

**NYU Stern School of Business  
Undergraduate College**

**ACCT-UB.0001 Section 03 – Principles of Financial Accounting  
Spring 2012**

**INSTRUCTOR DETAILS**

**HENRY M. DACHOWITZ**

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Phone: TBD

Office Hours: by appointment

Office Location: KMEC 10th floor

**COURSE MEETINGS**

Meeting time(s): TR, 8:00am to 9:15am

Location: Tisch T-UC25

Additional Information:

**Final Exam: Thursday May 10, 2012 (date to be confirmed)**

Schedule exceptions:

Class will not meet on 3/13 and 3/15/12 (spring break)

**COURSE DESCRIPTION AND LEARNING GOALS**

Who needs Accounting? What are the basic principles of Accounting? How does Accounting relate to a business? What is its role? What value does it add and to whom? What are its limitations?

This course is designed to answer those questions and to give you a solid foundation whether you intend to become an Accounting professional or whether this is the only Accounting course you ever take in your business career. The course is intended for students with no previous exposure to financial accounting.

Accounting has been called the language of business. You will learn the definitions of key terms and concepts such as debits and credits; cash versus accrual basis accounting; assets, liabilities, and equity; revenues and expenses; the difference between the business operating cycle (cash-to-cash) and the accounting cycle (journal to general ledger to trial balance to financial statements).

You will identify business transactions and, as an accountant, learn to record, categorize and report the business transactions.

**COURSE GOALS** The goals are for you to learn (1) the nature of financial accounting, (2) to record accounting transactions properly, (3) to prepare basic financial statements, and (4) to read, analyze and interpret financial statements prepared by others. A solid understanding of the fundamentals covered in this course should enable you to do well in more advanced finance and accounting courses, as well as interview intelligently for jobs in finance and consulting.

**COURSE OVERVIEW** In our first classes we will answer the questions listed above emphasizing how Accounting adds value to both managers inside an organization as well as to external users of financial statements (including Wall Street research analysts, potential investors, regulators, vendors who want to determine credit limits, and

**potential employees!**). We review the underlying principles of Accounting and give a preview of the four major Financial Statements.

We learn how transactions are recorded, categorized into general ledger accounts, and then summarized and reported in the financial statements. A key link throughout all these concepts is understanding the five different types of accounts (asset / liability / equity / revenue / expense), knowing whether they have a natural debit or credit balance, and on which financial statements each appears.

Once we have mastered these fundamentals, we then zoom in again covering specialized concepts on various types of accounts. Topics we will cover include revenue and expense recognition, cash flow analysis, inventory accounting, and the time value of money.

With an excellent grounding in preparing financial statements from an insider's and accountant's perspective, we turn around and look at financial statements from a user's perspective. What do the numbers mean? How do the statements relate to one another? Where do I look to find certain information? What ratios are commonly calculated and how does one interpret them? We'll answer all these questions. And we will relate what we learn to current events in the financial and business worlds.

## **COURSE OUTLINE**

Will be posted separately on BlackBoard

## **REQUIRED COURSE MATERIALS**

### **Required Text and Material:**

- Libby, Libby & Short, "Financial Accounting" 7th edition, Custom Edition for NYU
- Bring your text to each class session.

## **ASSESSMENT COMPONENTS**

### **Grading:**

Exam 1	25%
Exam 2	25%
Final Exam	35%
Homework, Attendance, Class Preparation and Participation	15%

**All exams are cumulative, closed book/note and there are no make-up exams. Calculators are permitted (no computers, smartphones or blackberries).**

## **GRADING**

Grades determined following the Undergraduate Grading Guidelines for Core Courses:

- 25 – 35% A's: awarded for excellent work
- 50 – 70% B's: awarded for good or very good work
- 5 – 15% C's (or below): awarded for adequate or below work.

## **PROFESSIONAL RESPONSIBILITIES FOR THIS COURSE**

We cover a lot of ground in this course, and it is cumulative building layer upon layer. It is essential that you keep up with the course and not fall behind.

## **Attendance**

Class attendance is essential to your success in this course and is part of your grade. An excused absence may only be granted in case of serious illness, grave family emergencies, or religious observance, and must be documented. Job interviews and incompatible travel plans are considered unexcused absences. Where possible, please notify me in advance of an excused absence.

Students are responsible for the course materials, including lectures, from the first day of this class, forward. It is the student's obligation to bring oneself up to date on any missed coursework.

Please come to class on time, having completed the homework assignment, and prepared to participate in class.

## **Participation**

In-class contribution is a significant part of your grade and an important component of our shared learning experience. The better you and your classmates prepare and participate, the better the discussion will be, and you will all learn the material in a more thorough manner. Your active participation helps me to evaluate your overall performance.

## **Assignments**

Homework normally will involve readings and some problems. Readings are designed to expose you to material and concepts which we will cover in class. It gives you THREE chances to master the material – HW before class, note-taking during class, and review of notes after class. They are designed to help you learn the material and are not normally handed in. You are expected to complete this **before** class. You may not understand all the concepts fully and may not get the answer to the problem, but grappling with it in advance will make the lessons in class that much more meaningful. If you arrive at class without having seen the material in advance, it may be more challenging to learn the concepts.

I use BlackBoard regularly for announcements, assignments and posting of material. Please make sure you are correctly registered.

There will be several assignments which must be handed in and will be graded. These assignments must be on my desk by the start of the class – I do **NOT** accept e-mail submissions. These assignments will only be accepted if handed in by you. Late assignments will **NOT** be accepted unless due to documented serious illness or grave family emergency. Exceptions to this policy for reasons of religious observance or civic obligation will only be made when the assignment cannot reasonable be completed prior to the due date and you make arrangements for late submission in advance.

## **Classroom Norms**

Arrive to class on time and prepared to stay to the end of the class period. Chronically arriving late and/or leaving early is unprofessional and disruptive. Repeated tardiness will negatively impact your grade.

Sorry, but I do not allow students to use computers in class. Studies have shown that computers in class disrupt both the student using the computer and the students surrounding them.

Turn off all electronic devices prior to the start of class. Laptops, cell phones and other electronic devices are a distraction to everyone.

## **STERN POLICIES**

### **General Behavior**

The School expects that students will conduct themselves with respect and professionalism toward faculty, students,

and others present in class and will follow the rules laid down by the instructor for classroom behavior. Students who fail to do so may be asked to leave the classroom.

### **Collaboration on Graded Assignments**

Students may not work together on graded assignment unless the instructor gives express permission.

### **Course Evaluations**

Course evaluations are important to us and to students who come after you. Please complete them thoughtfully.

## **ACADEMIC INTEGRITY**

Integrity is critical to the learning process and 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.

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:

Undergraduate College: <http://www.stern.nyu.edu/uc/codeofconduct>

Graduate Programs: [http://w4.stern.nyu.edu/studentactivities/involved.cfm?doc\\_id=102505](http://w4.stern.nyu.edu/studentactivities/involved.cfm?doc_id=102505)

To help ensure the integrity of our learning community, prose assignments you submit to Blackboard 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.

## **RECORDING OF CLASSES**

Your class may be recorded for educational purposes

## **STUDENTS WITH DISABILITIES**

If you have a qualified disability and 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 Students with Disabilities (CSD, 998-4980, [www.nyu.edu/csd](http://www.nyu.edu/csd)) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.