

BUS 232A – Introduction to Corporate Finance*3 credits, 4 hours per week*

The finance function of a business is covered including: the role of a financial manager, the risk-return relationship, capital budgeting analysis, and the impact of debt in a company's capital structure.

Prerequisites: BUS 131

Instructor

Dr. Tianze Li

Office location: S111A

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Office Hours

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|-----------|--|
| Monday | 1:00 pm to 1:50 pm 2:00 pm to 2:50 pm |
| Tuesday | 1:00 pm to 1:50 pm |
| Wednesday | 2:00 pm to 2:50 pm |
| Thursday | 2:00 pm to 2:50 pm |

Hours of Instruction

| | | |
|-----------|-----------------------|-------|
| Monday | 3:00 p.m. – 4:50 p.m. | CC228 |
| Wednesday | 3:00 p.m. – 4:50 p.m. | CC228 |

Required Resources

Fundamentals of Corporate Finance, Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan, Gordon S. Roberts, Ninth Canadian Edition, ISBN 978-125908758-5

Access to McGraw-Hill Connect is required

Recommended calculator: Texas Instruments BAII Plus

Course Outcomes

Upon successful completion of the course, the student shall be able to:

- Critique the goals of financial management and assess the role of financial markets.
- Execute and examine techniques for working capital management.
- Execute and examine techniques for valuations of capital assets.
- Examine and appraise capital structure.
- Execute and examine techniques for risk management.
- Apply capital budgeting techniques to evaluate investment opportunities.
- Determine the opportunity cost of capital and explain its importance in capital budgeting.

Evaluation

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|--------------------|-------------|
| Quizzes | 15% |
| Case Studies | 10% |
| Assignments | 25% |
| Mid-term | 20% |
| Final Exam | 30% |
| Total..... | 100% |

A grade of C- is required for progression or transfer.

Grading System

| Descriptor | Alpha Grade | 4.0 Scale | Percent |
|---------------------|-------------|-----------|-----------|
| <i>Excellent</i> | A+ | 4.0 | > 93.9 |
| | A | 4.0 | 87 – 93.9 |
| | A- | 3.7 | 80 – 86.9 |
| <i>Good</i> | B+ | 3.3 | 77 – 79.9 |
| | B | 3.0 | 74 – 76.9 |
| | B- | 2.7 | 70 – 73.9 |
| <i>Satisfactory</i> | C+ | 2.3 | 67 – 69.9 |
| | C | 2.0 | 64 – 66.9 |
| <i>Progression</i> | C- | 1.7 | 60 – 63.9 |
| <i>Poor</i> | D+ | 1.3 | 57 – 59.9 |
| <i>Minimum Pass</i> | D | 1.0 | 50 – 56.9 |
| <i>Failure</i> | F | 0.0 | < 50 |

Proposed Schedule of Topics

| Date | Topic | Content |
|-------------------------|---|---------------|
| January 8 – 12 | Introduction to Corporate Finance Financial Statements, Cash Flow, and Taxes | Chapter 1 & 2 |
| January 15 – 19 | Introduction to Valuation: Time Value of Money | Chapter 5 |
| January 22 – 26 | Discounted Cash Flow Valuation | Chapter 6 |
| January 29 – February 2 | Interest Rates & Bond Valuation | Chapter 7 |
| February 5 – 9 | Stock Valuation | Chapter 8 |
| February 12 – 16 | Mid-term Review & Exam | |
| February 19 – 23 | Reading Week | |
| February 26 – March 2 | Net Present Value & Other Investment Criteria | Chapter 9 |
| March 5 – 9 | Making Capital Investment Decisions | Chapter 10 |
| March 12 – 16 | Project Analysis & Evaluation | Chapter 11 |
| March 19 – 23 | Cost of Capital Estimation | Chapter 14 |
| March 26 – 30 | Raising Capital | Chapter 15 |
| April 2 – 6 | Dividends & Dividend Policy | Chapter 17 |
| April 9 – 13 | Final Exam Review | |
| April 16 – 20 | Final Exam | |

Please Note:

Date and time allotted to each topic is subject to change.

Performance Requirements

Student Responsibilities

It is your responsibility as a student to contact the Office of the Registrar to complete the forms for Withdrawal or Change of Registration, and any other forms. Please refer to the list of important dates as noted in the Academic Schedule in the Keyano College credit calendar.

More specific details are found in the Student Rights and Student Code of Conduct section of the Keyano College credit calendar. It is the responsibility of each student to be aware of the guidelines outlined in the Student Rights and Student Code of Conduct Policies.

Student Attendance

Class attendance is useful for two reasons. First, class attendance maximizes a student's learning experience. Second, attending class is a good way to keep informed of matters relating to the administration of the course (e.g., the timing of assignments and exams). Ultimately, you are responsible for your own learning and performance in this course.

It is the responsibility of each student to be prepared for all classes. Students who miss classes are responsible for the material covered in those classes and for ensuring that they are prepared for the next class, including the completion of any assignments and / or notes that may be due.

Academic Misconduct

Students are considered to be responsible adults and should adhere to principles of intellectual integrity. Intellectual dishonesty may take many forms, such as:

- Plagiarism or the submission of another person's work as one's own
- The use of unauthorized aids in assignments or examinations (cheating)
- Collusion or the unauthorized collaboration with others in preparing work
- The deliberate misrepresentation of qualifications
- The willful distortion of results or data
- Substitution in an examination by another person
- Handing in the same unchanged work as submitted for another assignment
- Breach of confidentiality.

The consequences for academic misconduct range from a verbal reprimand to expulsion from the College. More specific descriptions and details are found in the Student Rights and Student Code of Conduct section of the Keyano College credit calendar. It is the responsibility of each student to be aware of the guidelines outlined in the Student Rights and Student Code of Conduct Policies.

In order to ensure your understanding of the concept of plagiarism, you must successfully complete the online tutorial found on ilearn.keyano.ca. Then print the certificate, sign it, and show it to each of your instructors. Your course work will not be graded until you show this signed certificate.

Specialized Supports**Counselling and Accessibility Services**

Counselling Services provides a wide range of specialized counselling services to prospective and registered students, including personal, career and academic counselling.

SKILL Centre

The SKILL Centre is a learning space in the Clearwater Campus at Keyano College where students can gather to share ideas, collaborate on projects and get new perspectives on learning from our tutorial staff.

The SKILL Centre, through a variety of delivery methods, provides assistance in skill development to Keyano students. Assistance is provided by instructors, staff and student tutors. Individuals wishing to improve their mathematics, writing, grammar, study, or other skills, can take advantage of this unique service.