

Prof. Paul Zarowin
KMEC 10-75

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Financial Reporting and Disclosure

MS Fall, 2025 – Spring, 2026 Class Schedule

Part 1: Monday, October 27 – Monday, December 8, 2025

12:00 – 1:20; 1:30 – 2:50 KMC 3-50

Part 2: Monday, February 2 – Wednesday, March 11, 2026

5:00 – 8:00 PM, M1 Monday; M2 Wednesday, Location TBA

The course will cover an in depth examination of financial report disclosures, with an emphasis on how firms use financial reporting to achieve such ends as managing earnings or keeping debt off of the balance sheet. By the end of the course, students will have an appreciation for what information is missing from the primary financial statements, the knowledge to understand the content of important footnotes, and the tools to conduct financial analyses using the information contained therein. The course will use a combination of textbook problems, Harvard cases, and most importantly, actual financial report disclosures. The course is geared for students going into public accounting, investment banking, equity research, or consulting. The week-by-week schedule is:

Fall, 2025: Week of Monday	Monday	Wednesday
October 27	Income Statement, Earnings Management Ch. 2 (2-15 – 2-18)	Income Statement and Earnings Management, cont'd Ch. 2 (2-7 – 2-13)
November 3	LIFO Inventories Ch. 10 (10-12 – 10-30)	LIFO Inventories, cont'd
November 10	Non-Current Liabilities Ch.12 (12-1 – 12-20; 12-22 – 12-25) Ch. 16 (16-30 – 16-36) Ch 9 (9-26 – 9-34)	Non-Current Liabilities, cont'd
November 17	Off Balance Sheet Financing: Receivables and Securitization Ch. 9 (9-1 – 9-8; 9-15 – 9-26)	Off Balance Sheet Financing: Receivables and Securitization, cont'd
November 24	Off Balance Sheet Financing: Equity Method Ch. 17 (17-7 – 17-8; 17-14 – 17-18)	Off Balance Sheet Financing: Equity Method, cont'd
December 1	Equity Method, cont'd	Review for Midterm Exam
December 8	Midterm Exam, thru Receivables and Securitization	

Spring, 2026 Week of Monday	M1 - Monday 6 – 9 PM	M2 - Wednesday 6 – 9 PM
Feb 2	Taxes Ch. 14	Same as Monday
Feb 9	Taxes, cont'd	Same as Monday
Feb 16	Pensions Ch. 15 <i>No class – Presidents' Day</i> <i>Alternate time TBD</i>	Same as Monday
Feb 23	Pensions, cont'd	Same as Monday
Mar 2	EPS & Dilution Ch. 16 (16-1 – 16-12; 16-14 – 16-15) Equity Based Compensation Ch. 16 (16-16 – 16-29)	Same as Monday
Mar 9	Class presentations	Same as Monday

Important: laptops and cellphones are not allowed in the classroom. Please leave them in a secure place before you come to class.

Course materials

The course text is *Financial Reporting and Analysis*, by Lawrence Revsine, Daniel W. Collins, and Bruce Johnson, Fred Mittelstaedt, and Leonard Soffer (McGraw Hill), 8th Edition. I refer to the text as RCJ. The text is *recommended*; it is not *required*.

All other course materials are contained on the course's Brightspace site: Powerpoint slides, examples of financial statements, assigned problems, and solutions.

Assignments and Grading

The grade you earn will be based on the following:

8 take-home group quizzes (10 points each) + a take home group case project (20 points);
in class midterm (100 points);
in-class final exam (100 points).

Class participation will then be taken into consideration to adjust grades where appropriate. The quizzes (approx. one page each) are on each topic that we cover (i.e., dealing with a specific disclosure). The quizzes and the case project will be done as group assignments, with 4 students per group. I will randomly assign students to groups before each of the group assignments. The midterm and the final exam will be done individually (i.e., no collaboration). All assignments are open book and open notes.

Group work Guidelines

In order to have the most productive group interactions and for every student to maximize their learning, you must familiarize yourself with the assignment and come to the group prepared to contribute. Before the assignment is submitted, it is critical that everyone in the group can describe how your group's answers were derived. Help each other. Make

your group's submission be a collective effort. After each group assignment, all student will complete a self-evaluation and a peer evaluation.

ACADEMIC INTEGRITY

Our undergraduate [Academics Pillar](#) states that *we take pride in our well-rounded education and approach our academics with honesty and integrity*. Indeed, integrity is critical 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: www.stern.nyu.edu/uc/codeofconduct

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

GENERAL CONDUCT & BEHAVIOR

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern's Policy in Regard to In-Class Behavior & Expectations (<http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm>) and the NYU Student Conduct Policy (<https://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/university-student-conduct-policy.html>).

Important information

The required book for this course, **Financial Reporting and Analysis** by Revsine, will be delivered to you digitally. You will receive an email from "BryteWave" with the instructions for accessing the material. The **cost of the book is \$41.25**, which will be added as a "book charge" to your bursar bill.

If you choose to find your course materials elsewhere, you must login [here to the student portal](#) and opt out of the program by **November 5th**. **If you do not opt out by this date, you will be charged.**