



COURSE SYLLABUS

COURSE TITLE:	Business Finance	COURSE CODE:	FINC215
PREREQUISITES:	ACCT111	SEMESTER:	FALL 2020
INSTRUCTOR:	Mr. Charles BAKER	CREDITS:	3
EMAIL:	charrusbak@gmail.com	SCHEDULE:	Tuesday 15h30-18h30

COURSE DESCRIPTION:

This course is an undergraduate course in Business Finance, introduces you to concept of cash, time value of money, risk and return and net present value. The course covers also cash flow and the resulting financing decision. You will learn about debt and working capital and how to build a simple financial planning model.

COURSE OBJECTIVES:

- Introduce you to the world of Business Finance, both in business and entrepreneurial environment.
- Provide you with the skills to understand basic finance and make good financing decisions
- Prepare you for further Finance courses

Presence in class is mandatory. Bring your book to class. More than 2 absences leads to a failing grade

EXPECTED LEARNING OUTCOMES:

After this course you will be able to:

- 1) Define key factors associated with investing decision
- 2) Evaluate project by Calculating Net present value. Understand basic Financial Theory
- 3) Define the key concepts associated with financing decisions
- 4) Explain securities as sources of finance and how firms issue securities
- 5) Construct a simple financial planning model; trace a firm's sources and uses of cash and evaluate its need for short term borrowing; decide whether it makes sense to give credit to a customer

MANDATORY TEXTBOOK:



Fundamentals of Corporate Finance, 10th edition, (McGraw Hill International edition) by Brealey/Myers/Marcus ISBN 978-1260566093

Additional course material (handouts, class exercises, special projects, tests and exams) will be handed out by the professor as required at every session. Students are expected to maintain a binder in which all course material will be filed and brought to every class.

EVALUATIONS:

There will be a mid-term exam and a final exam. In addition you are required to read the textbook and do individual homework, as assigned in class, which you will correct in the following class. Your class participation grade will depend on the quality of this work and the quality of the questions you ask in class. Come to class prepared to answer questions when called on. You will also be required to write a paragraph summarizing what you have learnt at the end of each class and be prepared to share it with the class when called on.

The final grade will be determined as follows:

- Participation based on oral and written and homework 20%
- Quiz 20%
- Midterm 25%
- Final 35%

CALCULATOR: You will be allowed to use any simple or financial calculator during exams.

GRADING CRITERIA:

Grades will be based on the following evaluation criteria:

CATEGORY	ACHIEVEMENT LEVEL 1 : BEGINNING	ACHIEVEMENT LEVEL 2 : DEVELOPING	ACHIEVEMENT LEVEL 3 : ACCOMPLISHED	ACHIEVEMENT LEVEL 4 : EXEMPLARY
Exercise/exam questions	Few calculations are correct demonstrating a lack of understanding	Some errors in calculations, but mostly demonstrated understanding of formula, theories or concepts	Correct calculations, demonstrated understanding of formula, theories or concepts	All calculations correct, demonstrated mastery of formula, theories or concepts
Financial analysis and cash flow	Inability to grasp basic Financial analysis, Demonstrating a lack of understanding of	Some misunderstanding, but mostly shows basic Financial analysis, Demonstrating a	Correct Financial analysis, Demonstrating a very good assimilation of	Crisp and focused Financial analysis, Demonstrating a mastery of financials and cash flow



	basic financials and cash flows	grasp of financials and cash flow	financials and cash flow	
Group company financial presentation	Organization, focus, language, delivery choice show an inability to grasp basic key financial information of company	Organization, focus, language, delivery choice demonstrate basic understanding of key financial information of company	Organization, focus, language, delivery choice demonstrate strong understanding of key financial information of company	Mastery of Organization, focus, language, delivery choice show a strong understanding of key financial information of company
Class Listening	Projects lack of interest and disrespect for others	Sometimes displays lack of interest in comment of others	Actively and respectfully listen to peers and instructor	Actively and respectfully listen to peers and instructor
Class participation	Comments reflect little understanding of either the assignment or previous discussion	Comments sometimes irrelevant, betray lack of preparation, or indicate lack of attention to previous remarks of other students	Arrives fully prepared with all assignments completed, and notes on reading, observation, questions	Arrives fully prepared with all assignments completed, and notes on reading, observation, questions
Attendance	More 2 absences	2 absences	Less 2 absences	Less 2 absences

COURSE SCHEDULE:

Dates	Session Content
Session 1 22 Sept	Kick-off. Sustainable development and finance and revision of basic math and accounting needed for course. Ch 1 Goal and Governance of the Firm Ch 2 Financial Markets and Institutions
Session 2 29 Sept	Ch 3 accounting and Finance Interpret the information used in a balance sheet, income statement and statement of cash flow, accounting versus cash. Ch 4 Measuring Corporate performance, Calculate and interpret key measures of corporate performance and of financial performance
Session 3 6 Oct	Ch 5 Time value of Money Understand the present value of future payments Compare interest rates quoted over different intervals Ch 8 Net present value and other investment criteria, calculate NPV, internal rate of return (IRR), pay pack
Session 4 13 Oct	Ch 9 Project analysis, using discounted cash flow analysis to make investment decisions Capital investment, Operating cash flow: change in working capital



	Ch 10 Project analysis, Practical problems and capital budgeting Use sensitivity analysis and break-even analysis
27 Feb & 6 Mar	No Class
Session 5 20 Oct	Ch 11 Introduction to risk and return and the opportunity cost of capital, Estimate the project cost of capital, market risk vs company specific risk Revision for midterm
Session 6 27 Oct	Midterm exam on chapters 1-5, 8-11, (2hours)
Session 7 3 Nov	Ch 13 The weighted cost of capital (WACC) Ch 14 Introduction to Corporate Financing
Session 8 10 Nov	Ch 15 Venture capital, IPO and seasoned offering Ch 16 Debt Policy, Perfect capital markets and capital structure, Tax effect of debt policy, financial distress effects on debt policy
Session 9 17 Nov	Ch 17 Payout policy Ethics, finance and history of Financial crisis, Cases, Enron, WorldCom and Tyco, 3 types of Financial scandals, A review of major financial crisis
Session 10 24- Nov	Ch 18 Long Term Financial Planning Estimate the effect of growth on the need for external financing Excel modelling and business plan: The Executive Fruit example (chapter 18) Ch 19 short term Financial planning Construct source and uses of cash and evaluate the need for financing
1 Dec	Journée D'entreprise
Session 11 8 Dec	Ch 20 Working Capital, understand the cash implication of working capital, decide whether it make sense to give credit to customer 2. Revision for Final Exam
Session 12 15 Dec	FINAL EXAM

The schedule of Final Exams will be confirmed and published by 31 October 2020. The last day of the semester is 18 December 2020. DO NOT PLAN ANY TRAVEL BEFORE THIS DATE AS THERE ARE NO MAKE-UP EXAMS.