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KMEC 10-75

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Financial Reporting and Disclosure

BSMS Spring, 2026 Class Schedule

Wednesday, January 21 – Monday, May 5

3:30 – 4:45, Tisch Hall LC 25

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:

Week of Monday	Monday	Wednesday
January 19		Income Statement, Earnings Management Ch. 2 (2-15 – 2-18)
January 26	Income Statement and Earnings Management, cont'd (2-7 – 2-13)	LIFO Inventories Ch. 10 (10-12 – 10-30)
February 2	LIFO Inventories, cont'd	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)
February 9	Non-Current Liabilities, cont'd	Off Balance Sheet Financing: Receivables and Securitization Ch. 9 (9-1 – 9-8; 9-15 – 9-26)
February 16*	Off Balance Sheet Financing: Receivables and Securitization, cont'd	Off Balance Sheet Financing: Receivables and Securitization, cont'd
February 23	Off Balance Sheet Financing: Equity Method Ch. 17 (17-7 – 17-8; 17-14 – 17-18)	Off Balance Sheet Financing: Equity Method, cont'd
March 2	Taxes, Ch. 14	Taxes, cont'd
March 9	Review for Midterm Exam	Midterm Exam, thru Equity Method
March 16	No Class – Spring Break	No Class – Spring Break
March 23	Taxes, cont'd	Taxes, cont'd
March 30	Pensions Ch. 15	Pensions cont'd
April 6	Pensions cont'd	Pensions cont'd
April 13	EPS & Dilution Ch. 16 (16-1 – 16-12; 16-14 – 16-15)	EPS & Dilution, cont'd

April 20	Equity Based Compensation Ch. 16 (16-16 – 16-29)	Equity Based Compensation, cont'd
April 27	Group Presentations	Group Presentations, cont'd
May 4	Group Presentations, cont'd	

***Monday, February 17: No Class–Presidents Day; regular class meets Tuesday, February 18**

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:

2/7 ths: 8 take-home quizzes (10 points each) + a group project (20 points);

2/7 ths: in class midterm (100 points);

3/7 ths: in-class final exam (100 points).

Class participation will be 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 will be done as group assignments, with 4 students per group. The group project will have 6 students, and will require you to compare your own analysis of a firm’s future earnings growth and risk with that of ChatGPT. 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 students will complete both a self-evaluation and a peer evaluation (of your other group members). Students who participated minimally (or not all) will receive a zero for the assignment, regardless of the group’s score on the assignment.

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 **September 18th. If you do not opt out by this date, you will be charged.**