



COURSE OUTLINE

FINANCE 1

BUS260

42 HOURS

3 CREDITS

PREPARED BY: Gabor Gyorgy September 1, 2017

APPROVED BY: Margaret Dumke, Dean September 1, 2017

APPROVED BY ACADEMIC COUNCIL:

RENEWED BY ACADEMIC COUNCIL:



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APPLIED SCIENCE AND MANAGEMENT DIVISION
Finance I
3 credit course
Fall, 2017

FINANCE I

INSTRUCTOR:	Gabor Gyorgy	OFFICE HOURS:	Tuesday, Thursday, Friday 11:30 - 12:30
OFFICE LOCATION:	A2420	CLASSROOM:	A2402
E-MAIL:	ggyorgy@yukoncollege.yk.ca	TIME:	8:30 - 11:30
TELEPHONE:	668-8754	DATES:	Thursday

COURSE DESCRIPTION

This course will introduce the science of money management in a corporate context, and provide students with the foundational tools required to understand the world of finance. Topics include financial statement and cash flow analysis, long term financial planning, the valuation of future cash flows, and capital budgeting.

PREREQUISITES

ACCT101 + 102, or ACCT202.

RELATED COURSE REQUIREMENTS

None

EQUIVALENCY OR TRANSFERABILITY

This course is BCCAT transferable and approved by the CPA.

LEARNING OUTCOMES

Upon successful completion of the course, students will be able to

1. Use financial statement information to perform cash flow and ratio analysis, understand external financing requirements, and plan for long term corporate growth
2. Determine the future and present value of investments with multiple cash flows, including bonds and dividend paying stocks
3. Apply capital budgeting techniques to evaluate investment opportunities
4. Understand how global and historical forces have influenced corporate finance
5. Work collaboratively to solve finance problems

COURSE FORMAT

Course content will be presented principally through guided problems, short lectures, and group exercises. All material to be covered in class is listed in the calendar below. It is incumbent on students to come to each class having completed the readings and exercises for each week. Students should also be prepared to work collaboratively to solve “challenge” problems that synthesize learning for each week. These challenge problems are not listed in the calendar below and will be presented to student groups after the scheduled class content has been covered.

If you require additional assistance, the Instructor is available to all students during his scheduled office hours. Students are encouraged to make an appointment during these times, as appointments will take precedence over ‘drop-ins.’ A short visit is often all it takes to clear up a problem area.

When studying, students are responsible for correcting their own work. Solutions to all end of chapter questions will be posted to the course website. When completing readings, students can focus their energies by only covering those chapter sections that relate to the learning objectives specified in the calendar below.

ASSESSMENTS

There will be four tests, worth 7.5% each (30% total). The tests will be approximately 30-45 minutes long and will be written at the beginning of the class. Specific dates are noted on the syllabus. The midterm is 2 hours and the final exam is 3 hours in length. The final exam will be cumulative, however approximately 80% of its content will

evaluate material covered after the midterm.

If you miss a test, there will be a 10% per day penalty applied, beginning immediately after class. No one is allowed to write a test once they have been handed back to the class, and as the instructor tends to turn them around quickly, you will have only a short time to arrange a make up time. If you must miss a test or exam, it is your responsibility to reschedule an alternative date *before* your planned absence.

Examples of acceptable (valid) reasons for missing a scheduled test or exam include personal illness (supported by a doctor’s note) or absence required by your employer (supported by a letter from your employer). Only one such deferral is allowed per semester. If no valid reason is given, your mark on that test will be “0.”

EVALUATION

The final grade for this course will be determined as follows:

Tests (4 @ 7.5% each)	30%
Midterm Exam	30%
Final Exam	<u>40%</u>
Total	<u>100%</u>

TEXT AND OTHER MATERIALS

- 1) Ross, Westerfield, Jordan and Roberts, *Fundamentals of Corporate Finance, Ninth Canadian Edition*, Irwin, Toronto, 2016.
- 2) Financial calculator—the one that will be used for instruction in class is *Sharp Business/Financial Calculator EL-738*, which is available in the bookstore.

