



Principles of Financial Accounting

ACCT-UB.0001 - Spring, 2013

Instructor

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COURSE DESCRIPTION

In the future ... you may be offered a job by a promising startup, you may consider investing some of your savings in a company's stock, you may decide to develop or purchase your own business; you may even ponder about the financial wisdom of lending money to a relative or even a daughter or son starting a business of their own! In any of these situations, and many others, understanding accounting will be a most valuable skill. Accounting is the tool businesses use to measure and communicate their condition and results. By understanding accounting, not only will you be able to evaluate the current condition of a business but you will also be able to assess its likely future prospects. This course focuses on: 1) Understanding the methods, rules and processes used to develop financial accounting reports; 2) Preparing financial accounting reports; and 3) interpreting financial accounting reports.

GOALS

By the end of the course, you should: (1) understand the core concepts of financial accounting including how accountants analyze and record the effects of individual transactions, and the concepts that are essential to understanding financial reports such as assets, liabilities, owners' equity, revenues, expenses and cash flows; (2) be able to interpret annual report information and analyze a company's performance using this information; and (3) be fluent in the language of business.

TEACHING PHILOSOPHY

I believe that you learn more by doing your own research and your own reasoning than you learn by hearing someone else's narrative (e.g. I get to my destination faster when I develop my own Google map rather than when I ask for directions; even though occasionally my Google map fails and I end up asking for directions anyway). Therefore, class time will be devoted to reinforcing and clarifying material that students have made a conscientious effort to learn on their own.

PREPARING FOR CLASS

We have considerable amount of material to cover in the course, in a relatively short period of time. Furthermore, the material covered is very much inter-related so that if you do not understand a particular subject, it will be difficult to understand the next subject. It is your responsibility to understand the class' syllabus and follow the class schedule. A current version of this schedule is provided below. This version will almost certainly be updated through the semester. Whenever an update occurs, this will be communicated by email (to your Stern email account only) and/or a Blackboard announcement. It is your responsibility to check your Stern email and Blackboard announcements frequently. To ensure you keep up with the class, you are required to read the material covered in each class, as listed in the class schedule, before coming to class. You are also required to complete pre-class assignments and homework assignments (see below) on time.

PRE-CLASS ASSIGNMENTS

Prior to each class topic, a pre-class assignment will be posted on blackboard. You should use these assignments to test your understanding of the material to be covered in the class. Completing these assignments should also help you identify any topics you do not understand well enough. As these are preparation assignments, they will be graded on effort rather than the correctness of your answers. What counts is showing that you have read the text and you are ready to apply the information in a coherent manner. The grading will simply be credit (1) or no credit (0). Only your ten highest grades from the 12 pre-class assignments will be counted.

HOMEWORK ASSIGNMENTS

After we have concluded each class topic, a homework assignment will be posted on Blackboard. These assignments will give you an opportunity to show me, and yourself, that you have understood and learned the material. Consequently, these assignments will be graded on correctness on a scale of 1 to 10. Only your ten highest grades from the 12 homework assignments will be counted.

LATE ASSIGNMENTS

To assist students in understanding the material in a timely manner, pre-class assignments will often be reviewed in class and solutions to homework assignments will be posted on blackboard promptly after their due date. Providing timely assignment solutions prevents the possibility of accepting late assignments. As late assignments will not be accepted, only your ten highest grades on both pre-class and homework assignments will be counted. This gives you the choice of not submitting up to two each pre-class and homework assignments.

EXAMS

There will be two midterm exams and a final exam. The midterm exams and the final exam will be closed book but you are allowed to bring into the exam one double sided 8 ½" x 11" page of your own notes (cheat sheet). Due to the cumulative nature of the course material, all exams will necessarily be cumulative unless indicated otherwise. You are allowed to bring a calculator. Laptops, cell phones and other hand-held devices with internet access are not permitted during the midterms or the final exam.

CLASS PROFESSIONALISM

You are expected to treat this class as you would treat a good job that you want to keep. You would not miss a work day without good cause and without calling in, the same applies to our class. In an important meeting you would not be disruptive but rather try to be attentive and collaborative, the same applies to our class. Among your class professionalism duties are: attend class; arrive on time and stay until the end of the class; contribute with questions and/or comments when appropriate; avoid disrupting the class by talking to others; refrain from connecting to the internet or texting, by turning off all electronic devices except for note taking devices.

GRADING

Your final course grade will be a weighted average, as follows:

- 10% Pre-class assignments
- 10% Homework assignments
- 10% Class professionalism
- 20% Midterm 1
- 20% Midterm 2
- 30% Final exam

At NYU Stern we seek to teach challenging courses that allow students to demonstrate their mastery of the subject matter. In general, students in undergraduate core courses can expect a grading distribution where:

- 25-35% of students can expect to receive A's for excellent work
- 50-70% of students can expect to receive B's for good or very good work
- 5-15% of students can expect to receive C's or less for adequate or below work

Note that while the School uses these ranges as a guide, the actual distribution for this course and your own grade will depend upon how well you actually perform in this course.

