



FIN 2102 - Business Finance

Basic Information:

Instructor Name: Dr. Meher Manzur

Home Institution: Edith Cowan University

Instructor Title: Adjunct Associate Professor

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Course Description:

Business Finance provides an introduction to the fundamental concepts of finance and the key skills required for good financial management of corporations and companies, as well as for personal financial management. It introduces financial concepts and issues that provide the necessary guidelines to solve many corporate finance problems and covers some of the important theories in modern finance to provide a substantial grounding in the discipline, including in preparing students for more advanced studies in finance.

On successful completion of this course you will be able to:

1. Understand and apply the fundamental concepts of finance and the key skills required for good financial management of corporations and companies, and personal financial management.
2. Understand financial concepts and issues that provide the necessary guidelines to solve corporate finance problems and to gain a substantial grounding in the discipline.
3. Critically analyze and apply appropriate analysis and evaluation of alternatives that lead to effective financial decision-making.
4. Develop sound financial policies to inform effective financial management of organizations that benefit key stakeholders.
5. Analyze and evaluate investment options and financing choices to apply best practice business finance solutions.

Required Course Materials:

Textbook: Introduction to Corporate Finance

Edition: 5th

Author: Frino, Hill and Chen

Publisher: Pearson

ISBN-10: 9781442542488

Course Hours:

The course has 15 class sessions in total. Each class session is 160 minutes in length. The course meets from Monday to Friday. Each course has a total of 40 class hours. A reading day for students is on 11th Jan, 2018. Final exam will be on 12th Jan 2018.



Year Level:

The 2nd Level.

Prerequisite:

(List if there is any; List “None” if the course has no prerequisite)

Course Schedule:

Week 1					
Session	18 Dec, 2017	19 Dec, 2017	20 Dec, 2017	21 Dec, 2017	22 Dec, 2017
Day	M	T	W	TH	F
Topic (s)	Overview of Business Finance	Financial Mathematics	Time Value of Money	Valuation of Bonds and Shares	No Class
Chapter(s)	1	2	2	3	
Presentations					
Homework	Ch.1: 2-4, 8-10, 14	Ch.2: 3-9	Ch.2, 17-23	Ch.3: 1-5, 8-11	
Week 2					
Session	25 Dec, 2017	26 Dec, 2017	27 Dec, 2017	28 Dec, 2017	29 Dec, 2017
Day	M	T	W	TH	F
Topic (s)	Class Quiz(I)	Capital Budgeting	Capital Budgeting	Capital Budgeting	No Class
Chapter(s)		4	4&5	5	
Presentations	Groups 1,2			Groups 3,4	
Homework		Ch.4: 1-4	Ch.4: 6-9	Ch.5: 1-4,6,12,13	
Week 3					
Session	1 Jan, 2018	2 Jan, 2018	3 Jan, 2018	4 Jan, 2018	5 Jan, 2018
Day	M	T	W	TH	F
Topic (s)	No Class	Class Quiz(II)	Risk and Return	Capital Asset Pricing Model	Weighted Average Cost of Capital (WACC)
Chapter(s)		4	6	7	8
Presentations		Groups 5,6			Groups 7,8
Homework			Ch.6: 5-10	Ch.7: 1-6	Ch.8: 1,2
Week 4					
Session	8 Jan, 2018	9 Jan, 2018	10 Jan, 2018	11 Jan, 2018	12 Jan, 2018
Day	M	T	W	TH	F
Topic (s)	Weighted Average Cost of Capital (WACC)	Capital Structure	Revision	Reading Day	FINAL EXAM
Chapter(s)	8	12			
Presentations		Groups 9,10	Groups 11,12		
Homework	Ch.8: 3,4	Ch.12: 1-3,8		Exam Preparation	



Homework

Homework questions are selected from the 'Practical Questions' at the end of each Chapter of the Frino *et al.* text. Homework is not assessed, but you are strongly recommended to do the questions in preparation for your quizzes and final exam. The homework questions include the group project questions (see below); if you attempt these you will be better equipped to understand the presentations.

Grading Policies:

Part	Percentage	Points
Attendance	5%	5
Class participation/Pop Quiz	5%	5
Oral presentation	15%	15
Major paper	15%	15
Class tests	20%	20
Final exam	40%	40
Course Total	100%	100 Points

Class Participation and Discussion

Students are expected to attend all classes. If a student misses more than one session, two marks will be deducted for each subsequent class missed. A student with good attendance, who contributes to class discussion by volunteering answers and asking good questions, can earn ten marks for this item.

