



A: Division: **Instructional** Date: **FEBRUARY 2001**

B: Department/ **Commerce & Business Admin.** New Course  Revision

Program Area: **Business Management**

If Revision, Section(s) Revised: **B, D, F, H, L, M, N, O, P, Q, R**

Date Last Revised: **November 1997**

C: **FINC 255** D: **MANAGERIAL FINANCE** E: **3**

Subject & Course No. Descriptive Title Semester Credits

<p>F: Calendar Description: This course is designed to provide business students with the tools necessary to understand and manage the basic finances of a firm. Students will analyze financial statements to assess the financial well-being of a firm. Short-term and long-term financial management issues will be covered, including: working capital management, the risk-return relationship, the time value of money, valuation of assets, capital budgeting, and the cost of capital. <b>Please note: To receive credit for FINC 255 and FINC 340, FINC 255 must be taken first. Credit will not be granted for FINC 255 if FINC 340 has been completed.</b></p>	
<p>G: Allocation of Contact Hours to Types of Instruction/Learning Settings</p> <p>Primary Methods of Instructional Delivery and/or Learning Settings: <b>Lecture and Seminar</b></p> <p>Number of Contact Hours: (per week / semester for each descriptor)</p> <p><b>Lecture - 3 hours and Seminar - 1 hour</b> Number of Weeks per Semester: <b>15 Weeks X 4 Hours Per Week = 60 Hours</b></p>	<p>H: Course Prerequisites: <b>ACCT 110 and BUSN 330</b></p>
	<p>I. Course Corequisites: <b>nil</b></p>
	<p>J. Course for which this Course is a Prerequisite: <b>nil</b></p>
	<p>K. Maximum Class Size: <b>35</b></p>
<p>L: PLEASE INDICATE:</p> <p><input type="checkbox"/> Non-Credit</p> <p><input checked="" type="checkbox"/> College Credit Non-Transfer</p> <p><input type="checkbox"/> College Credit Transfer: Requested <input type="checkbox"/> Granted <input type="checkbox"/></p> <p>SEE BC TRANSFER GUIDE FOR TRANSFER DETAILS (<a href="http://www.bccat.bc.ca">www.bccat.bc.ca</a>)</p>	

**M: Course Objectives/Learning Outcomes**

1. Determine the financial condition of a firm by analyzing its financial statements, then produce a financial plan to address those conditions.
2. Use time value of money concepts to calculate the value of financial assets such as stocks and bonds.
3. Set out a viable plan for managing the working capital of a firm, including: cash, marketable securities, accounts receivable, and inventory.
4. Use capital budgeting techniques to support decisions regarding capital investments for a firm.
5. Make decisions regarding long term financing for a firm, in particular, the use of equity and debt to finance the firm's operations.

**N: Course Content**

1. Introduction
  - financial management
  - Canadian financial environment
  - financial markets and institutions
2. Financial analysis and planning
  - financial statement analysis
  - financial forecasting and planning
3. Financial concepts
  - time value of money
  - risk and return
  - valuation of bonds and stocks
4. Short-term financial policy and decisions
  - working capital management and policy
  - credit management and policy
5. Long-term investing decisions
  - capital budgeting techniques
  - discounted cash flow analysis (NPV, IRR, etc.)
  - risk analysis
6. Long-term financing decisions
  - the cost of capital
  - capital structure and leverage
  - dividend policy

**O: Methods of Instruction**

Lectures, seminars and case studies.

**P: Textbooks and Materials to be Purchased by Students**

Gitman, Lawrence, Lorne Switzer, and Arshad Ahmad, *Principles of Managerial Finance*, First Canadian Edition, Prentice Hall Canada, 2000.

A business/financial calculator that can calculate annuities, net present value, and internal rate of return; for instance, Texas Instruments BA II Plus or Hewlett Packard 10B.

**Q: Means of Assessment**

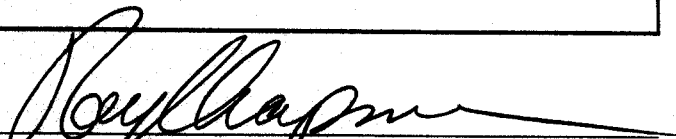
Assignments & Quizzes	20%
Term Exams (at least two)	45%
Final Examination	35%
	<u>100%</u>

**R: Prior Learning Assessment and Recognition: specify whether course is open for PLAR**

Open for PLAR. Entrants must demonstrate background in introductory financial accounting and mathematics of finance.



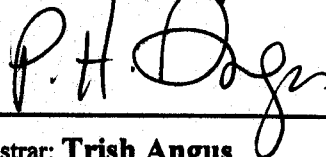
Course Designer(s): R. Mackinnon



Education Council/Curriculum Committee Representative



Dean/Director: Jim Sator



Registrar: Trish Angus