Overview:

Accounting produces much of the information used within corporations. Accounting information is used in valuation, in contracting, by investors, by creditors, by managers and by the government. A good understanding of accounting is one of the basic building blocks of business education.

This course introduces the fundamentals of accounting. We will approach the subject from a user's point of view, not the accountant, although this does require extensive work on how accounting information is prepared. By the end of this course, you should be able to read and understand financial statements.

The course begins with the simplest and most important rules of accounting. We begin by looking at the three fundamental financial statements -- the balance sheet, the income statement, and the statement of cash flows. Particular attention is paid to how the three statements interact with each other. We then move on to specific topics in accounting. Throughout the semester, we will be doing problems using real financial statements.

Text:

The basic text is Horngren, Sundem and Elliot, *Financial Accounting, Custom Edition*, Prentice-Hall. You may not use the 8th Edition. All assigned readings and homework problems are from the text. We will be using the General Mills Annual Report. This is available in PDF format on the Blackboard site for this course ([http://sternclasses.nyu.edu/](http://sternclasses.nyu.edu/)) and from the General Mills website ([http://www.generalmills.com](http://www.generalmills.com)).

Grading:

Assessment is based on three open-book exams & 10 short quizzes. The first two midterms will be held on October 17th. There are no make-up exams. All exams are cumulative. The exams will be weighted: 20%, 25% and 35% respectively. Quizzes will account for 10% of your grade. Quizzes, when given, will be during the first 10 minutes of class. For a legitimate reason, there are no make-ups. Attendance is a must. If you miss an exam, the next (or previous) exam will be counted as cumulative.
TA’s Office Hours will be announced.

Core Enhancement:
We will be using ALEKS – an online system for assessment, to supplement your learning. It will help you when you have a problem with certain areas and assess your knowledge of specific topics. We will discuss it more as the course progresses. There will be certain deliverables. You must register and pay $35 with a credit card. The total cost of the material is the same as last year. ALEKS will count for 10% of your final grade. The URL is: http://www.business.aleks.com/nyufinac

Syllabus:
There will be no class on Wednesday, October 5th. The class will be made up on September 23rd.
There is a school holiday on October 11th. November 23rd, which is a Wednesday, follows a Monday schedule.
Final Exam is on Monday, December 18th, at 8:00 in our room. The final exam time is mandatory. There will be no rescheduling of finals.

9/7 Introduction: Bring General Mills to class
9/12 Read Chapter 1
9/14 Homework: Chapter 1: 26, 31, 33, 35, 36, 38
9/19 Read Chapter 2: The Income Statement, Introduction of the Cash Flow Statement
9/21 Homework: Chapter 2: 34, 48, 49, 45, 48, 55
9/23 Read Chapter 3 – Recording Transactions
9/26 Homework: Chapter 3: 20, 21, 26, 30, 38, 43, 49
9/28 Catch-Up
10/3 Accounting Adjustments Read: Chapter 4 – Using Financial Statements – In Class: 22, 23, 24, 25, 27
10/10 Holiday
10/12 Homework: Chapter 4
10/17 Midterm 1
10/19 Read: Chapter 5: Statement of Cash Flows
10/24 Homework: Chapter 5, 31, 44, 54, 41, 62, 64
10/26 Read: Chapter 6: Revenue Recognition and Cash, Accounts Receivables
10/31 Homework: Chapter 6: 34, 35, 37, 54, 56, 58
11/2 Read: Chapter 7: Inventories & Cost of Goods Sold
11/7 Homework: Chapter 7: 34, 41, 47, 48, 55, 56, 66
11/9 Read: Chapter 8: Long Lived Assets & Depreciation
11/14 Homework: Chapter 8: 27, 31, 34, 35, 47, 48, 53, 60, 75
11/16 2nd Exam
11/21 Read: Chapter 9: Liabilities & Interest (Introduction to Present Value Concepts)
11/23 Homework: Chapter 9: 32, 33, 34, 35
11/30 Homework: Chapter 9: 25, 32, 43, 46, 54, 65
12/5 Read: Chapter 10: Stockholder’s Equity
12/7 Homework: Chapter 11: 34, 45, 46, 48, 60, 62, 75
12/12 Catch-Up
12/14 Review for Final Exam
12/19 Final Exam 8-9:50am Classroom