

Greetings, folks.

Welcome to Duke and EGM 530.

I will be your teacher this semester.

Please call me "C. J."

Our first class meets either Wednesday or Thursday, 8/25 or 8/26, in Fitzpatrick, Schiciano Room B-1466.

In preparation for our first meeting, please do the following:

Visit the class sakai site.

Under the resources tab, there are 13 days of handout material for the entire semester.

One of the items included there is the day 1 session.

The syllabus is included on pages 2 through 5 there and below here for your convenience.

Please either print out session 1 or bring your laptop so you can follow along.

That will be the heart of and the background for the first lecture.

Information about the textbook references is detailed on the syllabus.

We'll address other various issues in class when we meet.

I sincerely hope this is a great year for you.

I look forward to meeting you and working with you.

Warmest regards.

C. J

**DUKE UNIVERSITY**  
**EGM 530 – FINANCE AND ACCOUNTING**  
**IN HIGH TECH INDUSTRIES**

**FALL 2021**

**SYLLABUS**

**C. J. SKENDER**

**A415 Magat Academic Center, Fuqua School of Business, 919.660.7819, cjs6@duke.edu**

*Course Description*

The course provides an overview of industry issues in finance and accounting, with an emphasis on accounting needed for effective financial analysis. Topics include present value mathematics, tax considerations, cost behavior, break-even analysis, decision making, risk and return, capital budgeting, cost of capital, financial statements, dividend policies, allocation of revenues and costs, mergers and acquisitions, international strategies, and assessing a firm's value. The purposes of this course are to acquaint you with complex corporate financial reporting requirements and techniques and to enable you to develop a framework for analyzing the political and economic significance of a wide variety of financial reporting issues. The concepts, theory, and technical details will be examined carefully. Exercises and problems will provide vehicles for class discussion. After successfully completing this course you will be able to effectively function in a business decision-making capacity and to intelligently read and question an annual report and a 10-K.

*Course Materials*

Fundamentals of Financial Management by James C. Van Horne and John M. Wachowicz, Jr. (referred to as VHW), 13<sup>th</sup> edition, published by Prentice Hall Financial Times, 2008 (ISBN 978-0-273-71363-0), and Financial Accounting, An Introduction to Concepts, Methods, and Uses by Roman L. Weil, Katherine Schipper and Jennifer Francis (referred to as WSF), 14<sup>th</sup> edition, published by South-Western Cengage Learning, 2014 (ISBN 978-1-111-82345-0), will be the primary references. You may purchase each used online or rent via eTextbook Access fairly inexpensively. Duke Stores is in the process of obtaining the four VHW chapters we study in a custom package. Additional materials (handouts) will be made available on sakai.

## Course Requirements

### (1) Class Attendance and Preparation

Students are expected to attend all sessions and actively participate to the extent possible. You should read appropriate materials prior to class. The more you prepare prior to the lecture, the more comfortable you will be when this topic is covered in class. You are encouraged to attempt the assigned problems before class, but don't get "bogged down" in details until after the class presentation.

### (2) Homework

Several homework exercises and problems are listed on the pages that follow. You may be required to show evidence that you attempted the assignment. You are encouraged to work in groups, except for the quizzes, midterm and final. Solutions will be covered during class or they will be made available to you on sakai.

### (3) Quizzes and Examinations

There will be 4 10-point quizzes to be done individually in sakai. These are due on Tuesdays at 10:00 p.m. on September 14, September 28, October 12 and November 2. There is a take-home midterm to be done individually in sakai, due at 10:00 p.m. on Tuesday, October 19, 2021. There will be a three-hour final exam given when scheduled by the registrar. Likewise, the final examination will be done on an individual basis. All will be in an open-book open-note format.

### (4) Grading

Final course grades will be determined by the following allocation:

40%	4 10-point quizzes ( <b>Due 9/14, 9/28, 10/12 and 11/2</b> )
20%	take-home midterm ( <b>Due Tuesday, 10/19 at 10:00 p.m.</b> )
40%	take-home final examination (TBA)
<u>100%</u>	

### (5) The Honor Code

You are expected to follow the Duke University Honor Code. Specific issues concerning homework, quizzes and examinations will be discussed in the first class meeting.

# EGM 530 Finance and Accounting in High Tech Industries

CLASS 1 8/25, 26	TIME VALUE OF MONEY	APPENDIX (WSF, p. 707)	18,19,20,21,22,31,32
	SAKAI DOWNLOAD	CHAPTER 3 (VHW, p. 41)	17,18
	COST BEHAVIOR	Day 1 Materials	
	BUDGETING	Day 1 Materials	
CLASS 2 9/1, 2	COST-VOLUME-PROFIT	Day 2 Materials	
	DECISION MAKING	Day 2 Materials	
CLASS 3 9/8,9	CAPITAL BUDGETING	Day 3 Materials	
	CAPITAL BUDGETING	CHAPTERS 12, 13 (VHW)	12: 1,2; 13: 1,2
	INTRO	CHAPTER 1 (WSF)	18,19,20,31,34,35
CLASS 4 9/15, 16	RECORD KEEPING: B/S	CHAPTER 2 (WSF)	11,13,15,18
	RECORDKEEPING: I/S	CHAPTER 3 (WSF)	6,7,8,9,10,11,12,22,27,33
CLASS 5 9/22, 23	BALANCE SHEET	CHAPTER 4 (WSF)	12,14,15,16,22,25,27,29
CLASS 6 9/29, 30	INCOME STATEMENT	CHAPTER 5 (WSF)	11,13,19,26,28
	SAKAI DOWNLOAD:	ATHLETIC CLUBS	
CLASS 7 10/6, 7	STATEMENT OF CASH FLOWS	CHAPTER 6 (WSF)	14,15,16,17,18,19

CLASS 8 10/13, 14	STATEMENT OF CASH FLOWS	CHAPTER 6 (WSF)	26,28,30,31,32,33,34,35
	FIN. STMT. ANALYSIS	CHAPTER 7 (WSF)	12,16
	FIN. STMT. ANALYSIS	CHAPTER 6 (VHW)	1,2
<b>10/19</b>	<b>TAKE-HOME MIDTERM DUE</b>	<b>(DUE TUESDAY 10/19/21)</b>	
CLASS 9 10/20, 21	RECEIVABLES AND REV. REC.	CHAPTER 8 (WSF)	24,30,33,34,36
	WORKING CAPITAL	CHAPTER 9 (WSF)	13,27,28,34,38
CLASS 10 10/27, 28	PLANT, EQ., AND INT. ASSETS	CHAPTER 10 (WSF)	19,22,27,29
CLASS 11 11/3, 4	NOTES, BONDS, LEASES	CHAPTER 11 (WSF)	17,18,19,25,28
	DEFERRED TAXES	CHAPTER 12 (WSF)	23,24,25
CLASS 12 11/10, 11	MARKETABLE SECURITIES	CHAPTER 13 (WSF)	13,15,20,26
	INVESTMENTS	CHAPTER 14 (WSF)	17,18,28
CLASS 13 11/17, 18	STOCKHOLDERS' EQUITY	CHAPTER 15 (WSF)	14, 15, 25
	REVIEW		
<b>CLASS 14</b>	<b>FINAL EXAMINATION (TBA)</b>		