

NEW YORK UNIVERSITY
STERN SCHOOL OF BUSINESS
Department of Accounting
Principles of Financial Accounting (ACCT-UB.0001)
Spring 2015

Instructor: Professor Pepa Kraft
KMC 10th floor, Suite 10-80
pkraft@stern.nyu.edu
Office hours: Monday 12:30pm-2:30pm

Teaching Fellows: Lei Chi (Ariel) Huang: leichi.huang@stern.nyu.edu
Jie (Carol) Fu: jie.fu@stern.nyu.edu
Simin (Whitney) Zhou: simin.zhou@stern.nyu.edu

Office hours held in Ernst & Young Learning Center Tisch Lower Concourse.

Whitney: Tuesday 11am-1pm
Ariel: Thursday 2pm-4pm
Carol: Friday 1pm-3pm

Review Sessions held by Teaching Fellows.

To Be Announced During Semester.

Course website: *NYU Classes*

Course objectives: The objective of the course is for the student to learn to read, understand, and analyze financial statements. The course is intended for students with no previous exposure to financial accounting. The course adopts a decision-maker perspective of accounting by emphasizing the relation between accounting data and the underlying economic events that generated them. The course focuses initially on how to record economic events in the accounting records (i.e., bookkeeping and accrual accounting) and how to prepare and interpret the primary financial statements that summarize a firm's economic transactions (i.e., the balance sheet, the income statement, and the statement of cash flows).

Textbook: Libby, Libby and Short (LLS), *Financial Accounting, 8th Edition*. The NYU Custom Edition is also acceptable. The textbook covers the basic material in the course, including background information, accounting rules and conventions. A few copies are on reserve at the library. Connect Plus is not necessary. Older editions of the textbook cover similar concepts, however, numerical examples, cases, exercises, etc., likely differ substantially.

Lecture Slides: Most lectures will use the aid of PowerPoint slides, which will be available prior to each class on *the course website*. You should print your own copies before class in whatever format works best for you.

Other Materials: I will be using *the course website* to post other materials such as notes and homework assignments, and to communicate with you throughout the term.

Classroom Environment: I expect that you will treat this course as a **professional** engagement.

- I highly encourage you to attend class. It is the easiest way to stay on top of the material.
- Please be on time and remain throughout the class meeting.
- Cell phones off (=silent) during class time and office hour visits.
- Display courteous and professional behavior to your classmates.
- Follow the Code of Academic Integrity. On behalf of the majority of the students who make an honest effort in this class, I will take action against anyone suspected of breaching this Code.
- Please do not impose negative externalities on your classmates by surfing the web during class and thus distracting everyone behind you. If you must use a laptop, please consider sitting in the last row to avoid distracting others.

Review sessions: The Teaching Fellows will conduct optional review sessions. During those review sessions, the Teaching Fellows will review assigned exercises and answer your questions. They will not cover any new material. The Teaching Fellows will also hold weekly office hours at the Ernst and Young Learning Center. The date/time and location of the review session will be announced during the semester.

Homework: There will be 7 homework assignments, and you only need to submit 6 of them. If you hand in all 7, the highest 6 scores will be counted in your grade. You must **submit a hardcopy of your completed homework at the end of class on the date due**; late homework will NOT be accepted. Solutions to homework will be posted to *the course website*. I will announce the due dates during the semester.

Quizzes: There will be three quizzes. The class schedule in the appendix has the exact dates.

Calculator: Please bring a *nonprogrammable* calculator with you for use during quizzes.

Quiz Re-Grading: If you believe your quiz is incorrectly graded, submit the entire original copy of the complete quiz to me within one week of the return of the quiz. Only quizzes written in pen will be accepted for a re-grade. Quiz re-grade requests must also be accompanied by a signed re-grade request form which will be available on *the course*

website following each quiz. Include a memo which legibly and fully explains your contention. Quizzes that have been altered in any way will not be re-graded, the quiz score will be changed to a zero, and the Student Disciplinary Committee will be notified.

Quiz Scheduling Conflicts:

Quiz dates will not be rescheduled for any individual student. You must take the quiz during the class section you are registered for. If you miss any quiz, you will receive zero credit for that quiz.

Only I can grant permission to be excused from a scheduled quiz because of a scheduling conflict. Teaching Fellows cannot grant such permission. To obtain permission to be excused from a scheduled quiz because of a scheduling conflict, students must provide documented evidence of the conflict. Notify me via e-mail at least one week in advance of any quiz conflicts with your other courses. In case of a legitimate scheduling conflict, I will grant permission to the student to take the quiz **early** under my supervision. Only scheduling conflicts with other courses or university representation will be considered. Internship, interviews, family vacation, or other travel plans are not acceptable scheduling conflicts. If you miss a quiz without permission, your grade will be zero on the missed quiz.

