

**THE UNIVERSITY OF LETHBRIDGE
FACULTY OF MANAGEMENT**

MANAGEMENT 3040Y - FINANCE

Fall 2009

Course Outline

Instructor: George Botros
Time: Wednesday 18:00-20:50
Classroom: MB005
Office Hours: By appointment
E-mail: George.Botros@uleth.ca

Course Description

This course introduces students to the theory of finance and corporate financial decision-making and analysis. Topics examined will include financial statement analysis; valuation of cash flows; capital budgeting; cost of capital; and short-term financial planning and management. The central theme is maximization of the firm's value.

This course will use both lecture and discussion formats. Students are expected to read the relevant textbook chapters before topics are discussed in class. As well, students are encouraged to further their knowledge of relevant current events by reading financial newspapers and magazines. The use of a financial calculator is highly recommended in this course.

After this course, students will have good understanding of the financial decision-making process and its importance to the firm, and be able to perform basic financial analysis. This knowledge will provide the foundation for more advanced studies in finance.

Prerequisite: MGT2400 (Accounting)

Required Textbook: Ross, Westerfield, Jordan & Roberts, Fundamentals of Corporate Finance, Sixth Canadian Edition, McGraw-Hill 2007.
Supplemental notes and handouts will be provided.

Grade Distribution

Quizzes	20%
Assignments	20%
Midterm	25%
Final	30%
Class Participation	5%

Examinations

Students are responsible for all material covered in class and the corresponding material in the assigned chapters of the textbook. To assist in the learning process / exam preparation, it is recommended that students attempt 1) all the concept questions 2) concepts review and critical thinking questions 3) self-test problems and 4) recommended chapter questions.

Late Assignment & missed exams: Late assignments will not be accepted. Students who fail to write the final exams must provide satisfactory evidence of illness or extenuating circumstances AND MUST have the approval of the Dean for a makeup exam. For missed exams, 0 mark will be given.

Ethical Conduct: The University's policies are described in the calendar and all students are expected to read and comply with them. Special care should be taken to understand and avoid the Academic Offenses of Plagiarism and Cheating listed in the Student Discipline Policy.

Grading Scale

A+ 95 – 100%	A 90 – 94%	A- 86 – 89%
B+ 82 – 85%	B 78 – 81%	B- 74 – 77%
C+ 70 – 73%	C 66 – 69%	C- 62 – 65%
D+ 58 – 61%	D 50 – 57%	F < 50

Class Schedule

September 9	- Introduction to corporate finance (Chapter 1 & 2)
September 16	- Financial Statements & Cash Flow (Chapters 2 & 3)
September 23	- Time Value of Money (Chapter 5)
September 30	- Discounted CF Valuation / Interest Rates (Chapter 6) - Quiz 1 (10%) chapters 1-2-3-5
October 7	- Bond Valuation (chapter 7)
October 14	- Stock Valuation (Chapter 8)
October 21	- Midterm Chapter 1-2-3-5-6-7-8
October 28	- NPV & Other Investment Criteria (Chapter 9)
November 4	- Capital Investment Decisions (Chapter 10)
November 18	- Capital Investment Decisions (Chapter 10) - Project Analysis and Evaluation (Chapter 11)
November 25	- Project analysis and Evaluation (Chapter 11) - Quiz 2 (10%) Chapter 9-10-11
December 2	- Cost of Capital Chapter 14
December 9	- Short term Finance and Planning (Chapter 18);
Dec 16	- Final Exam