

**THE LEONARD N. STERN SCHOOL OF BUSINESS
NEW YORK UNIVERSITY
ACCT-GB.1306: FINANCIAL ACCOUNTING AND REPORTING
Fall 2021**

Professor Eli Bartov
Office: 10-96 KMEC
Office Hours (Zoom): Wednesdays 12:30-2:30pm

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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 primary 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. However, the emphasis of the class is on using accounting information in the evaluation of business performance and risk. This aspect will be highlighted throughout, but more so in the second part of the course (after the midterm).

2. Required Textbook

The textbook is Libby, Libby & Hodge, Financial Accounting, 10th edition (2020, McGraw Hill ISBN # 978-126-408216-2).

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 or clarifying 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.

Mini-Case

The class discussions will also focus on the AOL “mini-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 mini 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, Locations & Support

Section	Day / Room	Name	Office Hours (Zoom)	E-Mail
COR1-GB.1306.01	M /	Matthew Olstein	Thursdays, 3:00-4:00pm	mro276@stern.nyu.edu
COR1-GB.1306.03	W /	Morgan Schultz	Wednesdays, 1:00-2:00pm	mrs9910@stern.nyu.edu
COR1-GB.1306.04	M /	Kurtoglu Hurkan	Mondays, 4:30-5:30pm	hmk299@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 (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>

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

Classroom Professionalism	15%
Diagnostic Test 1 (Oct. 2– 4)	10%
Diagnostic Test 2 (Oct. 16-18)	10%
Weekly Problem and Mini-Case Assignments	10%
Midterm Examination I (Nov. 8)	25%*
Optional Cumulative Midterm Examination II (Dec. 6)	<u>30%*</u>
	<u>100%</u>

*If the optional midterm exam II is not taken, the weights are 55% midterm exam I and 0% optional midterm exam II. If you missed midterm exam I and have a valid reason, or midterm exam II score exceeds that of I, then the weights are 0% midterm exam I and 55% midterm exam II. 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.

CLASS SCHEDULE			
Date	Day	Reading Assignment	Assigned Problems / Mini-Cases ¹
1. Sep. 13	Mon.	Introduction: Organizational Issues (syllabus) Chapter 1 & Chapter 5 (pp.234-244): Introduction to Financial Accounting (purpose; users; institutional setting; financial statements)	E1-12
2. Sep. 20	Mon.	Chapter 2: The Balance Sheet	AP2-2
3. Sep. 27	Mon.	Chapter 2: Recording transactions	P2-5

CLASS SCHEDULE			
Date	Day	Reading Assignment	Assigned Problems / Mini-Cases ¹
4.	Oct. 2, Sat., 7am – Oct. 4, Mon., 9pm	DIAGNOSTIC TEST 1: Introduction; Balance Sheet (Chapters 1 & 2 and Lecture Notes)	45 min.; 15 questions. (Available on <i>NYU Brightspace</i>).
5.	Oct. 4	Mon. Chapter 3: Income and Cash Flow Statements; Accrual vs. Cash-Basis Accounting; Income Recognition	E3-10
6.	Oct. 11	Mon. Chapter 4: Accrual Accounting and the Accounting Cycle	E4-9, E4-20
7.	Oct. 16, Sat., 7am – Oct. 18, Mon., 9pm	DIAGNOSTIC TEST 2: Measuring Income (Chapter 3 & 4 and Lecture Notes)	45 min.; 15 questions. (Available on <i>NYU Brightspace</i>).
8.	Oct. 18	Mon. Chapter 5: (pp. 244-260) Communicating Financial Information	Case: AOL (Available on <i>NYU Brightspace</i>).
9.	Oct. 25	Mon. Chapter 6: Revenue, Cash and Accounts Receivable	E6-19
10.	Nov. 1	Mon. Chapter 7: Inventory and Cost of Goods Sold	P7-4, AP7-3 Sample midterm exam (Available on <i>NYU Brightspace</i>)
11.	Nov. 8	Mon. MIDTERM EXAM I (Chapters 1-7)	
12.	Nov. 15	Mon. Chapter 8: Long-Lived Assets	E8-21, P8-8
13.	Nov. 22	Mon. Chapter 12: Preparing the Cash Flow Statement	Sample final exam (Available on <i>NYU Brightspace</i>).
14.	Nov. 29	Mon. Chapter 12 (Cont'd): Preparing the Cash Flow Statement Review: Chapters 1-9 & 12	E12-18
15.	Dec. 6	Mon. OPTIONAL MIDTERM EXAM II (Chapters 1-9 & 12)	

¹ Assignments are due at the beginning of class on the date shown (with one-week grace period for problems); no need to turn in sample exams.