

Principles of Financial Accounting

Summer 2023 | Section 002 | 9:00 AM to 12:10 PM

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1 Course Description

Do you use Instagram, Snapchat, or Google? Do you wear any Nike or Adidas products or eat at a McDonald's or Starbucks? If so, all of these companies are required to report their financial results, i.e., details on how much they earn from selling their products or services (and even the salaries of their top executives). Such detailed financial information is available for all "public" firms. But in order to understand the information, you must first learn the "language of business": accounting.

Accounting is the tool businesses use to measure and communicate their financial results. By understanding accounting, you can evaluate the current condition of a business and assess its likely future economic prospects. The objective of this course is not to train you to become an accountant but rather to help you develop into an informed user of financial statement information (the information provided by businesses). At the end of the semester, you will (1) understand the rules and methods used to create financial statements; (2) be able to interpret and analyze financial accounting reports; (3) and understand where there is discretion in reporting financial results.

Our perspective is that of EXTERNAL users of financial information, such as investors, creditors, customers, suppliers, government regulators, and business school students. I will regularly refer to current events that show the impact of accounting in the business world. A solid understanding of accounting is one of the basic building blocks of the business world. You will use the skills you learn in this class in your future Stern classes and future career.

The course is intended for students with no prior accounting background or knowledge. There are no prerequisites; you will everything you need to know throughout the semester.

2 Required Course Materials

2.1 Textbook and access to Connect

This course requires the textbook Financial Accounting (11th Edition) by Robert Libby, Patricia Libby, and Frank Hodge with a valid McGraw-Hill Connect subscription. We will use Connect throughout the entire semester, a platform that allows you to complete your homework anytime and anywhere, get feedback on your work, and access additional resources.

The Connect platform will provide full access to the eBook and homework assignments, so you are not required to have a print text. If you buy a used textbook, you must still purchase Connect access to complete your mandatory homework assignments. In our efforts around affordability, you have two options:

- Online, All DIGITAL (recommended option): You can purchase Connect and the eBook (without a print book) directly from the course website (see Brightspace).
- Print Version at NYU Bookstore: If you prefer the print version of the text and access to Connect, the bookstore carries a discounted bundle. ISBN10: 1264229739.

Please ensure that you register for Connect using the same name and the Stern email address used in Brightspace. Once you purchase the registration code, you will need this URL to register:

https://connect.mheducation.com/class/acct-ub-1_section-002_ferdinand-bratek

If you encounter technical issues, please contact the McGraw Hill Technical Support Team via phone (1-800-331-5094) or [email and chat](#).

2.2 Student Course Packs

I will provide digital or hardcopy course packs that include all relevant PowerPoint slides and problem sets for the lectures. The course pack will include interactive worksheets that should be used for note-taking and solving class problems together. Please bring your course pack to each class session. I will post my annotated slides (including solutions) after each chapter.

3 Assessment Categories and Grading

Class Participation	10%
Connect SmartBook Readings	0%
Connect Chapter Assignments	30%
Midterm Exam	30%
Final Exam	30%

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 with enrollments of more than 25 students in which approximately 35% of students will receive an “A” or “A-“ grade.

3.1 Class Participation and Preparation (10%)

Please read each chapter before our class meeting, as our class time will be spent developing a deeper understanding of the material you have already read. My lectures will focus on the more challenging concepts presented in the textbook, and I will aim to present the “big picture” of how the concepts build upon each other and relate to each other.

Class time will be a collaborative working session of problem-solving and interactive discussions. Additionally, I will regularly provide articles for class discussions that tie our academic material back to real-world current events. Since you will be engaged in challenging information processing throughout the semester, your success depends critically on your presence in class. This is your chance to get help from your peers and me when you need it most. Please make every effort to arrive on time and remain for the entire class period. If you will arrive late or miss class for exceptional reasons, I would appreciate it if you would notify me in advance.

I hope you will be an active participant in class. I will be prepared for class and make every effort to create a hospitable and inclusive environment where you feel comfortable expressing your ideas. By registering for this course, I expect you to make the same effort in return. Your participation score will be based on attendance, responding to in-class poll questions, and engagement during class discussions. If ever you feel this is not an inclusive environment, please reach out to me so we can discuss. I reserve the right to adjust your final grade based on your level of participation and professionalism in class.

3.2 Connect SmartBook Readings (optional but strongly encouraged)

This is your online reading. I have selected material from each chapter for you to read as indicated in the syllabus and set up questions related to that material. Connect’s SmartBook is an adaptive

reading experience that will guide you to spend the most amount of time on material you are least familiar with and will not spend extra time on material you already know.

