

**THE LEONARD N. STERN SCHOOL OF BUSINESS
NEW YORK UNIVERSITY
ACCT-GB.1306: FINANCIAL ACCOUNTING AND REPORTING
Fall 2024**

Professor Eli Bartov
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1. Course Objective and Description

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 reporting, the language of business, and its underlying assumptions. We will discuss the uses and limitations of the three basic financial statements: balance sheet, income statement, and statement of cash flows. Procedural aspects of accounting will be discussed in order to enhance your understanding of the content of the financial statements. Still, the emphasis of the class is on using financial-statement information to unlock critical insights into the evaluation of business performance and risk. This aspect will be highlighted throughout, but more so towards the end of the course.

2. Required Textbook

The textbook is Libby, Libby & Hodge, Financial Accounting, 11th edition (2023 McGraw Hill Libby/Libby/Hodge, ISBN # 978-126-605456-3), available at the NYU bookstore. Should you prefer to purchase the e-book, please visit the following link: <https://connect.mheducation.com/class/e-bartov-fall-2023>. Should any questions arise, please contact McGraw Hill directly at 1 800 331 5094.

3. NYU LMS (Brightspace)

All course materials including the solutions manual, this syllabus, the two electronic progress tests, the lecture notes, and the case are available through NYU LMS (*Brightspace*), a web-based course administration package. To access NYU LMS (*Brightspace*), please log in to <http://sternlife.stern.nyu.edu/> with your Stern NetID and password, and then click on the *NYU LMS (Brightspace)* link.

4. Preparation for Class Sessions

Assigned Chapters and Problems

The most effective and efficient use of classroom time teaching introductory-level financial accounting aims at reinforcing, clarifying, and complementing what you have tried to learn on your own before entering the classroom. Hence, 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. I recommend that all assigned problems be *hand-written*, completed and turn in before class begins. Still, all assignments are subject to one-week grace period. The assignments will be graded as either zero (no credit due to insufficient effort) or one and be returned the following class. Solutions to all problems

will be available on *NYU Brightspace* once they are collected. The assigned problems will be used in class discussions; be prepared to answer questions regarding them in class.

A Case

The class discussions will also focus on the AOL case that will be available on *NYU Brightspace*. The case, which must be *hand-written*, should be turned in before class begins at the date indicated on the course schedule (no grace period). This is a group project, and you should work with your assigned study group or on your own. The case will also be graded as either zero or one. Solutions to the case will be available on *NYU Brightspace* once it is collected.

Learning Accounting

Experience in this course suggests the following:

- Classes make extensive use of homework problems assigned from the text and the mini cases. I will not discuss all the assigned work in 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.
- Each class in Financial Accounting builds on material from previous classes. You therefore must keep up to date, or you will find subsequent classes difficult.
- Data from course evaluations of earlier offerings of this course suggest it requires a relatively large amount of time devoted to both reading and working on problems and cases.
- Showing up late to class disrupts class, so I do not permit late entrance, defined as arriving at the door more than one minute after scheduled start time.
- Videotaping encourages absenteeism and may constrain what I say in class, hence no class videotaping.

5. Class Time & Support

Section	Day / Time	TA Name	TA Office Hours (Zoom)	E-Mail
COR1-GB.1306.01	Mon. 9:00-11:50	Asher Yu		asher.yu@stern.nyu.edu
COR1-GB.1306.03	Wed. 9:00-11:50	Guilherme Malucelli		ggm6413@stern.nyu.edu
COR1-GB.1306.05	Mon. 1:30-4:20	Cole Kauffman		cbk2042@stern.nyu.edu

6. Office Hour via Zoom

To participate in the session, please go to the Zoom tab on *NYU Brightspace* and click “Start” next to the session for that office hour. If prompted to sign into Zoom, choose to “Sign in with SSO” and enter "nyu".

7. Stern Code of Conduct

You are required to abide by and uphold the *NYU Stern* Code of Conduct that you signed at orientation. To be sure, unethical behavior of any form—including but not limited to plagiarizing or otherwise cheating on any course assignment or exam, failing to reference incorporation of work of

others, or reusing your own work for other purposes (e.g., a submission from another course)—will not be tolerated, and may result in a steep penalty (e.g., dismissal from the program).

8. Academic Accommodation

If you will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Moses Center for Student Accessibility (MCSA) (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 MCSA website: <https://www.nyu.edu/students/communities-and-groups/student-accessibility.html>

9. Grading Procedure

There are two open-books electronic progress tests, which should be completed online through NYU LMS (*Brightspace*) within the specific time period indicated in the class schedule. There are also two cumulative in-class examinations. You should bring a calculator (simple, financial, or scientific) to these exams; laptops or smart phones are not allowed. I will not give a makeup midterm examination for any reason. All in-class exams are closed books/notes; you may bring in one 8.5"x11" sheet of notes, which may be hand written or typed on the front, back, and edges.

