

Brightfield Project Examples: Accounting

1. Financial Statement Analysis: Detecting Earnings Manipulation

Introduction:

Students will analyse company financial statements to identify potential signs of aggressive accounting practices or earnings management.

Field of Accounting:

Financial Accounting / Earnings Quality / Forensic Accounting

Required Level of Knowledge:

Basic understanding of income statements, balance sheets, cash flow statements, and accounting principles. Fraud detection concepts will be introduced.

Real-World Example:

Enron's accounting scandal involved complex off-balance-sheet entities and revenue manipulation, leading to one of the most infamous corporate failures. How can you spot the warning signs before it's too late? Source: <https://corpgov.law.harvard.edu/2021/04/05/twenty-years-later-the-lasting-lessons-of-enron/>

What You Would Be Doing:

In this project, you will study red flag indicators in revenue, cash flow, and accruals; apply earnings quality ratios (e.g. accruals ratio, revenue growth vs cash flow mismatch); analyse potential manipulation in working capital, depreciation, and liabilities; and prepare a forensic-style report assessing the sustainability of reported earnings.

2. Revenue Recognition Challenges: The Uber Case Study

Introduction:

Students will examine how platform-based companies face complex revenue recognition decisions — particularly whether they act as principal or agent under IFRS 15.

Field of Accounting:

Financial Reporting / Revenue Recognition / Platform Business Models

Required Level of Knowledge:

Basic understanding of revenue recognition, agency relationships, and matching principle. IFRS 15 frameworks will be introduced.

Real-World Example:

Uber's core accounting question has been whether it should record gross ride payments or only its share (net of driver payouts), depending on whether it is acting as a principal or

agent. This directly affects reported revenue size and financial ratios. Is Uber selling the ride — or simply facilitating it? Source: <https://www.marketwatch.com/story/uber-set-on-net-revenue-but-experts-say-gross-would-better-inform-investors-2017-10-27>

What You Would Be Doing:

In this project, you will study IFRS 15's guidance on principal vs agent; review Uber's reported revenue disclosures; analyse how platform companies determine control and performance obligations; and draft a technical accounting report evaluating Uber's revenue reporting choices.

3. Accounting for Intangible Assets: Recognition & Valuation Difficulties

Introduction:

Students will explore the difficulties companies face in recognising, valuing, and reporting intangible assets like brand value, goodwill, R&D, and intellectual property.

Field of Accounting:

Financial Accounting / Asset Valuation / Intangibles Reporting

Required Level of Knowledge:

Basic understanding of assets, capitalisation, amortisation, and impairment. IFRS and US GAAP treatment of intangibles will be introduced.

Real-World Example:

The ongoing debate about how companies like Google and Meta report intangible asset values highlights the gap between market valuations and accounting treatment of internally generated IP and goodwill. How do you reflect intellectual value in financial statements?

Source: <https://www.ifrs.org/issued-standards/list-of-standards/ias-38-intangible-assets/>

What You Would Be Doing:

In this project, you will study the recognition and measurement rules for internally developed vs acquired intangibles; analyse real-world examples of goodwill impairment and R&D capitalisation; discuss how intangibles create divergence between book value and market value; and produce a report recommending improvements to intangible asset disclosures.

4. Accounting for Cryptocurrency & Digital Assets

Introduction:

Students will explore how companies and financial statements attempt to report cryptocurrency holdings, transactions, and valuation changes — an area where global accounting standards remain incomplete.

Field of Accounting:

Financial Reporting / Emerging Assets / IFRS & GAAP Uncertainty

Required Level of Knowledge:

Basic knowledge of financial instruments, intangible assets, and fair value concepts. Crypto accounting frameworks will be introduced.

Real-World Example:

Companies like Tesla and MicroStrategy hold billions in Bitcoin on their balance sheets, but IFRS and US GAAP still classify most crypto as intangible assets — triggering impairment losses but no fair value gains unless sold. Should cryptocurrencies be treated like cash, investments, or intangibles? Source: <https://ir.tesla.com/financial-information/sec-filings> and <https://dart.deloitte.com/USDART/home/publications/deloitte/heads-up/2023/fasb-issues-asu-crypto-assets>

What You Would Be Doing:

In this project, you will study current IFRS and US GAAP treatment of crypto holdings; analyse real-world financial statements of companies reporting crypto; evaluate how classification affects reported earnings, volatility, and investor perceptions; and write a technical memorandum recommending possible improvements to digital asset reporting.