



# Principles of Financial Accounting

ACCT-UB.0001.02 - Fall, 2016  
Tisch Hall 200 – M, W, 8:00am – 9:15am

## Instructor

Jim Resnik

**Office:** 44 West Fourth Street, 10-70

**Cell:** 201-281-3950

**E-mail:** jresnik@stern.nyu.edu

**Skype:** professor.resnik

**Office hours:** M, W 9:30 – 10:30am  
and by appointment

## Teaching Assistant

Sahaj Parameswaran

**E-mail:** sp3556@stern.nyu.edu

**Cell:** TBD.

**Office Hours:** TBD

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## COURSE DESCRIPTION

In the future ... you may be offered a job by a promising startup, you may consider investing some of your savings in a company's stock, you may decide to develop or purchase your own business; you may even ponder about the financial wisdom of lending money to a relative or even a daughter or son starting a business of their own! In any of these situations, and many others, understanding accounting will be a most valuable skill. Accounting is the tool businesses use to measure and communicate their condition and 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. This course focuses on: 1) Understanding the methods, rules and processes used to develop financial accounting reports; 2) Preparing financial accounting reports; and 3) interpreting financial accounting reports.

## GOALS

By the end of the course, you should: (1) understand the core concepts of financial accounting including how accountants analyze and record the effects of individual transactions, and the concepts that are essential to understanding financial reports such as assets, liabilities, owners' equity, revenues, expenses and cash flows; (2) be able to interpret annual report information and analyze a company's performance using this information; and (3) be fluent in the language of business.

## TEACHING PHILOSOPHY

I believe that you learn more by doing your own research and your own reasoning than you learn by hearing someone else's narrative (e.g. I get to my destination faster when I develop my own Google map rather than when I ask for directions; even though occasionally my Google map fails and I end up asking for directions anyway). Therefore, class time will be devoted to reinforcing and clarifying material that students have made a conscientious effort to learn on their own.

## **TEXTBOOK AND ADDITIONAL REQUIRED MATERIAL**

1) The required textbook for the class is Financial Accounting 8th Ed. by Libby, Libby and Short (LLS), Custom Edition for New York University, published by McGraw-Hill. 2) In addition to the textbook, McGraw - Hill's Connect online platform for your textbook is required; new textbooks include the registration code or you can purchase the code separately. Once you have the registration code, you will need this URL to register for our class: [\[INSERT CODE/LINK HERE\]](#)

## **NYU CLASSES SOFTWARE**

This course makes extensive use of the NYU Classes software platform for communications, discussion and grading. Students should consult the course's NYU Classes page, especially the Announcements, frequently. Important course information such as updates to the syllabus or changes to the course schedule will be communicated via NYU Classes announcements.

## **COURSE QUESTIONS AND COMMUNICATION**

General course questions should be posted to NYU Classes' Class Questions Topic, under the Forums tab. By doing so, the entire class can see questions posted by students and their answers. Please make sure your question has not already been asked in the forum before posting it. Only questions of a private nature or those that would give away pending homework responses should be emailed directly to the instructor.

## **PREPARING FOR CLASS**

We have considerable amount of material to cover in the course, in a relatively short period of time. Furthermore, the material covered is very much inter-related so that if you do not understand a particular topic, it will be difficult to understand the next topic. It is your responsibility to understand the course's syllabus and follow the course schedule. A current version of this schedule is provided below. This version will almost certainly be updated through the semester. Whenever an update occurs, this will be communicated by email (to your Stern email account only) and/or an NYU Classes announcement. It is your responsibility to check your Stern email and the NYU Classes announcements frequently. To ensure you keep up with the course, you are required to read the material covered in each class, as listed in the course schedule, before coming to class. You must also complete pre-class assignments (Learnsmart) and homework assignments (see below) on time.

## **PRE-CLASS LEARNSMART ASSIGNMENTS**

Prior to each class topic, a pre-class assignment, in the form of a Learnsmart Assignment, will be posted on Connect. Learnsmart is similar to digital flashcards and it is tailored to each individual by using your responses to identify your strengths and weaknesses; thus, it will give you more questions on areas that you get wrong to reinforce the material. These assignments will take approximately 30 minutes to complete. You should use these Learnsmart assignments to test your understanding of the material to be covered in the class. Completing these assignments should also help you identify any topics you do not understand well enough. As these are preparation assignments, they will be graded on effort rather than the correctness of your answers. What counts is showing that you have read the text and you are ready to apply the information in a coherent manner. The grading will simply be credit (100) or no credit (0) regardless of the grade you earn on Connect. Only your ten highest grades from the 12 Learnsmarts will count towards your final grade.

