader,” were there regular team meetings?); 2) the contribution that each member of the team (including yourself) made to the project (did everyone contribute equally, did someone make an exceptional contribution, did someone fail to contribute, etc?); 3) any conflicts that arose with your team and how the conflicts were resolved (if they were resolved); 4) how effective you believe that your team was in completing the project and 5) anything that you believe would have added to your team’s effectiveness. In addition, please include any suggestions that you have for improving the project in future classes. Finally, evaluate each member of your team, including yourself, using the following scale:

- 5: The teammate did much more than his/her share.
- 4: The teammate did somewhat more than his/her share.
- 3: The teammate did approximately his/her share.
- 2: The teammate did somewhat less than his/her share.
- 1: The teammate did much less than his/her share.
- 0: The teammate did not contribute to the project at all.

Note: The “default” rating should be a “3.” Giving every member of the team a “5” will be viewed identically to giving every member of the team a “3.” Teammates whose ratings average 1 point above that of the team will have their scores raised by 5%. Teammates whose ratings are less than 1 point above the team average and at least 2.41 will receive the grade on the paper that is determined by the grading rubric. Teammates whose scores average between 1.5 and 2.4 will have their project grade lowered by 10%. Teammates whose scores average between 0.5 and 1.49 will have their project grade lowered by 20%. Teammates whose scores average below 0.5 will receive a zero on the project.

<i>Individual Team Member</i>	No Contribution		Fair Share			Much more than his/her Share
	0	1	2	3	4	5
	0	1	2	3	4	5
	0	1	2	3	4	5
	0	1	2	3	4	5
	0	1	2	3	4	5

## APPENDIX 4 FINDING ANNUAL REPORTS

You are required to turn in a copy of both companies' annual reports with your group project. The best way to obtain annual reports is to request them directly from the company. You may find a company's contact information on its website (usually in an SEC Filings or Investor Relations/Information tab). You should request two copies, and exchange the second with the group using your company for comparison. Annual reports are also available on the SEC website, <http://sec.gov/>, and through the university library website using either the S&P Market Insight or Lexis-Nexis databases.

*Company Website Example:* finding an annual report for Kroger:

- Type **Kroger.com** into the web browser address bar
- Click the link **SEC Filings** towards the bottom of the screen
- Click on one of the links to open a PDF document or
- Click the **Contact US** link for contact information

*SEC Website Example:* finding a 10-K report for Kroger:

- Click the link **Search for Company Filings** under **Filings & Forms (EDGAR)**
- Click the link for **Full Text Search** on the left-hand side of the screen
- Click the link for **Advanced Search** on the right-hand side of the screen
- Go to the **In Form Type** pull-down menu and click on **10-K**
- Type the company name in the appropriate box
- Click on Search

*S&P Market Insight Example:* finding a 10-K report for Kroger:

- Click the link for **Company** at the top of the screen
- Type the ticker symbol in the box and click **Go**
- Click the link for **EDGAR** on the left-hand side of the screen
- Click the icon of the document to change the format (Word, HTML, etc)
- Click the link for the 10-K report under **Annual Filings**
- Click the link for **Archives** to access older 10-K reports (back to 1994)

*Lexis Example:* finding a 10-K report for Kroger:

- Click **Business** at the top of the screen
- Go to the Left-hand side of the screen and click the link for **SEC Filings**
- Type either the ticker symbol or the company name into the appropriate box
- Go to the **Sources** pull-down menu and click on **SEC Form 10-K**
- Select the date you want (the default is all dates)
- Click on **Search**

(In LexisNexis, a single 10-K is often split into several records, so be careful)

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