

NEW YORK UNIVERSITY
Stern School of Business
Principles of Financial Accounting
Spring 2024

PROFESSOR INFORMATION:

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TEACHING ASSISTANT:

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Weekly Office Hours: Fridays from 2pm to 3pm on Zoom and by appointment
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COURSE DESCRIPTION:

Welcome to Principles of Financial Accounting! Do you use Instagram, Snapchat or Google? Do you wear any Nike or Adidas products or eat at a Chipotle or Starbucks? If so, all of these companies are required to report their financial results, details such as how much they earn from selling their products or services (even the salaries of their top executives!). Detailed financial information is available for "public" companies. 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, not only will you be able to evaluate the current condition of a business but you will also be able to assess its likely future 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. This course focuses on:

- Teaching the methods, rules and processes used to develop financial accounting reports;
- Preparing financial accounting reports;
- Interpreting and analyzing financial accounting reports and
- Understanding where there is **discretion** in reporting financial results (and the implications).

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.

REQUIRED TEXT AND MATERIAL:

For this course, the required textbook is Libby, Financial Accounting 11th edition provided by McGraw-Hill Education Connect® access. The Connect platform will provide full access to the eBook and homework assignments, so you are **not required** to have a print text. Please be aware if you purchase a used textbook, you will still need to purchase Connect access to complete your homework assignments. In our efforts around affordability, we have a few options for our students as follows:

Online - All DIGITAL (most affordable option): You can purchase Connect (without the print book, but this includes the complete eBook and access to all course content) directly from the course website for **\$105**:

Print Version at NYU Bookstore: If you would like a print version of the text and access to Connect, the bookstore is carrying a discounted bundle for **\$146**. **ISBN # 978-126-408216-2**

Please make sure you register for the book with your Stern email address:

Connect URL: <https://connect.mheducation.com/class/a-shehata-spring-2024-financial-accounting>

McGraw Hill Technical Support: If you have technical issues, please contact the McGraw Hill Technical Support Team. The following information is also available through links on the Connect pages: Technical Support Phone Number: 1-800-331-5094,

Email and Chat Support: www.mhhe.com/support

Lecture Slides: I will post the slides I will cover in class on Brightspace. I recommend that you bring either a digital or printed version to class to take notes and follow along.

GRADING:

SmartBook Reading	0% (but strongly encouraged)
Accounting in the Real World	5%
Attendance/Preparation/Participation	10%
Chapter Problem Sets	10%
Test 1	20%
Test 2	25%
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.

I reserve the right to adjust your final grade based on your level of participation and your professionalism in class. Each component of the class is discussed in detail below.

CLASS ENVIRONMENT, PARTICIPATION AND PREPARATION:

Please read each chapter **in advance** of 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 your 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 discussion. Additionally, I will regularly provide articles for class discussion that tie our academic material back to real world current events.

Since you will be engaged in the most difficult processing of information in our class, your success depends critically on your presence in class. This is your chance to get help when you need it most from your peers and me. 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.

OPTIONAL: SUPPLEMENTARY VIDEOS and DEMOS on BRIGHTSPACE

I have posted supplemental videos related to our material on Brightspace. Some of the recordings are introductions to our curriculum and they are optional viewing. Others, labeled “Demo”, are demonstrations of me solving practice problems that I strongly recommend you watch. I hope you find them to be helpful in achieving our learning objectives.

ACCOUNTING IN THE REAL WORLD DISCUSSION BOARD ASSIGNMENTS:

I have adapted a series of 2 exercises where you will be exploring the real life accounting practices of one company, Starbucks. These explorations will start by looking at their published financial information and later, you will visit an actual Starbucks and do some field reporting. You will post your responses on our Brightspace Discussion Board.

SMARTBOOK ASSIGNMENTS:

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. SmartBook is an adaptive reading experience so it 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 SB questions honestly. Each time you answer a question, SB will prompt you to rate your confidence in your answer. An honest answer will result in the most learned in the least amount of time. This is not graded but intended to ensure you read and understand the material.

ONLINE GRADED HOMEWORK:

We will be making extensive use of the McGraw-Hill Connect online platform which will allow you to complete your homework anytime and anywhere, get feedback on your work and access additional resources. Please ensure that you register for Connect using the same name and the Stern email address as used in Brightspace. Once you purchase the registration code, you will need this URL to register:

<https://connect.mheducation.com/class/a-shehata-spring-2024-financial-accounting>

After we have concluded each class topic, assignments will be due that will give you an opportunity to show me, and yourself, that you have understood and learned the material. I have personally selected all of the problems so they are representative of important curriculum. You should start working on these assignments as each chapter is discussed in class; do not wait until the last minute to begin these assignments. I have set up the Connect website so that it will give you immediate feedback after you complete each question. My purpose in doing this is so you will see how you are doing on the assignment as you are completing it and be able to identify the areas you need to revisit to improve. After submitting your assignment,

you will see your score, the correct answer, an explanation and the solution. Each chapter's graded problem set is worth 10 points and your lowest score will be dropped. You should plan to spend 2-3 hours on homework for each hour of class time on average.

