

New York University
Stern School of Business
Summer 2012

ACCT-GB.2303(S.60)
Financial Statement Analysis
Office Hours: MW 5:00-6:00

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Text: The Analysis and Use of Financial Statements (3rd Ed.) White, Sondhi & Fried: Wiley 2003
Note [Numbers] in square brackets in Course Outline denote Chapters from this Text

Pre-requisites: Students are assumed to have a working knowledge of accounting principles comparable to materials covered in the core financial accounting course.

Course grade based on (short) Online Quizzes and Final (Both quizzes and final are open book)

- **Quizzes 80% --Best 8 out of 10 – online**
- **Final 20% -- Monday June 25**

More information will be provided on first day of class

Topics: The course outline lists 8-10 topics. The dates indicated for coverage are designed to be target dates of topics. If things progress, certain topics may begin earlier to relieve semester-end pressure.

Readings: The book is comprehensive - at times, you may feel - too much so. As such, **handouts** will be used to summarize and focus the chapter readings.

Handouts:

Will be available on Blackboard.

Names of the files to be downloaded are indicated on P. 2 of course outline in { }

Make sure you check the website and download the handout before coming to class.

Problems & Cases: The course outline lists numerous problems from the text. In addition to these problems you may receive additional assignments throughout the course.

Solutions to cases and problems will also be available on BlackBoard

The problems, cases, handouts and readings are an integral part of the course and in many cases will constitute core elements of the lecture. I urge you to be prepared!

COURSE OUTLINE

Day	Topic	Reading	Problems
5/14 5/16	Introduction Income Statement Revenue Recognition Nonrecurring Items	[1] Skim [2] {Int_Inc} [8] Skim pp.275-279	[2] 8,12,14,17a,23 OCA case Thousand Trails I
5/21 5/23	Cash Flow Analysis [Includes effects of acquisitions and stock compensation]	[3] {Cashflow} {Deferred Taxes – a digression}	[3] 2,3,4,9,14-16 Thousand Trails II
5/30	Ratio Analysis	[4] omit pp. 149-end {Ratios}	[4] 4,5,8,14,16,17,24,25
6/4	Inventory Analysis	[6] {Inventory}	[6] 8,9,17,20,21
6/6	Long-Lived Assets & Depreciation	[7] {Fixed_Asset} [8] to p. 275	[7] 1,5,9,12 [8] 8,12-14
6/11	On BS Debt	[10] omit "Interest Rate Swaps" {Debt}	[10] 3,10,16,17,21,25
6/13 6/18	Leases Receivable Sales Joint Ventures	[11] pp. 364-377 {OBS_Debt -Leases} [11] pp. 378-386 {OBS_Debt -Receivable Sales} {OBS_Debt –Joint Ventures}	[11] 7,9,11(omit bii) [11] 12,14 Case 13-1
6/20	“Subprime Mortgage Crisis and Accounting” Pensions/Postretirement - Overview	{Subprime Crisis & Accounting} [12] pp. 401-415 ; 418-421 Ch 12 update {Pension}	TBA
6/25	<i>Review - Final</i>		