



FINANCIAL ACCOUNTING – COR1-GB.1306.45
PROFESSOR ALEX DONTOH

FINANCIAL ACCOUNTING

Summer 2023 Tu/Th 9:00am-12:00pm

Format: In Person

Location: The Stern School

NYU Washington Sq. KMEC_5-80

Instructor

Alex Donto

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Department of Accounting

Stern School of Business

New York University

Office Hrs. Tu/Th 12:30-1:30pm

Course Description

Financial accounting reports are used in valuation and contracting by investors, creditors, managers, and the government. A good understanding of these reports is one of the basic building blocks of any business education. The course introduces the development, preparation, analysis, and use of financial reports. The course aims to help students understand the contents of financial reports and the fundamental concepts and assumptions underlying their preparation. It is divided into two parts; Part I is designed to develop your appreciation of fundamental accounting concepts. Part II focuses on earnings quality issues and earnings management activities related to assets, liabilities, and equity. Topics covered include accounts receivables, inventory, long-term assets, intangible assets, bonds, leases, income taxes, and shareholders' equity.

Course Learning Outcomes (CLOs)

The objective of this course is to provide students with:

1. An understanding of the core concepts of financial accounting, including how accountants analyze and record the effects of individual transactions and the concepts essential to understanding financial reports such as assets, liabilities, owners' equity, revenues, expenses, and cash flows.
2. An ability to analyze a company's performance from financial statements.
3. An ability to summarize and quantify real-life outcomes of business decisions and transactions through financial statements. .

Teaching and Learning Methodologies

The most efficient use of class time reinforces what the student already knows about the topic individually from preparing for class. In-the-classroom learning is achieved by i. whole-hearted and focused studying the assigned readings and solving the assigned problems or cases; ii. discussions of the material by the students and instructor during class sections; iii. underscoring important points via short lectures by the instructor. Students need to prepare for every class adequately and actively participate in class discussions for this to work.

The CONNECT Platform

The course textbook includes access to the McGraw-Hill CONNECT platform, an online digital learning and assessment tool. I will administer most class assignments through CONNECT web-based assignment and assessment platform. Please be aware that the current version of CONNECT is linked to the 10th edition of the required textbook (See details in the Course Materials section below); earlier editions are not compatible with the platform. Should you decide to acquire the text from a source other than the bookstore, please ascertain it is the 10th edition and comes bundled with the access code needed to register for CONNECT. You may purchase the access code separately, but it is considerably cheaper to acquire the option bundled with the 10th edition of the textbook available at the NYU bookstore. See page 4 below for instructions on how to register for Connect.

Preparing for Class – Pre-Class Assignments

We have a considerable amount of material to cover in a relatively short period. It is your responsibility to read the class schedule provided on pages 6-8 of this syllabus carefully to find out the reading assignments required for each class session. A pre-class assignment based on reading assignments for that class will precede each class meeting. I shall administer all pre-class assignments through the Connect platform established for the class. Since pre-class assignments aim to prepare you adequately for each class, the system will allow you multiple attempts to complete assignments and provide immediate feedback upon completion.

Homework Assignments

The homework problems are more challenging than pre-class assignments and are typically due *after* the conclusion of the discussion of the relevant chapter. I encourage you to do the homework in small groups of 3-4 people. If you do this, you will find yourself far more engaged and far better prepared for class, and you will learn significantly more. **Please understand that doing these exercises and problems is the key to success in the course.** Finally, I should point out that I will not accept late homework assignments unless due to documented serious illness or family emergency. I will, however, make an exception to this policy for reasons of religious observance or civic obligation, but *only* when you notify me in advance.

Tests and Exams

There will be several quizzes, one midterm exam, and a final exam. Due to the course material's progressive nature, all exams will be cumulative unless I indicate otherwise.

Class Attendance/Presence:

Class attendance constitutes an essential part of your course grade and is required. Absences may be excused only in documented severe illness, family emergency, religious observance, civic or necessary work obligation. If you anticipate missing a class for religious observance or a civic obligation, you must inform me no later than the first week of class. Recruiting activities and

business trips are not acceptable reasons for absence from class. You are responsible for knowing what goes on in class, including modifications to the syllabus, announcements concerning exams, and material not covered in the readings. I will make most course announcements on NYU LMS Brightspace course platform or by email sent to your official NYU email addresses only. It is your responsibility to check class emails frequently. Also, it is your responsibility to check the course platform regularly and often. My advice to you is to make an effort to attend every class session since class participation will count toward your course grade.

Arriving Late, Leaving Early, Coming & Going

Students are expected to arrive at class on time and stay until the end of the class period. Arriving late or leaving in the middle of the class will impact your course grade. Students may join the class late only if given permission and can do so without disrupting the class. I would appreciate knowing if you will come to class late and, if late, to do so as unobtrusively as possible. You are encouraged to participate in class discussions. However, you are not allowed to use smartphones and other electronic devices during class and exams unless permitted to do so.

