

**THE LEONARD N. STERN SCHOOL OF BUSINESS
NEW YORK UNIVERSITY
ADVANCED PROFESSIONAL CERTIFICATE IN LAW & BUSINESS:
B01.1306.45 - FINANCIAL ACCOUNTING AND REPORTING
SUMMER 2012**

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1. Introduction

This introductory accounting course assumes no prior academic knowledge of accounting. The purpose of this course is to introduce you to the concepts of financial accounting and its underlying assumptions. We will discuss the uses and limitations of the financial statements. Procedural aspects of accounting will be discussed in order to enhance your understanding of the content of the financial statements. However, the emphasis of the class is on using accounting information in the evaluation of business performance and risk. This aspect will be highlighted in the second part of the course.

2. Required Textbook

The textbook is Horngren, Sundem, Elliott & Philbrick, Introduction to Financial Accounting, 10th edition (2011, Prentice Hall, ISBN-10: 0136122973). The book's suggested retail price is \$213.33; used books are available for a discount of up to 55% (see, for example, www.amazon.com).

3. Preparation for Class Sessions

Assigned Chapters and Problems

Prior to each class, you should read the assigned chapters and do the assigned problems listed on the syllabus. Doing problems is the best way to learn accounting and to understand how the transactions affect the financial statements. All assigned problems should be completed before coming to class. Solutions to all problems will be available on Blackboard once discussed in class. The assigned problems will be used in class discussions; be prepared to answer questions regarding them in class.

Mini-Cases

The class discussions will also focus on two "mini-cases" that will be handed out during class. This is a group project (the group size should not exceed four); you do not have to work with the same people on every case. Specific information about the case requirements will be provided in class. Solutions to all mini-cases will be handed out in class.

Articles

Various articles will be handed out during class. They provide you with the viewpoints of academicians, practitioners, business journalists, corporate managers, regulators, politicians, and stock analysts on accounting issues. Although most of the articles are not technical, to fully understand the issues they raise you need a sound understanding of the material covered in the related chapters of the text. You are responsible for the content of these articles.

4. Learning Accounting

Experience in this course suggests the following advice:

- Classes make extensive use of homework problems assigned from the text and the mini-cases. A selection of the assignments is discussed in each class. You will learn accounting better (and will perform better on the problem-oriented exam) if you do the assigned reading and if you work on the assigned problems prior to each class. This is not an idle warning.
- Introductory Accounting is not organized like a survey course. Each class builds on what you have learned in previous classes. Therefore, you must keep up to date, or you will find subsequent classes difficult.
- Introductory Accounting requires a large amount of time devoted to both reading and working on problems.

5. Honor Code

As is true for all courses at Stern, adherence to the Stern Honor Code is expected of all students in this course.

6. Blackboard

All course materials including the solutions manual, this syllabus, the two electronic progress tests, the lectures notes, and the cases are available through Blackboard, a web-based course administration package. To access Blackboard, you want to log in to <http://sternlife.stern.nyu.edu/> with your Stern netID and password, and then click on [Blackboard Academic Suite](#).

7. Grading

Examinations

There are two cumulative examinations in this class (midterm and final examinations). You should bring a calculator to these exams. Use of laptops will not be allowed. Makeup midterm examinations will **not** be given for any reason. If you miss the midterm examination, the examination portion of your course grade will be based only on the final examination. Both exams are closed book/closed notes; you may bring in though one 8.5x11 sheet.

A week prior to the beginning of the program, there will be two diagnostic tests on concepts covered in the pre-program workshop. These two diagnostic tests should be completed (separately) online through Blackboard (<http://sternclasses.nyu.edu>, logging in using your Stern netID and password) within the specific time period indicated in the class schedule.

Course Grade

Your course grade will be determined as follows:

Classroom Participation	10%
Two Diagnostic Tests	20%
Midterm Examination (June 16)	25%*
Cumulative Final Examination (July 19)	<u>45%*</u>
	<u>100%</u>

*If the final exam score exceeds that of the midterm, then the weights are 0% midterm exam and 70% final exam.

CLASS SCHEDULE			
Date	Day	Reading Assignment	Assigned Problems / Mini-Cases ¹
1. June 4	Mon.	Introduction: Organizational Issues, and Introduction to Financial Accounting Chapter 1: The Balance Sheet	1-36, 1-40
2. June 6	Wed.	Chapter 2: Income and Cash Flow Statements; Accrual vs. Cash-Basis Accounting; Income Recognition	2-34, 2-45, 2-55
3. June 8	Fri	Chapter 3: Recording Transactions and the Accounting Cycle	3-20, 3-39, 3-40, 3-45
4. Sat., June 9, 7pm – Mon., June 11, 10am		DIAGNOSTIC TEST 1: Measuring Income	45 min.; 15 questions.
5. June 11	Mon.	No Class	
6. June 13	Wed.	Finance Class: Professor Marciano	
7. June 18	Mon.	Chapter 4: The Adjustment and Closing Processes	4-35, 4-43 Case: AOL (handout)
8. June 20	Wed.	Chapters 1-4: Communicating Financial Information	Sample midterm exam (handout) Case : XYZ (handout)
9. Sat., June 23, 7pm – Mon., June 25, 10am		DIAGNOSTIC TEST 2: Recording Transactions	45 min.; 14 questions.
10. June 25	Mon.	Chapter 6: Revenue, Cash and Accounts Receivable Midterm Exam Review: Chapters 1-4	6-41, 6-48, 6-49
11. June 27	Wed.	Midterm Exam: Chapters 1-4	6-41, 6-48, 6-49
12. July 2	Mon.	Chapter 7: Inventory and Cost of Goods Sold	7-41, 7-47, 7-51, 7-75
13. July 4	Wed.	4th of July Holiday: No Class	
14. July 5	Thurs.	Chapter 8: Long-Lived Assets Chapter 11: Goodwill and minority interest (pp. 503-514)	8-37, 8-42, 8-51 Case: Delta (handout) 11-35
15. July 9	Mon.	Chapter 9: Liabilities (pp. 382-389)	9-33
16. July 11	Wed.	Chapter 5: Preparing the Cash Flow Statement	5-47 Sample final exam

CLASS SCHEDULE			
Date	Day	Reading Assignment	Assigned Problems / Mini-Cases ¹
17. July 16	Mon.	Preparing the Cash Flow Statement (cont'd)	5-58, 5-61
		Final Exam Review: Chapters 1-9 & 11	
18. July 18	Wed.	Reading Day: No Class	
19. July 23	Mon.	FINAL EXAM: Chapters 1-9 & 11	

¹ Assignments are due at the beginning of class on the date shown; no need to turn in sample exams.