ACADEMIC AND STUDENT CONDUCT

Information on academic standing and student rights and responsibilities can be found in the current Academic Regulations that are posted on the Student Services/ Admissions & Registration web page.

Professional Conduct

Students are expected to behave in a respectful and courteous manner during class, as is required in any workplace. This includes turning off all personal communication devices, and actively listening while others are talking. Students who fail to demonstrate professionalism in the classroom and/or exhibit distracting/disrupting behaviours will be asked to leave.

YUKON FIRST NATIONS CORE COMPETENCY

Yukon College recognizes that a greater understanding and awareness of Yukon First Nations history, culture and journey towards self-determination will help to build positive relationships among all Yukon citizens. As a result, to graduate from ANY Yukon College program, you will be required to achieve core competency in knowledge of Yukon First Nations. For details, please see www.yukoncollege.yk.ca/yfnccr.

ACADEMIC ACCOMMODATION

Reasonable accommodations are available for students requiring an academic accommodation to fully participate in this class. These accommodations are available for students with a documented disability, chronic condition or any other grounds specified in section 8.0 of the Yukon College Academic Regulations (available on the Yukon College website). It is the student's responsibility to seek these accommodations. If a student requires an academic accommodation, he/she should contact the Learning Assistance Centre (LAC) at (867) 668-8785 or lassist@yukoncollege.yk.ca.

COURSE CALENDAR

Date	Chapter		Learning Objectives		Study Exercises
Sept. 7 th	2	Financial Statements, Cash Flow and Taxes	2.1 2.2 2.3	Statement of Financial Position Statement of Comprehensive Income Cash Flow	1-5, 8-16, 19, 21, 22, 24, 25
Sept. 14	2	Financial Statements Cash Flow and Taxes	2.3	Cash Flow	
	3	Working With Financial Statements	3.1 3.3	Cash Flow and Financial Statements Ratio Analysis	1-4, 17,19, 23,24,26
Sept. 21	T1	Ch. 2,3			
	4	Long Term Financial Planning and Growth	4.2 4.3 4.4	Financial Planning Models Percentage of Sales Approach External Financing and Growth	1-9,12,13
Sept. 28	5	Time Value of Money	All	All	All
Oct. 5	T2	Ch. 4 & 5			
	6	Discounted Cash Flow Valuation	6.1 6.2	PV and FV of multiple cash flows Annuities and Perpetuities	1-9, 11,12, 25, 33, 37, 45
Oct. 12		Mid Term Exam Review		Chapters 2 - 6	
Oct. 19	Mid Term Exam				
Oct. 26	7	Interest Rates and Bond Valuation	7.1 7.3 7.5	Bonds and Bond Valuation Bond Ratings Bond Markets	1-8, 13,14, 24
Nov. 2	8	Stock Valuation	8.1 8.2	Common Stock Valuation Common Stock Features	1-9,13, 16, 17, 19, 20

			8.3	Preferred Stock Features	
Nov. 9	T3 9	Ch. 7 & 8 Net Present Value and Other Investment Criteria	9.1 9.2 9.4 9.5 9.6	Net Present Value The Payback Rule The Internal Rate of Return The Profitability Index The Practice of Capital Budgeting	1-10, 11, 12a+b, 15-17, 23
Nov. 16	10	Making Capital Investment Decisions	10.1 10.2 10.3 10.4 10.5	Project Cash Flows: A First Look Incremental Cash Flows Pro Forma Financial Statements And Project Cash Flows More on Project Cash Flow Alternative Definitions of Operating Cash Flow	1-9, 11, 13-15, 21, 25(omit b), 26
Nov. 23	11	Project Analysis and Evaluation	11.1 11.2 11.3 11.4	Evaluating NPV Estimates Scenario and Other What If Analyses Break Even Analyses Operating Cash Flow, Sales Volume, and Break Even	1-10, 17, 19
Nov. 30	MT5	Ch. 9, 10 & 11 Exam Review		Chapters 7-11	
Dec. 7th	Final Exam				