

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

**SPRING 2025**

**SYLLABUS**

**C. J. SKENDER**

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*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. They are available at various campus libraries. You may purchase each used online or rent via eTextbook Access fairly inexpensively. The four VHW chapters we study are available in a custom package at Duke Stores. Additional materials (handouts) will be made available on canvas.

## Course Requirements

### (1) Class Attendance and Preparation

Students are expected to attend ALL sessions and actively participate to the extent possible. Attendance will be taken daily. If you miss, your absence will be reported to the MEM office. Potentially, you could be dropped from the class. Please 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 canvas.

### (3) Teaching Assistant

Our teaching assistant this term is Bhavesh Singhal. His weekly office hours are scheduled from 1 p.m. to 3 p.m. every Tuesday beginning January 21, 2025. His email is [bhavesh.singhal@duke.edu](mailto:bhavesh.singhal@duke.edu).

### (4) Quizzes and Examinations

There will be 4 10-point online quizzes to be done individually on canvas. These are due on Tuesdays at 10:00 p.m. on February 5, February 19, March 5 and April 9. A midterm will be taken during our class period on Wednesday, March 19, 2025, done individually in an open-book open-note format. A three-hour final exam will be taken during our class time on April 23, 2025, also done individually and also in an open-book open-note format.

### (5) Grading

Final course grades will be determined by the following allocation:

40%: 4 10-point Sakai quizzes (**Due 2/5, 2/19, 3/5 and 4/9 at 10:00 p.m.**)

25%: in-class midterm (**Wednesday, 3/19 at 8:10 a.m. and 11:30 a.m.**)

35%: in-class final examination (**Wednesday, 4/23 at 8:00 a.m. and 11:30 a.m.**)

100%

### (6) The Honor Code

You are required to follow the Duke University Honor Code. It is expected that each student will complete all work related to the course by their own effort without the aid of other students, unauthorized resources or outside services. The use of any site or material other than the EGM 530 canvas site for spring, 2024 such as the associated materials from previous semesters or courses at other universities is considered unauthorized and a violation of the Duke University Honor Code. Work submitted on quizzes and exams should be totally your own without intervention of other students or services. Specific issues concerning homework, quizzes and examinations will be discussed during our initial class meeting.

# EGM 530 Finance and Accounting in High Tech Industries

CLASS 1 1/15	TIME VALUE OF MONEY	APPENDIX (WSF, p. 707)	18,19,20,21,22,31,32
	CANVAS DOWNLOAD	CHAPTER 3 (VHW, p. 41)	17,18
	COST BEHAVIOR	Session 1 Materials	
	BUDGETING	Session 1 Materials	
CLASS 2 1/22	COST-VOLUME-PROFIT	Session 2 Materials	
	DECISION MAKING	Session 2 Materials	
CLASS 3 1/29	CAPITAL BUDGETING	Session 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 2/5	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 2/12	BALANCE SHEET	CHAPTER 4 (WSF)	12,14,15,16,22,25,27,29
CLASS 6 2/19	INCOME STATEMENT	CHAPTER 5 (WSF)	11,13,19,26,28
	CANVAS DOWNLOAD:	ATHLETIC CLUBS	
CLASS 7 2/26	STATEMENT OF CASH FLOWS	CHAPTER 6 (WSF)	14,15,16,17,18,13
CLASS 8 3/5	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>CLASS 9</b> <b>3/19</b>	<b>IN-CLASS MIDTERM</b>	<b>(9:00 a.m. or 12 Noon)</b>	
CLASS 10 3/26	RECEIVABLES AND REV. REC.	CHAPTER 8 (WSF)	24,30,33,34,36
	WORKING CAPITAL	CHAPTER 9 (WSF)	13,27,28,34,38
CLASS 11 4/2	PLANT, EQ., AND INT. ASSETS	CHAPTER 10 (WSF)	19,22,27,29
CLASS 12 4/9	NOTES, BONDS, LEASES	CHAPTER 11 (WSF)	17,18,19,25,28
	DEFERRED TAXES	CHAPTER 12 (WSF)	23,24,25
CLASS 13 4/16	MARKETABLE SECURITIES	CHAPTER 13 (WSF)	13
	INVESTMENTS	CHAPTER 14 (WSF)	17,18,28
	STOCKHOLDERS' EQUITY	CHAPTER 15 (WSF)	14, 15, 25
	REVIEW		
<b>CLASS 14</b> <b>4/23</b>	<b>FINAL EXAMINATION</b>	<b>(9:00 a.m. or 12 Noon)</b>	