

Financial Accounting

Assignment Guidelines:

This task examines the accounting treatment of corporate asset components based on established valuation standards, enabling students to record and manage financial transactions resulting from external economic operations. Students are expected to apply financial accounting concepts, spreadsheets, and software tools to evaluate real-world accounting scenarios, asset valuations, and financial statement interactions within tourism and hospitality corporate environments.

Submission Format:

- Type: Practical Analytical Financial Report
- Font/Spacing: Times New Roman, Size 12, Double Spaced
- Word Count: 1500 – 2500 words (excluding financial statements, ledger entries, and spreadsheet computational appendices)
- Submission Deadline: To be announced by the respective professors

Assessment Criteria:

- Understanding and application of accounting concepts and General Accounting Plan valuation standards – 20%
- Accuracy of financial transaction recording, ledger entries, and software/spreadsheet implementation – 25%
- Critical interpretation of asset components, balance sheet impacts, and financial health – 20% Strategic financial insights, operational recommendations, and governance considerations – 25%
- Structure, technical reporting clarity, presentation, and APA referencing – 10%

Mandatory Sections:

- Title Page
- Table of Contents
- Executive Summary
- Introduction
- Accounting Context & Valuation Methodology
- Asset Transaction & Ledger Analysis
- Financial Statement & Balance Sheet Impact
- Discussion & Business Implications
- Conclusion & Strategic Recommendations
- References
- Appendices (Spreadsheets, Ledgers & Computational Outputs)

Assignment Task – Choose ONE of the following practical research projects:

Option 1: Accounting Treatment and Valuation of Tangible Fixed Assets in Hospitality Operations

Investigate the accounting lifecycle, valuation, and depreciation of non-current asset components (property, plant, and equipment) within hotel or resort enterprises. Your paper should:

- Identify and explain the initial recognition, capitalisation criteria, and valuation principles of tangible fixed assets as per the General Accounting Plan.
- Use a spreadsheet-based model to compare linear, accelerated, and usage-based depreciation methods for hospitality property and equipment and to calculate their effects on profit and loss accounts.
- Discuss real-life corporate examples of asset impairment, revaluation and disposal in large hotel chains or travel companies.
- Recommend an asset management and accounting control framework that would help to achieve accurate financial reporting and tax compliance for asset-heavy tourism operations.

Option 2: Receivables, Inventories, and Revenue Accounting in Tour Operations and Travel Agencies

Evaluate the recording and management of short-term asset transactions, trade receivables, and inventory valuations across travel service providers. Your paper should:

- Evaluate the mechanics of double-entry transaction recording for external commercial operations, customer advances, credit sales, and bad debt provisions.
- Compare inventory valuation methods (FIFO, Weighted Average Cost) as they apply to hospitality consumables or travel package inventories, and their impact on liquidity and working capital.
- Discuss financial reporting issues in real-life travel agencies or tour operators (revenue recognition timelines, credit risk exposures).
- Recommend a feasible software-driven accounts receivable and inventory accounting process that reduces default risk and improves working capital.

Option 3: Financial Statement Analysis and Asset Structure Evaluation in Airline and Cruise Enterprises

Evaluate the financial structure, asset turnover, and balance sheet integration of large-scale transport and leisure corporations. Your paper should:

- Review the main elements of the asset structure within transport and leisure businesses, concerning long-term equipment leasing as opposed to ownership, working capital, and deferred revenue.
- Perform financial ratio analysis such as Return on Assets, Current Ratio, and Asset Turnover on the Balance Sheet and Income Statement in spreadsheet-based accounting models.
- Review the latest financial statements from leading travel or transportation providers (e.g. international airlines or cruise operators) to benchmark how asset management impacts overall enterprise value and solvency.
- Deliver a consolidated financial reporting and capital management plan for medium-sized tourism service organisations.