RE-GRADING

In line with the Grading Guidelines for the NYU Stern Undergraduate College, the process of assigning grades is intended to be one of unbiased evaluation. I encourage you to respect the integrity and authority of the grading system and discourage you from pursuing arbitrary challenges to it. If you feel that an inadvertent error has been made in grading your test paper or in assessing an overall course grade, you may submit a request to have the grade reevaluated. Please submit such requests in writing to me within seven days of receiving the grade, including a brief statement of why you believe that an error in the grading has been made.

ACADEMIC HONESTY AND DISABILITY ACCESS:

Plagiarism is the act of representing somebody else's work as one's own. This is a type of fraud or deception similar to the way some company executives have misrepresented the health and soundness of their firms. The Stern School does not tolerate this sort of behavior. You are expected to adhere to the Stern Code of Conduct <http://www.stern.nyu.edu/uc/codeofconduct>. A student's responsibilities include, but are not limited to, the following: 1) A duty to acknowledge the work and efforts of others when submitting work as one's own. Ideas, data, direct quotations, paraphrasing, creative expression, or any other incorporation of the work of others must be clearly referenced. 2) A duty to exercise the utmost integrity when preparing for and completing examinations, including an obligation to report any observed violations.

If you are a student with a disability and you feel you need accommodations, you must register with the Moses Center for Students with Disabilities. They are located at 726 Broadway, 2nd floor, and can be reached at 212-998-4980 or mosescsd@nyu.edu.

TEXTBOOK

The required textbook for the class is Financial Accounting 7th Ed. by Libby, Libby and Short (LLS), Custom Edition for New York University, published by McGraw-Hill.

CLASS SCHEDULE

Day	Date	In-Class Activity	Due Before Class
Tue	29-Jan	Introduction	
Thu	31-Jan	Discuss LLS Ch. 1	Read LLS Ch. 1, complete pre-class assignment 1
Tue	5-Feb	Discuss LLS Ch. 1	
Thu	7-Feb	Discuss LLS Ch. 2	Read LLS Ch. 2, complete pre-class assignment 2
Tue	12-Feb	Discuss LLS Ch. 2	Complete homework assignment 1
Thu	14-Feb	Discuss LLS Ch. 3	Read LLS Ch. 3, complete pre-class assignment 3
Tue	19-Feb	Discuss LLS Ch. 3	Complete homework assignment 2
Thu	21-Feb	Discuss LLS Ch. 4	Read LLS Ch. 4, complete pre-class assignment 4
Tue	26-Feb	Discuss LLS Ch. 4	Complete homework assignment 3
Thu	28-Feb	Midterm 1	Complete homework assignment 4
Tue	5-Mar	Discuss LLS Ch. 6	Read LLS Ch. 6, complete pre-class assignment 6
Thu	7-Mar	Discuss LLS Ch. 6	
Tue	12-Mar	Discuss LLS Ch. 7	Read LLS Ch. 7, complete pre-class assignment 7
Thu	14-Mar	Discuss LLS Ch. 7	Complete homework assignment 6
Tue	19-Mar	SPRING BREAK!	
Thu	21-Mar	SPRING BREAK!	
Tue	26-Mar	Discuss LLS Ch. 8	Read LLS Ch. 8, complete pre-class assignment 8
Thu	28-Mar	Discuss LLS Ch. 8	Complete homework assignment 7
Tue	2-Apr	Discuss LLS Ch. 9	Read LLS Ch. 9, complete pre-class assignment 9
Thu	4-Apr	Discuss LLS Ch. 9	Complete homework assignment 8
Tue	9-Apr	Midterm 2	Complete homework assignment 9
Thu	11-Apr	Discuss LLS Ch. 10	Read LLS Ch. 10, complete pre-class assignment 10
Tue	16-Apr	Discuss LLS Ch. 10	
Thu	18-Apr	Discuss LLS Ch. 11	Read LLS Ch. 11, complete pre-class assignment 11

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Tue	23-Apr	Discuss LLS Ch. 11	Complete homework assignment 10
Thu	25-Apr	Discuss LLS Ch. 12	Read LLS Ch. 12, complete pre-class assignment 12
Tue	30-Apr	Discuss LLS Ch. 12	Complete homework assignment 11
Thu	2-May	Discuss LLS Ch. 13	Read LLS Ch. 13, complete pre-class assignment 13
Tue	7-May	Discuss LLS Ch. 13	Complete homework assignment 12
Thu	9-May	Catch-up / Review	
TBD	TBD	Final Exam	Complete homework assignment 13

This schedule is subject to change. Changes will be announced on Blackboard.