## **HOMEWORK ASSIGNMENTS**

After we have concluded each class topic, a homework assignment will be posted on Connect (no homework assignment for Appendix E). These assignments will give you an opportunity to show me, and yourself, that you have understood and learned the material. Consequently, these assignments will be graded on correctness on a scale of 0 to 100. Only your nine highest grades from the 11 homework assignments will be counted towards your course grade.

## **ADDITIONAL PRACTICE MATERIAL**

In addition to the Connect assigned homework, in NYU Classes, there will be posted additional recommended problems. These problems will be optional; however, you should strive to complete them on paper to ensure sufficient reinforcement of the material. While most of our homework is done on Connect, solving problems on paper is very important and will help prepare you for the midterms and final (which are on paper!). Your textbook and Connect include even more material which you can use for practice.

## **LATE ASSIGNMENTS**

To assist students in understanding the material in a timely manner, pre-class assignments will often be reviewed in class and solutions to homework assignments will be available promptly after their due date. Providing timely assignment solutions prevents the possibility of accepting late assignments. As late assignments will not be accepted, only your ten highest grades on both Learnsmart and homework assignments will be counted. This gives you the choice of not submitting up to two each Learnsmart and homework assignments. If more are submitted, only the highest scored ten in each category will count towards your grade.

## **EXAMS**

There will be two midterm exams and a final exam. The midterm exams and the final exam will be closed book but you are allowed to bring into the exam one double sided 8 ½" x 11" page of your own notes (cheat sheet). Due to the cumulative nature of the course material, all exams will necessarily be cumulative unless indicated otherwise. You are required to bring a calculator. Laptops, cell phones and other hand-held devices with internet access and/or save capabilities are not permitted during the midterms or the final exam; this includes any calculator with the ability to save text, including some of the graphing calculators used in other courses at NYU.

## **CLASS PROFESSIONALISM**

You are expected to treat this course as you would treat a good job that you want to keep. In an important meeting you would not be disruptive but rather try to be attentive and collaborative, the same applies to our classes. Among your class professionalism duties are: attend class; arrive on time and stay until the end of the class; contribute with questions and/or comments when appropriate; avoid disrupting the class by talking to others; refrain from connecting to the internet or texting by turning off all electronic devices except for note taking devices; post comments in NYU Classes' discussion forums; reply to all course communication including surveys and/or emails. While attendance is an important part of the course, it is just one of several parts making up your class professionalism grade.

## **GRADING**

Your final course grade will be a weighted average, as follows:

- 10% Learnsmart assignments
- 10% Homework assignments
- 10% Class professionalism
- 20% Midterm 1
- 20% Midterm 2
- 30% Final exam

At NYU Stern we seek to teach challenging courses that allow students to demonstrate their mastery of the subject matter. In general, students in undergraduate core courses can expect a grading distribution where:

- 25-35% of students can expect to receive A's for excellent work.
- 50-70% of students can expect to receive B's for good or very good work.
- 5-15% of students can expect to receive C's or less for adequate or below work.

Note that while the School uses these ranges as a guide, the actual distribution for this course and your own grade will depend upon how well you actually perform in this course.

Letter grades will be assigned as follows (number in parenthesis is minimum score required for grade): A(93), A-(90), B+(87), B(83), B-(80), C+(77), C(73), C-(70), D+(67), D(60), F(0)

## **RE-GRADING**

In line with the Grading Guidelines for the NYU Stern Undergraduate College, the process of assigning grades is intended to be one of unbiased evaluation. I encourage you to respect the integrity and authority of the grading system and discourage you from pursuing arbitrary challenges to it. If you feel that an inadvertent error has been made in grading your test paper or in assessing an overall course grade, you may submit a request to have the grade reevaluated. Please submit such requests in writing to your instructor within seven days of receiving the grade, including a brief statement of why you believe that an error in the grading has been made.