Academic Integrity

Integrity is critical to the learning process and to all that we do here at NYU. As members of our community, all students agree to abide by the NYU Student Code of Conduct, which includes a commitment to:

- Exercise integrity in all aspects of one's academic work, including, but not limited to, the preparation and completion of exams, papers, and all other course requirements by not engaging in any method or means that provides an unfair advantage.
- You are expected to acknowledge others' work and efforts when submitting written work as one's own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of others' work should be fully referenced.
- You are expected to refrain from behaving in ways that knowingly support, assist, or in any way, attempt to enable another person to engage in any violation of this Code of Conduct. This includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to affect the NYU community adversely.

General Conduct & Behavior

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please read NYU's policy regarding in-class behavior & expectations and the NYU Disruptive Behavior Policy at the following site:

(<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/bullying--threatening--and-other-disruptive-behavior-guidelines.html>).

Moses Center for Student Accessibility

The Moses Center for Students Accessibility New York University is committed to providing equal educational opportunity and participation for students with disabilities. CSA works with NYU students to determine appropriate and reasonable accommodations that support equal access to a world-class education. Confidentiality is of the utmost importance. Disability-related information is never disclosed without student permission. If you have any questions or would like to have further information about this, please visit the following link:

<https://www.nyu.edu/students/communities-and-groups/student-accessibility.html>

Contact: mosescsd@nyu.edu

Mental Health Resources:

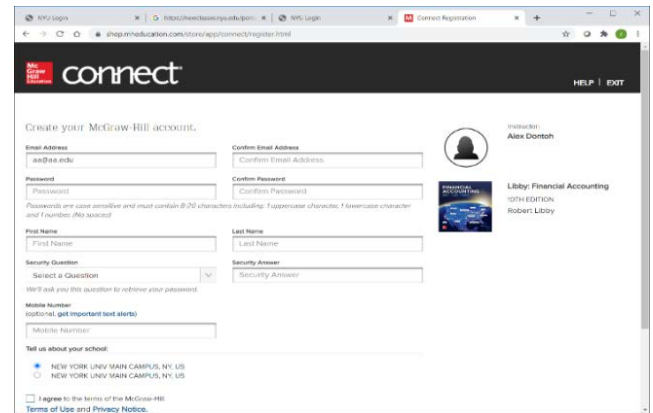
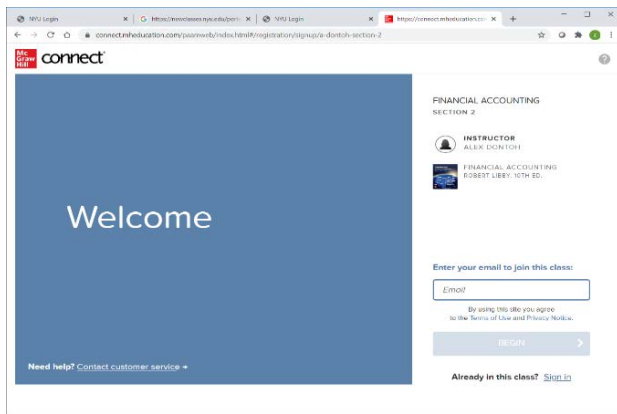
As a University student, you may experience a range of issues that can interfere with your ability to perform academically or impact your daily functioning, such as heightened stress; anxiety; difficulty concentrating; sleep disturbance; strained relationships; grief and loss; personal struggles. If you have any well-being or mental health concerns, please visit the Counseling Center on the ground floor of the campus center from 9am-5pm Sunday - Thursday, or schedule an appointment to meet with a counselor by calling: 02-628-8100 or emailing: nyuad.healthcenter@nyu.edu. If you require mental health support outside of these hours, call NYU's Wellness Exchange hotline at 02-628-5555, which is available 24 hours a day, 7 days a week. You can also utilize the Wellness Exchange mobile chat feature, details of which you can find on the student portal.

