



**EFFECTIVE: SEPTEMBER 2002**

**CURRICULUM GUIDELINES**

A: Division: **Instruction** Date: **February 2002**  
 B: Department/ **Commerce & Business Admin.** New Course  Revision   
 Program Area: **International Financial Management**  
 If Revision, Section(s) Revised: **H**  
 Date Last Revised: **1999-01: new course**

C: **FINC 345** D: **Introduction to Corporate Finance** E: **3**

Subject & Course No.	Descriptive Title	Semester Credits
<p><b>F:</b> Calendar Description:            This course provides an introduction to corporate finance. It is designed to provide students with a framework to analyze problems that may arise when making corporate investment and financing decisions. The major topics include time value of money, the types of securities generally used, an introduction to capital markets, capital budgeting, capital asset valuations, and various types of corporate financing decisions. Canadian corporations operating in Asia will be used to demonstrate theory applications.</p>		
<p><b>G:</b> Allocation of Contact Hours to Types of Instruction/Learning Settings</p> <p>Primary Methods of Instructional Delivery and/or Learning Settings:</p> <p><b>Lectures and Seminars</b></p> <p>Number of Contact Hours: (per week / semester for each descriptor)</p> <p><b>Lecture: 4 Hrs.</b></p> <p><b>Total: 4 Hrs.</b></p> <p>Number of Weeks per Semester:</p> <p><b>15 Weeks X 4 Hrs per week = 60 Hrs.</b></p>	<p><b>H:</b> Course Prerequisites:            ACCT 235 or equivalent and effective September 2002, English 12 with a letter grade of "C" or better or approved equivalent.</p> <p><b>I:</b> Course Corequisites:            nil</p> <p><b>J:</b> Course for which this Course is a Prerequisite:            nil</p> <p><b>K:</b> Maximum Class Size:            35</p>	
<p><b>L:</b> PLEASE INDICATE:</p> <p><input type="checkbox"/> Non-Credit</p> <p><input 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

At the end of the course, the successful student should be able to:

1. develop a basic understanding of all corporate finance theories and the application of such theory into simulated or historical financial management cases;
2. convert theory into application utilizing spreadsheet applications.

**N:** Course Content

1. Financial analysis and planning
  - C review of accounting
  - C financial analysis and financial forecasting
  - C operating and financial leverage
2. Working capital management
  - C valuation and rates of return
3. Long-term financing
  - C capital markets
  - C investment underwriting
  - C long-term debt and lease financing
  - C common and preferred stock financing
  - C dividend and dividend reinvestment policies
  - C convertibles, warrants and options
  - C stock splits
  - C financial engineering
4. External growth, corporate takeovers and mergers
  - C the multinational corporations
  - C corporate takeovers and controls
  - C business combinations
5. Foreign exchange risk
  - C spot and forward rates
  - C cross rates
  - C foreign investment decisions
6. Company analysis
  - C earnings forecasting
  - C applied valuation
  - C industry analysis
  - C efficient market theory

7. Capital budgeting process  
C cost of capital

**O:** Methods of Instruction

Material will be presented within a lecture format.

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

8. Block, S.B. and Hirt, G.A., and Short, J.D. Foundations of Financial Management, latest ed. Toronto: Irwin Publishing. (required)
9. Fischer, D.E. and Jordon, R.J. Security Analysis and Portfolio Management, latest ed. Toronto: Prentice Hall Canada. (optional)
3. Brown, R.L. and P. Zima. Mathematics of Finance, latest ed. Toronto: Irwin Publishing. (optional)
4. All students are required to have a financial business calculator.

**Q:** Means of Assessment

Minimum of 3 evaluations, none of which will exceed 40%, for a total of 100%.

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

No.

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Course Designer(s): **Joe Ilsever**

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Education Council/Curriculum Committee  
Representative

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Dean/Director: **Jim Sator**

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Registrar: **Trish Angus**

