Training—Accounting Tools and Practices. Introduction This portfolio work project will help you to not only better understand commonly used accounting tools, but it will also give you the opportunity to use your skills and experience by preparing training materials to train someone else. Scenario You work for an organization that is seeking growth and recently has hired new district managers to assist in this growth. In talking to other regional managers, you have heard that some district managers do not have a thorough understanding of commonly used accounting tools including an income statement and balance sheet. You have a new district manager hire, John, and see the need to do some training with him so he has a solid understanding of income statements, balance sheets, and the elements that go into them including advertising costs, Web development costs, and store opening costs. In preparing to train your new hire, you have determined that the use of examples (a picture is worth a thousand words) can be a great approach to use. So, you have decided to gather some examples from the company’s summary of significant accounting policies from its latest financial statements. Your Role You are a regional manager for Urban Outfitters or your selected organization and oversee a number of districts. You have recently brought a new district manager on board and want to ensure he has the knowledge and tools needed to effectively do his job. Requirements The organization you work for is Urban Outfitters. Use the U.S. Securities and Exchange Commission site linked in Resources to find the Urban Outfitter’s 2016–2017 financial statement’s summary of significant accounting policies. Look at the data for 2015, 2016, and 2017 for the following examples of essential elements you need to cover with John and ensure his understanding. • Advertising. Examine the criteria used to expense and capitalize advertising costs and where these costs appear in the financial statement. • Store opening costs. Examine how store opening and organization costs were handled and where these costs appear in the financial statement. • Website development costs. Examine the approaches taken during the application and infrastructure development stage and the planning and operating stage. Training Materials As you prepare your training materials for John, use the examples you collected from the company’s Notes to financial documents to illustrate how you address the following items: • Explain how one or more of the following costs are captured: o Advertising. o Store opening. If store opening costs were capitalized, over what time period would you amortize them? Explain why you selected this time period. o Website development. • Analyze the importance of Notes to financial statements in interpreting financial statements. • Explain how the accounting method the company uses affects the financial statements. • Explain how the financial statements would differ if another method were used to capture the costs. • If you have a preference for capitalizing or expensing these costs, explain why it is your preference. Deliverable Format Leadership has asked that you develop either a training deck or a training manual that you will use with John and that can be deployed with other new hires as well. Regardless of the format selected, the information should address the points identified above and with detailed explanations within the notes areas of slides or within the training manual text. It will also be helpful to include information in regard to why each item is important to the organization as well as the success of the new district manager. To use your time and John’s time wisely, be conscientious about providing thorough yet concise information. These materials are expected to be used by others for future training needs, so make sure they are well organized and clear. Training materials requirements: • 12 slides for a training deck. Include additional details as slide notes. • 3 pages for a training manual. Related company standards for either format: • including single-spaced paragraphs. • In addition to the training deck or manual materials, include: o Title (slide or page). o References (slide or page). o Appendix with supporting materials. If you are using a firm or scenario of your choosing, ensure your instructor has sufficient information to understand how you reached your recommendation. o At least two APA-formatted references.