Grading Policy

Attendance and Participation	5%	Midterm Exam	30%
Prep Assignments	10%	Final Exam	45%
Homework Assignments	10%		

CONNECT REGISTRATION AND LOGIN

1. Go to the course Connect website by clicking on the link below (you can also copy and paste it in a browser) <https://connect.mheducation.com/class/a-dontoh-2023-summer-apclb>
2. You can also access it from the link provided in NYU LMS. The Welcome Screen below left will show. Enter your NYU email address (Do not use your Stern or any other email address) and enter BEGIN to bring up the registration screen below right.
3. Confirm the course and instructor information displayed on the right side of the screen and enter your NYU email in the space provided and click "BEGIN."
3. Enter the requested information. Please use Your NYU email address. Agree to the terms and click CONTINUE.
4. Next, you will be presented with three options:
 - a. If you already received an access code with your new text OR if you purchased an access card from your bookstore, enter your code in the appropriate field and click "REDEEM".
 - b. If you don't have a code yet, click either "BUY IT "to purchase one with a credit card or PayPal.
 - c. Click "RENT IT" to rent the hard copy version.
 - d. Not ready to purchase yet? Get started with two weeks free of access to Connect by clicking on "ACCESS NOW" Your work will be saved and available to you and the instructor when you complete the purchase.
5. Once you have completed and submitted the form, you can access the course homepage.
6. At your Connect homepage, you can access Practice Assignment 1 to be completed after you have read Chapter 1 of the text. Start by clicking the assignment title displayed.



NYU LMS BRIGHTSPACE REGISTRATION AND LOGIN

NYU LMS course platform shall serve as a depository for all class materials and a portal to the **Connect** platform. To access the course, you will first need to log into NYU LMS using your NYU account here: <https://brightspace.nyu.edu/d2l/home> and select your class from the tabs at the top of the screen (you can also use the NYU mobile app, tap on the drop-down tab and select NYU LMS (Brightspace), tap on the MY SITES tab and select your class section).

COURSE MATERIALS

Textbook

The textbook for the course is *Financial Accounting* 10th Ed., (Custom Edition for New York University – Digital and Print versions), by Robert Libby, Patricia Libby, and Frank Hodge, McGraw Hill, New York, 2019 **ISBN # 978-126-408216-2**. All assigned readings and pre-class assignments are from this text.

e-book.

An electronic version of the textbook is included in Connect Registration.

Coursepack

I shall provide a coursepack containing lecture notes, solutions to class problems, and other course documents. The course pack contains templates for all class slides and illustrative cases and extra practice problems and solutions. You are expected to bring relevant sections of the course pack to class. The coursepack will be posted on NYU LMS for download at no cost to you.

Practice Problem Set

The problem sets contain numerous problems and solutions, including end-of-chapter problems from the textbook. There are three practice problem sets; Problem Set 1 contains on the Accounting Cycle and Cash Flow Statements. Set 2 contains problems and solutions on Accounts Receivable, Inventories, and Long-Lived Tangible and Intangible Assets. Problem Set 3 contains problems and solutions on present value concepts, bond valuation, bond interest expense calculations, and stockholders' equity. Sections of the Problem Set will be posted on NYU LMS for download.

TOPICAL STRUCTURE

PART I - THE ACCOUNTING CYCLE

SESSION 1 - Overview Of Financial Statements and Reporting Process

SESSION 2 - Recording Transactions & Preparing Financial Statements

SESSION 3 - Income Measurement And Accrual Accounting

SESSION 4 - Statement of Cash Flows

PART II - ACCOUNTING FOR CURRENT AND OTHER ASSETS

SESSION 5 - Revenue Recognition And Accounts Receivable:

SESSION 6 - Inventory And Cost Of Goods Sold

SESSION 7 - Long Lived Tangible And Intangible Assets

PART III - ACCOUNTING FOR LIABILITIES AND EQUITY

SESSIONS 8&9 - Long Term Liabilities: Bonds & Capital Leases

SESSION 10 - Reporting and Interpreting Owners' Equity

DETAILED COURSE SCHEDULE

Online 9am-12:15pm

PART I - THE ACCOUNTING CYCLE

SESSION 1 - Overview Of Financial Statements and Reporting Process		Course Pack Session 1
	Reading Assignment	
6/20	Introduction	Ch. 1 p. 1-6, 16-21
	The Balance Sheet	Ch. 1 p. 6-9, 15-16
	Income & Cash Flow Statemt.	Ch 1 p. 9-15
	Class Discussion:	Apple Computer Financial Statements
SESSION 2 - Recording Transactions & Preparing Financial Statemts.		Course Pack Session 2
6/22	The Accounting System	Ch2 p. 45-68
	The Accounting Cycle	Ch3 p. 104-116
	Preparing Fin. Statements I	Ch3 p. 118-129
	Class Discussion Mini Case:	Partco Company, Planet of the Grapes.
	Self Study Case:	Terrific Lawn Corp. pp. 73-76, 132-136
SESSION 3 - Income Measurement and Accrual Accounting		Course Pack Session 3
6/27	Adjusting Entries	Ch. 4 p. 164-187
	Closing Entries	Ch. 4 p. 188-193
	Class Discussion Mini Case:	Village Appliance Shop
	Self Study Case:	Terrific Lawn Corp. p. 194-198
SESSION 4 - Statement of Cash Flows		Course Pack Session 4
6/29	Classification of Cash Flows	Ch12 p. 614-620
	Preparation of Cash Flows Stat.	Ch12 p. 621-637, 642-643
	Class Discussion Mini Case:	Breda Enterprises Inc.
	Self Study Quiz:	National Beverage Corp. p. 637-638

