

武汉大学经济与管理学院

2016/2017 Term 1

INTRODUCTION TO FINANCE

Instructor: Dr Bo Chen

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Course Description:

This course provides students with a basic understanding of “the language of business”. It introduces basic concepts of corporate financial accounting and reporting. This information is widely used in making investment decisions, corporate and managerial performance assessment, and valuation of firms. The viewpoint is that of users of financial reports rather than the accountants who prepare them.

Recommended Text and Readings

Harrison, Horngren, Thomas and Suwardy (2014), *Financial Accounting: International Financial Reporting Standards*, 9th edition

Optional:

When Genius Failed: The Rise and Fall of LTCM.

Liar's Poker

Monkey Business: Swinging Through the Wall Street Jungle

Rich Dad, Poor Dad: What The Rich Teach Their Kids About Money-That The Poor and Middle Class Do Not!

Students are strongly recommended to keep abreast of current development in the Asia-Pacific region by reading leading business dailies/weeklies like Wall Street Journal, The Economist, Financial Times

Assessment

Homework+Group project and/or presentation 10%

Quizzes 10%

Final Exam 80%

*The class will be divided into groups of 4-6 students. Students are required to complete homework individually, but each group must hand in only **one** representative copy of the answers. Students are recommended to do homework in Excel. Each quiz will be announced one week in advance.*

Class Schedule¹

Week	Topic
6a	Overview of the course Administrative matters Discussion on Finance and Ethics Introduction on Financial Statements
6b	The Balance Sheet Recording of Business Transactions
7	Income statement Accrual Accounting
8	Revenue Recognition
9	Inventory and Cost of Goods Sold
10	Tutorial
11	Statement of Cash Flow
12	Financial Statement Analysis
13	Long-term Assets and Depreciation
14	Liabilities
15	Shareholders' Equity
16	Long-term Debt Time Value of Money
17	Brief Introduction to Management Accounting
18	Tutorial

¹ Subject to changes