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 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.

The problems listed on your syllabus correspond with the textbook problems at the end of the chapter. You will submit these via Connect digitally but I have included the textbook problem numbers in case you would like to review the problems manually.

EXTRA PRACTICE ASSIGNMENTS:

In addition to the graded assigned homework, the syllabus will include 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 complete the additional problems in small groups of 2-4 students. Although the assignments are available on Connect, I would recommend that you complete them **on paper**. Although the digital Connect platform is a wonderful and convenient tool, solving problems on paper is very important and will help prepare you for the final exam (which is on "paper"!). Your textbook and Connect include even more practice problems that you can solve for areas that you find particularly challenging. I have assigned the "due date" for these extra practice to be the end of the semester; I have also set up these assignments so you can return to them after the due date for extra study attempts.

If you are diligent in attending class, completing the in-class problems and the textbook assignments (graded and ungraded), you will master the curriculum.

TESTS AND EXAM:

There will be 2 tests and a cumulative final exam given during our designated class schedule. Make-ups are not permitted unless approved for extraordinary circumstances.

BRIGHTSPACE:

I will be using Brightspace regularly to email you, post lecture notes, homework solutions, relevant articles and other course material so please make sure you are registered and checking our site on a regular basis.

RECORDINGS:

I have each of our class sessions recorded and available on Brightspace. The class recordings are not a substitute for attending class.

I have also created mini videos that are posted on Brightspace related to each chapter. These supplementary videos are optional and I hope they will reinforce our material.

COURSE QUESTIONS AND COMMUNICATIONS:

If you have questions of a private nature, please email the Professor or Teaching Assistant directly. When emailing, please include your full name and class time/section in the email. If you are emailing about a specific homework problem, please include a screenshot as our TA and I may not have easy access to the textbook.

ACADEMIC INTEGRITY

Our undergraduate [Academics Pillar](#) states that ***we take pride in our well-rounded education and approach our academics with honesty and integrity***. Indeed, integrity is critical to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern 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.
- Clearly acknowledge the work and efforts of others 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 the work of others should be fully referenced. Your location 44 west 4th str
- Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student Code of Conduct applies to all students enrolled in Stern courses and can be found here: www.stern.nyu.edu/uc/codeofconduct

To help ensure the integrity of our learning community, prose assignments you submit to Brightspace will be submitted to Turnitin. Turnitin will compare your submission to a database of prior submissions to Turnitin, current and archived Web pages, periodicals, journals, and publications. Additionally, your document will become part of the Turnitin database.

GENERAL CONDUCT & BEHAVIOR

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern's Policy in Regard to In-Class Behavior & Expectations (<http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm>) and the NYU Student Conduct Policy (<https://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/university-student-conduct-policy.html>).

STUDENT ACCESSIBILITY

If you will require academic accommodation of any kind during this course, please notify me at the beginning of the course 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. If you will need to take an exam at the Moses Center for Student Accessibility, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation. For more information, visit the CSA website: <https://www.nyu.edu/students/communities-and-groups/student-accessibility.html>

STUDENT WELLNESS

Classes and life can get stressful. 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. Find out more at <http://www.nyu.edu/students/health-and-wellness/counseling-services.html>

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

Date	Assigned Textbook Reading	Graded Problem Sets: Submit via Connect
Mon, 1/22/24	Ch 1: Financial Statements & Business Decisions, including Supplement A	
Wed, 1/24/24	Continue Chapter 1	Chap 1 Prob Set: due Fri, 1/26/24 by 11:59 pm E1-2, E1-4, E1-5, E1-7, P1-1 Additional Practice (ungraded): P1-3, CP1-5, IE1-1 Excel Simulation