Course Grade Computation

Diagnostic Test 1 (Sep. 25-27)	5%
Diagnostic Test 2 (Oct. 16-18)	5%
Weekly Problem and Mini-Case Assignments	10%
Midterm Examination (Nov. 4)	30%*
Cumulative Final Examination (TBA)	<u>50%*</u>
	<u>100%</u>

*If you missed the midterm exam and have a valid reason, or the final exam score exceeds that of the midterm, then the weights are 0% the midterm exam and 80% the final exam.

Should you decide to appeal an exam's score, you must, within seven days of the announcement of grades, return the exam paper and email me a memorandum explaining your appeal, specifying in detail the grading errors. Once I receive the two documents, I'll review the entire exam paper and the appeal, and your exam's score may go up, down, or remain unchanged.

Course grades close to the boundary between two grades may be move up or down across the boundary, based on *Classroom Professionalism*, as defined in class.

CLASS SCHEDULE			
Date	Day	Reading Assignment	Assigned Problems / Case ¹
1. Sep. 9	Mon.	Introduction: Organizational Issues (syllabus)	
		Chapter 1 & Chapter 5 (pp.236-246): Introduction to Financial Accounting (purpose; users; institutional setting; financial statements)	E1-12

CLASS SCHEDULE				
Date	Day		Reading Assignment	Assigned Problems / Case ¹
2. Sep. 16	Mon.	Chapter 2:	The Balance Sheet; A Firm's Liquidity and Solvency Analyses.	AP2-2
3. Sep. 23	Mon.	Chapter 2: Chapter 3:	Recording Transactions Income and Retained Earnings Statements; Accrual & Cash-Basis Accounting; Income Recognition.	P2-5
4. Sep. 25, Wed., 7am – Sep. 27, Fri., 9pm		DIAGNOSTIC TEST 1: Introduction; Balance Sheet (Chapters 1 & 2 and Lecture Notes)		45 min.; 15 questions. (Available on <i>NYU Brightspace</i>).
5. Sep. 30	Mon.	Chapter 3 (Cont'd):	Income and Retained Earnings Statements; Accrual- & Cash-Basis Accounting; Income Recognition.	E3-9
6. Oct. 7	Mon.	Chapter 4:	Accrual Accounting and the Accounting Cycle.	E4-9, E4-20
7. Oct. 16, Wed., 7am– Oct. 18, Fri., 9pm		DIAGNOSTIC TEST 2: Measuring Income (Chapters 3 & 4 and Lecture Notes)		45 min.; 15 questions. (Available on <i>NYU Brightspace</i>).
8. Oct. 21	Mon.	Chapter 5: (pp. 246-260)	Communicating Financial Information; Materiality; A Firm's Profitability and Valuation Analyses.	Case: AOL (Available on <i>NYU Brightspace</i>).
9. Oct. 28	Mon.	Chapter 6:	Revenue and Accounts Receivable; Assessing the Integrity of Accounts Receivable Valuation and Reported Revenue.	E6-19 Sample midterm exam (Available on <i>NYU Brightspace</i>)
10. Nov. 4	Mon.	MIDTERM EXAM I (Chapters 1-6)		
11. Nov. 11	Mon.	Chapter 7:	Inventory and Cost of Goods Sold; Assessing the Integrity of Inventory Valuation and COGS.	P7-4, AP7-6
12. Nov. 18	Mon.	Chapter 8:	Long-Lived Tangibles and Intangible Assets; Depreciation, Impairment, Consolidation, and Goodwill.	E8-21, P8-6
13. Nov. 25	Mon.	Chapter 12:	Preparing the Cash Flow Statement	Sample final exam (Available on <i>NYU Brightspace</i>).
14. Dec. 2	Mon.	Chapter 12 (Cont'd):	Preparing the Cash Flow Statement; Investors' Use of CFS Information.	E12-18
15. Dec. 9	Mon.	Review: Chapters 1-8 & 12		
16. TBA		FINAL EXAM (Chapters 1-8 & 12)		

¹ Assignments are due at the beginning of class on the date shown above (with a one-week grace period for problems other than the last assignment and the AOL case); no need to turn in sample exams. All assignments, other than the AOL case, are

available at the end of the corresponding chapter in the textbook. For example, problem E1-12 is available at the end of chapter 1.