

Accounting and Finance for Lawyers

Spring 2022 - Professor J.W. Verret, JD, CPA/CFF, CFE
& Professor Chris Ekimoff, CPA/CFF, MFF, CFE

Professor Information

J.W. Verret, jverret@gmu.edu,
Office Hours by appointment

Chris Ekimoff,

<https://rsmus.com/what-we-do/services/financial-advisory/resources/key-financial-advisory-professionals.html#chris-ekimoff>

Course Requirements and Grading Policy

The course requirements consist of class participation and a final exam. Students are required, at a minimum, to participate once every week. Students can obtain a participation grade increase at the end of the year through more extensive participation.

The Final Exam will be open book. You are permitted to bring in your textbook and any notes that you have prepared yourself. You are not permitted to bring in notes prepared by another student or a student who previously took my course.

Additional supplemental readings will be provided as the semester progresses.

Learning Outcomes:

Students will learn to post accounting journal entries, to conduct a valuation of a going concern, to investigate financial fraud, and to analyze financial statements.

Course Materials

Stacey L. Bowers, Accounting and Corporate Finance for Lawyers, Wolters Kluwer

Course Outline

The following table sets forth the topics and reading assignments for the course lectures. **BE ADVISED THAT ALL MATERIAL COVERED IN THE TEXT IS FAIR GAME FOR THE FINAL.** To facilitate class discussion, it is important that students complete the reading assignment in advance of class.

Readings:

The first day will consist of a lecture covering the first 25 pages of the textbook.

The course will cover the entire book, cover to cover, over the course of the class. You are always responsible for reading 25 PAGES AHEAD OF WHERE THE PRIOR CLASS ENDED.

Readings of legal cases and complaints to supplement the textbook are as follows:

****Supplemental Readings Day 2:**

<https://www.sec.gov/news/speech/speech-bricker-121018-1>

<https://www.sec.gov/news/speech/speech-bricker-040318>

<https://www.sec.gov/news/speech/speech-bricker-2017-11-14>

*****Supplemental Readings Day 3: Auditing Liability, PCAOB**

<https://www.sec.gov/litigation/admin/2016/34-79109.pdf>

*****Supplemental Readings Day 4: Accrual Basics, Adjusting Entries, Bad Debt Expense**

Lincoln Savings and Loan v. Wall, 743 F. Supp 901 (1990)
at <https://law.justia.com/cases/federal/district-courts/FSupp/743/901/2593722/>

*****Supplemental Readings Day 5: Inventory Accounting, FIFO and LIFO**

United States v. Ingredient Technology Corp, 698 F2d 88 (1983)
at <https://law.justia.com/cases/federal/appellate-courts/F2/698/88/378551/>

*****Supplemental Readings Day 6: Depreciation**

In Re Waste Management, SEC Complaint, available
at <https://www.sec.gov/litigation/complaints/complr17435.htm>

*****Supplemental Readings Day 8: Dividends and Shareholder Distributions**

Sinclair v. Levien, 280 A.2d 717 (Del. 1971) available at <https://casetext.com/case/sinclair-oil-corp-v-levien-2>

***Supplemental Readings Day 10: Bond Covenants

In Re Grant Thornton, <https://www.sec.gov/litigation/admin/2015/34-76536.pdf>

***Supplemental Readings Day 11: Business Valuation/Appraisal

In Re Dell at <https://courts.delaware.gov/Opinions/Download.aspx?id=266610>

<https://www.skadden.com/insights/publications/2018/05/insights-the-delaware-edition/dell-and-fair-value-in-statutory-appraisal-actions>

Day 12: Leases & Loans

SEC Complaint against Officers of Los Alamos Bank, available at <https://www.sec.gov/litigation/complaints/2015/comp-pr2015-215.pdf>