SmartBook will work well for you if you read all the material (not just material highlighted in yellow) AND answer the SmartBook questions honestly. Each time you answer a question, SmartBook will prompt you to rate your confidence in your answer. An honest answer will benefit you the most by focusing your time on concepts that are most challenging. To encourage honesty with the questions, I do not grade SmartBook readings. It is all about you truly understanding the materials.

3.3 Connect Chapter Assignments (30%)

The assignment will be due after we have completed a chapter. The specific due date and time will be included on Connect and on the syllabus; it is your responsibility to ensure that you submit on time for credit. The assignments are available for you to begin as soon as you like so you are welcome to submit them earlier than the due date. Please understand that completing these homework assignments is the key to success in the course. Assignments will not be accepted late. However, I will drop the lowest score of homework assignments.

You are welcome and encouraged to discuss and work on homework problems with your classmates. The answers you submit via Connect must be YOUR answers and submitted electronically by YOU; in other words, no one else should have your login credentials and submit answers on your behalf. Please note that Connect presents the same problems but will use different numbers for different students, thus, you can discuss/analyze the problems theoretically as a group but your actual answers will differ from your classmates.

3.4 Midterm Exam (30%) and Final Exam (30%)

There will be one midterm and one final exam. Make-ups are not permitted unless approved for extraordinary circumstances.

3.5 Extra Practice Problems (optional and ungraded)

In addition to the graded assigned homework, I included additional practice problems. Out of respect for your busy schedules, these problems will not be due or part of your grade. However, you should complete them to ensure sufficient reinforcement of the material. I strongly encourage you to work on the additional problems in small groups of 4-6 students.

4 Course Schedule

Please note: the dates and assignments listed below are subject to change.

Class	Date	Topics and Assigned Readings	Assignment Due
1	05/23 (Tue)	Chapter 1: Financial Statements and Business Decisions	
2	05/25 (Thu)	Chapter 2: Investing and Financing Decisions and the Accounting System	
3	05/30 (Tue)	Chapter 3: Operating Decisions and the Accounting System	Ch. 1 & 2
4	06/01 (Thu)	Chapter 4: Adjustments, Financial Statements, and the Closing Process	
5	06/06 (Tue)	Chapter 6: Reporting and Interpreting Sales Revenue, Receivables, and Cash	Ch. 3 & 4
6	06/08 (Thu)	Chapter 7: Reporting and Interpreting Cost of Goods Sold and Inventory Review Session	
7	06/13 (Tue)	Midterm Exam	Ch. 6 & 7
8	06/15 (Thu)	Chapter 8: Reporting and Interpreting Property, Plant, and Equipment; Intangibles; and Natural Resources	
9	06/20 (Tue)	Chapter 9: Reporting and Interpreting Liabilities	Ch. 8
10	06/22 (Thu)	Chapter 11: Reporting and Interpreting Stockholders' Equity Chapter 12: Statement of Cash Flows	Ch. 9
11	06/27 (Tue)	Chapter 10: Reporting and Interpreting Bond Securities Review Session	Ch. 11 & 12
12	06/29 (Thu)	Final Exam	

5 Additional Information

5.1 Academic Integrity, General Conduct & Behavior

The [Stern Student Code of Conduct](#) applies to all students enrolled in Stern courses. Students are also expected to maintain and abide by Stern's Policy in Regard to [In-Class Behavior & Expectations](#) and the [NYU Student Conduct Policy](#).

5.2 Student Accessibility

If you will require academic accommodation of any kind during this course, you must notify me at the beginning of the course (or as soon as your need arises) and provide a letter from the Moses Center for Student Accessibility (212-998-4980, mosescsa@nyu.edu) verifying your registration and outlining the accommodations they recommend. For more information, visit the CSA website.

5.3 Student Wellness

These are stressful times. I encourage you to reach out if you need help. The [NYU Wellness Exchange](#) offers mental health support. You can reach them 24/7 at 212-443-9999, or via the “NYU Wellness Exchange” app. There are also drop in hours and appointments.

5.4 Name Pronunciation and Pronouns

NYU Stern students now have the ability to include their pronouns and name pronunciation in Albert. I encourage you to share your name pronunciation and pronouns this way. Please utilize [this link for additional information](#).

5.5 Inclusion Statement

This course strives to support and cultivate diversity of thought, perspectives, and experiences. The intent is to present materials and activities that will challenge your current perspectives with a goal of understanding how others might see situations differently. By participating in this course, it is the expectation that everyone commits to making this an inclusive learning environment for all.