Steal This: The Script Sprint

Eight one-line accounting scenarios in ten minutes, context first, with a "because" for each and four "what if" twists. Editorial material built on Custers (2015) and Mylopoulos et al. (2018). Issue 03 · Article 01.

> **Editorial material.** The Editorial Desk wrote this routine and every scenario in it. It draws on two medical-education papers, Custers' (2015) review of illness scripts and the "what if" tip in Mylopoulos et al. (2018). Neither paper tested this sprint, and nothing here was tested with accounting students. So please adapt it to your own syllabus.

Why a sprint?

Custers describes expert knowledge as scripts that begin with the context. He also suggests scripts develop best from seeing many varied cases, rather than from long discussion of one complex case. Mylopoulos and colleagues add that a "what if" change helps students see which features matter. This sheet turns both ideas into a ten-minute tutorial starter, which is our own translation. Scenarios 2 to 4 meet one script, accruals and deferrals, in three different forms, and the others each bring a different script, so students see both repetition and variety.

How to run it (10 minutes)

1. Show one scenario at a time, reading the context aloud before the clue.
2. Give students about 45 seconds to write the likely issue.
3. Ask one student for the "because", meaning the principle behind the answer.
4. After scenarios 2, 3, 7 and 8, read the "what if" twist and ask what changes.

Module: _____ **Date:** _____

The eight scenarios

#	Script it builds	Context	Clue	Likely issue
1	Cut-off	A retailer with a December year-end	Gross margin jumps in the last week of the year.	_____
2	Accruals and deferrals: an accrual	A consulting firm that pays staff on the 7th of the next month, with a June year-end	Salaries expense shows only 11 months.	_____
3	Accruals and deferrals: a prepayment	A company with a December year-end that paid a year's insurance on 1 October	The full premium is in insurance expense.	_____

4	Accruals and deferrals: income received in advance	A gym that sells annual memberships, paid upfront in January, with a June year-end	All the cash was recorded as revenue when received.	_____
5	Capital or expense	A manufacturer that bought a new machine	Its cost sits in repairs and maintenance.	_____
6	Expected credit losses	A wholesaler whose main customers work in a sector that has just had a downturn	The loss allowance on receivables hasn't changed since last year.	_____
7	Classifying a financial asset	A company that buys a five-year bond to collect the interest and principal	It remeasures the bond at fair value through profit or loss every year.	_____
8	Events after the reporting period	A company with a 31 December year-end whose statements aren't yet authorised	A dividend declared on 15 January is shown as a liability at year-end.	_____

Answer key with the "because"

1. Likely an inventory cut-off error. Because cost of sales must sit in the same period as the revenue it relates to.
2. June salaries haven't been accrued. Because expenses belong in the period in which the staff did the work.
3. Nine months of cover should be a prepayment. Because the unexpired cover is a future economic benefit, so it is an asset.
4. The unearned part of each membership should be a contract liability. Because the gym earns the revenue as it provides the service over time.
5. The machine should be capitalised and depreciated. Because it will bring economic benefits over several years.
6. Expected credit losses are probably understated. Because IFRS 9 impairment looks forward, not only at past defaults.
7. It probably belongs at amortised cost, provided the cash flows are solely principal and interest. Because IFRS 9 classification follows the business model and the cash flows.
8. There was no liability at year-end, so the dividend is disclosed instead. Because nothing obliged the company to pay on 31 December.

What if?

2. Staff are paid on the last day of each month. *(No accrual is needed.)*

3. The policy runs from 1 October to 30 September, and so does the financial year. *(The whole premium is an expense.)*

7. The company will also sell the bond whenever prices look attractive. *(The business model shifts towards fair value through other comprehensive income.)*

8. The dividend was declared on 20 December. *(It is now a liability at year-end.)*

Debrief (2 minutes)

Ask which clue gave each answer away, and which scenario felt hardest. Then write your own scenario 9 from next week's topic: _____