Mon, 1/29/24	Finish Chap 1 and begin Chap 2: Investing, Financing Decisions & the Balance Sheet	
Wed, 1/31/24	Continue Chapter 2	Chap 2 Prob Set: due Fri, 2/2/24 by 11:59 pm E2-5, P2-5 Additional Practice (ungraded): E2-3, E2-7, CP2-6, Excel Simulation
Mon, 2/5/24	Begin Chap 3: Operating Decisions & the Income Statement	
Wed, 2/7/24	Continue Chapter 3	Ch 3 Prob Set: due Mon, 2/12/24 by 11:59 pm M3-2, E3-7, P3-4, P3-5 Additional Practice (ungraded): M3-4, M3-5, M3-8, E3-12, E3-13, Excel Simulation
Mon, 2/12/24	Finish Chapter 3 and begin Chapter 4: Adjustments, Financial Statements & the Quality of Earnings	
Wed, 2/14/24	Continue Chap 4	Chap 4 Prob Set: due Fri, 2/16/24 by 11:59 pm E4-10, E4-16, E4-18, E4-20, E4-21, E4-22 Additional Practice (ungraded): E4-8, E4-19, P4-7, Excel

Wed, 2/21/24	Finish Chapter 4 and Review	No class on 2/19
Mon, 2/26/24	Test 1: Chapters 1-4	
Wed, 2/28/24	Chap 6: Sales Revenue, Receivables & Cash	Accounting in the Real World, Part 1, due Mon, 3/4/2024 on our Discussion Board. Please post your response by 11:59 pm
Mon, 3/4/24	Continue Chap 6: Sales Revenue, Receivables & Cash	
Wed, 3/6/24	Finish Chap 6 and begin Chap 7: Cost of Goods Sold & Inventory (including Supp A, "LIFO Liquidations", but not Supp B/C)	Chap 6 Prob Set due Fri, 3/8/24 by 11:59 pm E6-9, E6-20, E6-23, P6-2, P6-4 Additional Practice (ungraded): E6-8, E6-9, E6-14, Excel
Mon, 3/11/24	Chap 7: Cost of Goods Sold & Inventory	
Wed, 3/13/24	Chap 7: Cost of Goods Sold & Inventory	Chap 7 Prob Set due Mon, 3/25/24 by 11:59 pm E7-2, E7-8, E7-12, P7-6, E7-19 (see my screen recording for tips on this one) Additional Practice (ungraded): E7-5, P7-4, Excel Simulation

Mon, 3/25/24	Finish Chap 7 and begin Chap 8: (including Supp “Changes in Deprec Estimates” & read CP8-7)	
Wed, 3/27/24	Continue Chap 8: Property, Plant & Equipment; Natural Resources; & Intangibles	Chap 8 Prob Set due Mon, 4/1/24 by 11:59 pm E8-4, E8-10, E8-15, E8-17, E8-21, E8-24 Additional Practice (ungraded): M8-1, E8-1, E8-3, E8-7, E8-8, E8-14, E8-18, E8-22, P8-6, Excel Simulation
Mon, 4/1/24	Finish Chapter 8 and begin Chap 9: Liabilities (including Supplement B)	
Wed, 4/3/24	Continue Chap 9: Liabilities	Chap 9 Prob Set: due Mon, 4/8/24 by 11:59 pm E9-2, E9-13, E9-14, E9-21, P9-6, P9-9, P9-13 Additional Practice (ungraded): E9-1, E9-9, P9-C4, P9-12
Mon, 4/8/24	Finish Chap 9 and review	
Wed, 4/10/24	Test 2: Chap 6 - 9	
Mon, 4/15/24	Chap 10: Bonds (chapter supplement is not required)	

Wed, 4/17/24	Chap 10: Bonds	
Mon, 4/22/24	Finish Chap 10: Bonds and begin Chap 12: Statement of Cash Flows, including Supp A & B (not C)	Ch 10 Prob Set: due Mon, 4/22/24 by 11:59 pm E10-24, P10-7, P10-10, P10-13, CP10-4 Additional Practice (ungraded): P10-3, P10-11, Excel Simulation
Wed, 4/24/24	Chap 12: Statement of Cash Flows, including Supplements A, B & C	Accounting in the Real World, Part 2, due Mon, 4/29/2024 by 11:59pm on our Discussion Board. Please post your response and comment on a classmates' post by 11:59 pm.
Mon, 4/29/24	Chap 12: Statement of Cash Flows	Ch 12 Prob Set due Wed, 5/1/24 by 11:59 pm E12-4, E12-13, P12-1, P12-3, P12-5 (see my screen recording demo for P12-5) Additional Practice (ungraded) E12-8, E12-11, E12-15, E12-21, Excel
Wed, 5/1/24	Finish Chap 12: Statement of Cash Flows, begin Ch 11: Owner's Equity	
Mon, 5/6/24 Last class!	Chap 11: Owner's Equity	Ch 11 Prob Set: due Tues, 5/7/24 by 11:59 pm E11-4, E11-8, E11-15, E11-18, E11-23, P11-8 Additional Practice (ungraded): M11-10, E11-10, E11-12, E11-13, P11-11
TBD	Cumulative Final Exam:	