

**COLUMBIA UNIVERSITY**  
**SCHOOL OF INTERNATIONAL AND PUBLIC AFFAIRS**

**U6014x**  
**Accounting for SIPA**

**K. Morgan**  
**Fall 2004**

**Syllabus**

**Required textbook:** **Stickney, Clyde P. and Weil, Roman L., Financial Accounting: An Introduction to Concepts, Methods, and Uses, 10th edition, The Dryden Press, 2003.**

Supplementary: Anthony, Robert N. Essentials of Accounting, 7th edition, Addison-Wesley, 2000.

- 1. Introduction** **chapter 1**
  - Function and objectives of accounting
  - Management accounting
  - Financial reporting: principal statements
  
- 2. The balance sheet** **chapter 2**
  - Accounting equation and transactions analysis
  - Use of accounts
  - Debit and credit notation
  - The accounting cycle
  
- 3. The income statement** **chapter 3**
  - Cash basis of accounting
  - Accrual basis of accounting
  - Revenue and expense adjustments
  - Preparation of the income statement and balance sheet
  
- 4. Receivables and Revenue Recognition** **chapter 6, pp.314-343**
  - Principles of income recognition
  - Accounts receivable and bad debts
  
- 5. Inventories** **chapter 7, pp.364-392**
  - Manufacturing cost flows
  - Perpetual and periodic inventory systems
  - Inventory valuation methods
  - Implications of choice of method: income and tax effects
  - Current cost disclosure
  
- 6. Long term assets: depreciation and depletion** **chapter 8**
  - Methods of computing depreciation
  - Tax effects
  - Dispositions
  - Natural resource assets and Intangible assets
  
- 7. Liabilities** **chapter 9, pp.474-92**
  - Liability recognition
  - Contingencies
  - Current liabilities
  
- 8. The time value of money** **Appendix,**
  - Present and future value concepts
  - Mortgages and amortization schedules
  - Net present value and internal rate of return**pp.486-489**  
**handout**

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|---|--|
| <p><b>9. Financial instruments: bonds</b><br/> Valuation models for bonds<br/> The corporate and government bond markets<br/> Yields and prices<br/> Accounting for bonds</p> | <p>handout<br/> <b>chapter 9, pp.492-509</b></p>             |
| <p><b>10. Owners' equity and Income Statement</b><br/> Reporting earnings<br/> Capital stock and retained earnings<br/> Dividend policy</p>                                   | <p><b>chapter 12,pp. 671-709,</b><br/> <b>pp.343-345</b></p> |
| <p><b>11. Statement of cash flows</b><br/> Significance of cash flow<br/> Accounting income vs. cash flow</p>   | <p><b>chapters 4, 13</b></p>                                 |
| <p><b>12. Financial statement analysis</b><br/> Measures of profitability<br/> Measures of liquidity<br/> Debt structure and the measurement of risk</p>                      | <p><b>chapter 5</b></p>                                      |

There will be weekly problem sets, one midterm, and one final examination. Both examinations are closed book. The final grade is based on:

	Points
Problem sets	40
Feedback Midterm	10
Final	50

Written assignments are due at the time and place announced. Assignments are to be submitted by teams of three students (one paper per team). All assignments must be done on a spreadsheet.

**No late homework is accepted.**