## **ACADEMIC HONESTY**

Plagiarism is the act of representing somebody else's work as one's own. This is a type of fraud or deception similar to the way some company executives have misrepresented the health and soundness of their firms. The Stern School does not tolerate this sort of behavior. You are expected to adhere to the Stern Code of Conduct which you can find at: <http://www.stern.nyu.edu/uc/codeofconduct>. Important student responsibilities include, but are not limited to, the following: 1) A duty to acknowledge the work and efforts of others when submitting work as one's own. Ideas, data, direct quotations, paraphrasing, creative expression, or any other incorporation of the work of others must be clearly referenced. 2) A duty to exercise the utmost integrity when preparing for and completing examinations, including an obligation to report any observed violations.

## **DISABILITY ACCESS**

If you are a student with a disability and you feel you need accommodations, you must register with the Moses Center for Students with Disabilities. They are located at 726 Broadway, 2nd floor, and can be reached at 212-998-4980 or [mosescsd@nyu.edu](mailto:mosescsd@nyu.edu).

## COURSE SCHEDULE

Day	Date	In-Class Activity	Due Before Class
Wed	7-Sep	Introduction	Purchase textbook / Connect Registration
Mon	12-Sep	Discuss LLS Ch. 1*	Read LLS Ch. 1, complete Chapter 1 Learnsmart
Wed	14-Sep	Discuss LLS Ch. 1*	
Mon	19-Sep	Discuss LLS Ch. 2	Read LLS Ch. 2, complete Chapter 2 Learnsmart
Wed	21-Sep	Discuss LLS Ch. 2	Complete Chapter 1 homework
Mon	26-Sep	Discuss LLS Ch. 3	Read LLS Ch. 3, complete Chapter 3 Learnsmart
Wed	28-Sep	Discuss LLS Ch. 3	Complete Chapter 2 homework
Mon	3-Oct	Discuss LLS Ch. 4	Read LLS Ch. 4, complete Chapter 4 Learnsmart
Wed	5-Oct	Discuss LLS Ch. 4	Complete Chapter 3 homework
Mon	10-Oct	NO CLASS	NO CLASS
Wed	12-Oct	Midterm 1	Complete Chapter 4 homework
Mon	17-Oct	Discuss LLS Ch. 6	Read LLS Ch. 6, complete Chapter 6 Learnsmart
Wed	19-Oct	Discuss LLS Ch. 6	
Mon	24-Oct	Discuss LLS Ch. 7	Read LLS Ch. 7, complete Chapter 7 Learnsmart
Wed	26-Oct	Discuss LLS Ch. 7	Complete Chapter 6 homework
Mon	31-Oct	Discuss LLS Ch. 8*	Read LLS Ch. 8, complete Chapter 8 Learnsmart
Wed	2-Nov	Discuss LLS Ch. 8*	Complete Chapter 7 homework
Mon	7-Nov	Discuss LLS Ch. 9*	Read LLS Ch. 9, complete Chapter 9 Learnsmart
Wed	9-Nov	Discuss LLS Ch. 9*	Complete Chapter 8 homework
Mon	14-Nov	Midterm 2	Complete Chapter 9 homework
Wed	16-Nov	Discuss LLS Ch. 10	Read LLS Ch. 10, complete Chapter 10 Learnsmart
Mon	21-Nov	Discuss LLS Ch. 10	
Wed	23-Nov	NO CLASS	NO CLASS
Mon	28-Nov	Discuss LLS Ch. 11	Read LLS Ch. 11, complete Chapter 11 Learnsmart
Wed	30-Nov	Discuss LLS Ch. 11	Complete Chapter 10 homework
Mon	5-Dec	Discuss LLS Ch. 12	Read LLS Ch. 12, complete Chapter 12 Learnsmart
Wed	7-Dec	Discuss LLS Ch. 12	Complete Chapter 11 homework
Mon	12-Dec	Discuss LLS Appendix E	Read LLS Appendix E, complete App. E Learnsmart
<b>Tue</b>	<b>13-Dec</b>	Discuss LLS Appendix E	Complete Chapter 12 homework
Wed	14-Dec	Catch up / Review	Prepare for final exam
TBD	12/19-12/23	Final Exam	Time: 8:00am - Room: TBD

\* Chapter Supplements: Only supplements 1A, 8 and 9B will be covered.

This schedule is subject to change. Changes will be announced on NYU Classes.