

**ACC 202 Milestone Three Guidelines and Rubric**

**Overview:** In the third milestone, you will jump forward in time: Imagine that your business has already opened. Use the updated scenario information to analyze your company’s performance.

**Post-opening Scenario:** Your angel investors are silent in relation to the business; however, they require board meetings for status updates on the company’s financial health. Therefore, you need to analyze your company’s performance over the last month using the data provided below.

Note: Your instructor will create an announcement sharing the income statement data by the end of Module Four. All of the data you need for the cost-of-services statement can be found in the “COS Schedule” tab of your workbook.

For your variance analysis, use the following financial data:

Direct Materials/Labor	Original Projection	Actual
Shampoo	1000 ounces (\$2/groom)	1200 ounces (\$3/groom)
Grooming Labor	1.5 hrs/groom @ \$12	2.25 hrs/groom @ \$11.50

**Prompt:** Complete your work by assessing your company’s financial performance, specifically addressing the following **critical elements**:

- Financial Statements
  - Create a **statement of cost of services** in the “COS Schedule” tab.
  - Create an **income statement** in the “Income Statement” tab.
  
- Variance Analysis
  - **Identify all variances** for the direct labor time and the materials price in the “Variances” tab.
  - Evaluate the **significance of the variances** in the “Variances” tab.
  
- Incorporate all feedback from previous milestones to finalize your workbook

**Rubric**

**Guidelines for Submission:** You must submit a complete workbook, following the formats in the provided templates within each sheet.

<b>Critical Elements</b>	<b>Proficient (100%)</b>	<b>Not Evident (0%)</b>	<b>Value</b>
<b>Statement of Cost of Services</b>	Creates the statement of cost of services using the provided benchmarks	Does not create the statement of cost of services	25
<b>Income Statement</b>	Creates the income statement using the provided benchmarks	Does not create the income statement	25
<b>Identify All Variances</b>	Identifies all variances for the direct labor time and the materials price	Does not identify variances for the direct labor time and the materials price	25
<b>Significance of the Variances</b>	Indicates the significance of the variances	Does not evaluate the significance of the variances	25
<b>Total</b>			<b>100%</b>