



FINANCIAL ACCOUNTING AND REPORTING

Summer 2023

Monday and Wednesday

COR1-GB.1306.60, 6:00-9:00 pm, KMC 3-50

INSTRUCTOR

YIWEI DOU

Email: ydou@stern.nyu.edu

Phone: 212-998-0025

Office: KMC 10th Floor, Suite 10-77

Office Hours:

By appointment

COURSE DESCRIPTION

The course is intended for students with no previous exposure to financial accounting. The objective is to help you become intelligent readers of the financial reports of most publicly-traded companies. We will learn the development, analysis, and use of these reports by focusing on what these reports contain, what assumptions and concepts accountants use to prepare them, and why they use those assumptions and concepts. A solid understanding of the fundamentals covered in this course should enable you to do well in more advanced finance and accounting courses and to interview intelligently for jobs in finance, consulting, and general management.

The course begins with the basic concepts of accounting. We look at the main financial statements: balance sheet, income statement, statement of cash flows, and statement of stockholders' equity. Particular attention is paid to how these four statements relate to each other and how they provide information about the operating performance and financial health of a company. We then cover specific items from the financial statements and apply tools of analysis whenever possible.

COURSE MATERIALS

Textbook: Libby, Libby and Hodge (LLH), *Financial Accounting, 10th Edition*. The NYU Custom Edition is also acceptable. The textbook covers the basic material in the course, including background information, accounting rules and conventions. To maximize your learning experience, I will assign chapters/pages from the textbook that I recommend you to read before class.

Lecture Slides: Most lectures will use the aid of PowerPoint slides, which will be available prior to each class on Brightspace. Hard copies are provided at the start of each class.

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

GRADING POLICY

Final grades will be determined as follows:

Homework Assignments	20%
Midterm Exam	30%
Final Exam	40%
Class Professionalism	10%

Homework: There will be 5 homework assignments, and you only need to submit 4 of them. If you hand in all 5, the highest 4 scores will be counted in your grade. You must submit your completed homework via Brightspace at the beginning of class on the due date; late homework will not be accepted. I will not accept assignments in my mailbox, through e-mail, etc. Solutions to homework will be posted to Brightspace.

Exams: There will be two exams, one midterm and one final. All exam questions can resemble questions from homework assignments, lectures, and practice exams. If you miss the midterm exam for unforeseen circumstances, such as a serious illness, then there will be no makeup exam. Instead, the weight will be added to the final. If you miss the final, then you will receive a zero for that exam.

All exams are closed book, but you are allowed one sheet of notes (normal 8.5"×11" size, front and back, typed or hand-written). You also need a calculator (simple, financial, or scientific).

Class Professionalism: Class professionalism will be fully explained during the first-class meeting. In general, professionalism means taking the course seriously and avoiding behaviors that are disruptive to the class. In past semesters, differences in class professionalism scores among students made big differences in the final grades.

STERN POLICIES

General Behavior: The School expects that students will conduct themselves with respect and professionalism toward faculty, students, and other present in class and will follow the rules laid down by the instructor for class room behavior.

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, nor does your future employer. 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 an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least two weeks prior to the scheduled exam time to be guaranteed accommodation.

Grading Guidelines: 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 faculties 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. In core classes of less than 25 students, the instructor is at liberty to give whatever grades they think the students deserve, while maintaining rigorous academic standards.

CLASS SCHEDULE

The following is a tentative schedule of classes, readings and assignments. I may make adjustments as circumstances require.

DATE	CLASS #	TOPICS	READING	DUE
5/17	1	Introduction & Overview of Financial Statements	Chapter 1	
5/22	2	Balance Sheet & Recording the Transactions	Chapter 2	
5/24	3	Income Statement: Cash versus Accrual Accounting	Chapter 3	HW#1
5/31	4	Closing the Books & Accounting Fraud	Chapter 4	
6/5	5	Midterm Exam		HW#2
6/7	6	Statement of Cash Flows	Chapter 12	
6/12	7	Statement of Cash Flows & Shareholders' Equity	Chapter 11	HW#3
6/14	8	Liabilities	Chapter 9	
6/21	9	Bonds	Chapter 10	HW#4
6/26	10	Revenue, Receivables, COGS & Inventory	Chapter 6 & 7	
6/28	11	PP&E & Ratio Analysis	Chapter 8	HW#5
6/29	12	Final Exam		