PART II - ACCOUNTING FOR CURRENT AND OTHER ASSETS

SESSION 5 - Revenue Recognition & Accts Receivable:

Course Pack Session 5

7/6	Accounting for Receivables	Ch6 p. 289-300	
	Estimating Bad Debts	Ch6 p. 300-303	
	Managing Acct. Receivables	Ch6 p. 303-304. 315	Pre-Class Assignment 5
	Class Discussion Mini Case:	Mantes Corporation	
	Self Study Quiz:	Wholesale Warehouse Stores	p. 312-313

7/7 Review Session/Midterm Exam

SESSION 6 - Inventory And Cost Of Goods Sold

Course Pack Session 6

7/11	Cost of Goods Sold	Ch7 p. 340-347	
	Inventory Costing Methods	Ch7 p. 348-354	
		Ch7 p. 356-364, 367-369	Pre-Class Assignment 6
	Class Discussion Mini Case:	Adnan Oil Heat Co.	
	Self Study Quiz:	Balent Appliances	p. 365

SESSION 7 - Long Lived Tangible And Intangible Assets

Course Pack Session 7

7/13	Acctg. for Tangible Assets	Ch8 p. 396-419, 431-432	
	Accounting for Goodwill and Other Intangible Assets	Ch8 p. 420-428 Course Pack	Pre-Class Assignment 7
	Class Discussion Mini Case:	Upjane Corporation and Dakota Corporation	
	Self Study Quiz:	Diversified Industries	p. 429

PART III - ACCOUNTING FOR LIABILITIES AND EQUITY

SESSION 8 - Long Term Liabilities: Bonds & Capital Leases

Course Pack Session 8&9

7/18	Current & Contingent Liabilities	Ch9 p. 468-481;484-492	
	Present Values; Bond Liability	Ch10 518-523	Pre-Class Assignment 8

SESSION 9 - Long Term Liabilities: Bonds and Installment Debt Accounting

7/20	Bond Interest Calculations	Ch10 p. 524-539	Pre-Class Assignment 9
	Installment Debt; Retirement	Course Pack	
	Class Discussion Mini Case:	Acronis Bridge Construction Company; Ivy Corporation	
	Self Study Problem:	Patagonia Co. p. 493	

SESSION 10 - Reporting and Interpreting Owners' Equity

Course Pack Session 10

7/25	Common Stock	Ch 11 p. 568-582	
	Stockholders Equity	Ch 11 p. 583-584, 593	Pre-Class Assignment 10
	Class Discussion Mini Case:	Monk Corporation	
	Self Study Quiz:	Chapter 6 Corp. p. 588	

7/27

Final Exam

HOMWORK AND CLASS PREP ASSIGNMENTS DUE DATES			
Assignment	Location	Due Date	Time Due
Class Prep Assignment 1	CONNECT PLATFORM	June 21	11:59pm
Homework Assignment 1	CONNECT PLATFORM	June 24	11:59pm
Class Prep Assignment 2	CONNECT PLATFORM	June 22	6:00pm
Homework Assignment 2	CONNECT PLATFORM	June 26	11:59pm
Class Prep Assignment 3	CONNECT PLATFORM	June 27	9:00am
Homework Assignment 3	CONNECT PLATFORM	July 1	11:59pm
Class Prep Assignment 4	CONNECT PLATFORM	June 29	9:00am
Homework Assignment 4	CONNECT PLATFORM	July 3	11:59pm
Class Prep Assignment 5	CONNECT PLATFORM	July 6	9:00am
Homework Assignment 5	CONNECT PLATFORM	July 10	11:59pm
Midterm Exam	CONNECT PLATFORM	July 7	9:00am
Class Prep Assignment 6	CONNECT PLATFORM	July 11	9:00am
Homework Assignment 6	CONNECT PLATFORM	July 15	11:59pm
Class Prep Assignment 7	CONNECT PLATFORM	July 13	9:00am
Homework Assignment 7	CONNECT PLATFORM	July 17	11:59pm
Class Prep Assignment 8	CONNECT PLATFORM	July 18	9:00am
Homework Assignment 8	CONNECT PLATFORM	July 22	11:59pm
Class Prep Assignment 9	CONNECT PLATFORM	July 20	9:00am
Homework Assignment 9	CONNECT PLATFORM	July 24	11:59pm
Class Prep Assignment 10	CONNECT PLATFORM	July 20	9:00am
Final Exam	CONNECT PLATFORM	July 27	9:00am