Missed Quizzes Due to Illness: Only I can grant permission to be excused from a scheduled quiz for illness. To obtain permission to be excused from a scheduled quiz because of illness, students must provide documented evidence of the illness. A note documenting a visit to health services is not a sufficient excuse for missing a quiz. Minor illnesses, including upper respiratory infections (i.e., colds), or fatigue, are examples of unacceptable reasons for missing a quiz. Also, illness during the time that a student had intended to study for a quiz is not an excuse for missing a scheduled quiz.

A student who has permission to miss a quiz will receive a grade of “incomplete” for the semester. If a student has permission to miss a quiz, he/she will be required to take a make-up exam on the University’s officially scheduled make-up exam date, usually in the next semester. After the student takes the make-up, I will change the incomplete to the earned course grade. If a student fails to show up for the make-up exam, he/she will receive a failing grade for the course. Make-up quizzes will not be offered at any other time.

GRADING POLICY

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have adopted a grading guideline for core courses in which approximately 35% of students will receive an “A” or “A-” grade.

Final grades will be determined as follows:

Homework Assignments	18%
Quiz 1	24%
Quiz 2	24%
Quiz 3	24%
Professionalism & participation	10%

There is no possibility of earning extra credit or of changing the above weights. Any questions about grades, grading curves, etc. should be addressed to me via e-mail.

Professionalism consists of timeliness, respect for colleagues and the instructor, effectiveness in working with colleagues, etc. I strongly believe that learning is an active process and I expect you to treat this class as you would any significantly work-related responsibility. In general, I will strongly emphasize fairness to all students taking the course. Please do not ask me to make exceptions to these rules that would be unfair to other students in the course.

Class Participation: This course will emphasize participatory and collaborative learning. As a result, a portion of your mark will be based on your verbal participation and contribution to class discussions. The participation mark will be based on the overall quality and contribution of your participation.

Code of Conduct: As a student at Stern, you are expected to conduct yourself as a young business professional. The Stern School does not tolerate cheating. Please know that the penalty for cheating is an automatic grade of F for the course and appearance before the Student Disciplinary Committee. I am very strict on this issue. I will do what I can to help you learn the material in this course. All I ask is that you do not cheat yourself, your fellow classmates or the Stern School. Please see www.stern.nyu.edu/uc/codeofconduct for more information.

Students with Disabilities: If you have a qualified disability and will require academic accommodation, please contact the Henry and Lucy Moses Center for Students with Disabilities (CSD) and provide me with a letter from them verifying your registration and outlining the accommodations they recommend. Please see www.nyu.edu/csd for more information. If you will need to take a quiz at the CSD, you must submit a completed Quiz Accommodations Form to them at least two weeks prior to the scheduled quiz time to be guaranteed accommodation.

APPENDIX: CLASS SCHEDULE SUBJECT TO CHANGE

DATE	TOPICS	READINGS	HW
26-Jan; 28-Jan	Overview of Accounting and Financial Statements	Chapter 1	
2-Feb; 4-Feb	Balance Sheet and Recording the Transactions	Chapter 2	#1
9-Feb; 11-Feb	Income Statement: Cash versus Accrual Accounting	Chapter 3	
<i>16-Feb</i>	<i>Presidents' Day, No Class</i>		
18-Feb	Adjustments and Closing the Books	Chapter 4	#2
23-Feb	Review for Quiz 1		
25-Feb	Quiz 1		
2-Mar; 4-Mar; 9-Mar	Statement of Cash Flows	Chapter 12	#3
11-Mar	NPV		
<i>16-Mar; 18-Mar</i>	<i>Spring Break, No Class</i>		
23-Mar; 25-Mar	Bonds and Liabilities	Chapter 9, Chapter 10	#4
30-Mar	Review for Quiz 2		
1-Apr	Quiz 2		
6-Apr; 8-Apr; 13-Apr	Shareholder's Equity	Chapter 11	#5
15-Apr; 20-Apr	Revenue, Receivables, and Cash	Chapter 6	
22-Apr	COGS and Inventory	Chapter 7	#6
27-Apr; 29-Apr	Property, Plant, and Equipment	Chapter 8	#7
4-May	Financial Statement Analysis: Ratio Analysis		
6-May	Review for Quiz 3		
11-May	Quiz 3		