Quizzes

The class quizzes are designed to allow you to test and demonstrate your understanding of the business/corporate finance concepts that you have learned about, including both numerical and theoretical concepts. Your results in the quizzes will give you feedback on how you are going in the course.

Group Projects

The presentations are designed to encourage cooperative learning and communication. See below for details.

Final Exam

Duration: 2 hours (plus 15 minutes reading time). The exam will consist of multiple choice questions and short- and long-answer theoretical and numerical questions. Non-programmable financial and scientific calculators may be used in the final examination (see note on calculators below).

As per school's policy, final grades will be determined on the following scale:

Letter Grade	Grade Points
High Distinction	85-100
Distinction	75-84
Credit	65-74
Pass	50-64
Fail	0-49



Group Project Details

Students will form groups of four. Groups will be numbered 1-12. Each group will complete one project, to be presented in class and submitted in written form. Students A and D will present the problems to the class; C and D are responsible for creating an Excel file for the presentation.

Student	Task	Details
A	Presentation: first part	Introduce the question in a clear and interesting way, explain what concepts are illustrated, and answer the first half of the questions (5-7 minutes).
B	Presentation: second part	Answer the second half of the questions, summarise the concepts illustrated (5-7 minutes).
C	Responsibility for spreadsheet	Organise the information and calculations in an Excel spreadsheet, which the presenters can use to explain the problem to the class.
D	Responsibility for written answers	Create text boxes on separate worksheets of the spreadsheet for the presenters to use, summarising the questions and answers, and showing the formulas used. Information should be easy to digest.

The questions are selected from the Practical Questions at the end of relevant chapters in the Frino *et al.* text. The program is as follows:

Date	Group	Topic	Questions
Monday 22 Jan.	1	Valuation of bonds	Ch. 3, Questions 4 & 5
	2	Valuation of stocks	Ch. 3, Question 11
Thursday 25 Jan.	3	Capital budgeting	Ch. 4, Question 4
	4	Capital budgeting	Ch. 4, Question 9
Monday 29 Jan.	5	Capital budgeting	Ch. 5, Question 6
	6	Capital budgeting	Ch. 5, Question 13
Thursday 1 Feb.	7	Risk and return	Ch. 6, Question 6
	8	Risk and return	Ch. 6, Question 10
Monday 5 Feb.	9	Capital Asset Pricing Model	Ch. 7, Questions 5 & 6
	10	Cost of capital	Ch. 8, Question 3
Tuesday 6 Feb.	11	Cost of capital	Ch. 8, Question 4
	12	Capital structure	Ch. 12, Question 8



Communication University of China

Rules and Guidelines:

- Presenters may not read from a script. Use only the Excel file, and only one file.
- One worksheet should list the names and roles of the group members.
- The calculation sheet(s) should look professional; with helpful use of lines, colours, etc. Text and formulas should go on separate sheets and also look professional. High marks will go to presentations that are clear, simple and easy for the class to absorb.
- The Excel file should be submitted by email by 11pm on the night before the presentation is scheduled. Presentations submitted later will incur a deduction from the group mark: 1 mark if emailed after 11pm; 2 marks if brought to class on a USB drive.
- Presentations will not be rescheduled under any circumstances. If a group member is ill, is not cooperating or has dropped out, the remaining members should take over his/her responsibilities. In this case, bonus marks may be awarded at the instructor's discretion.
- Each group will receive an overall mark out of 10, and each group member an individual mark out of 10.
- If there is evidence that answers were copied from an internet site, the whole group will receive a mark of zero.

Attendance Policy

Students are expected to attend all lectures, to be there on time, to come fully prepared, to be engaged, to be respectful, and to stay there until dismissed.

- ✓ Arrive on time: If you are late, enter without disrupting the learning environment of the class and be sure to allow enough travel time between classes so that you are not routinely late.
- ✓ Come prepared to learn: Before coming to class, read the chapter to be covered that day and prepare questions to ask in class.
- ✓ Be engaged: All students are expected to participate in class activities and discussion.
- ✓ Be respectful: Refrain from the following: arguing about controversial topics or grades, talking or texting during class, loud debate, swearing, back-talking, misusing laptops/tablets, phones ringing or vibrating, leaving class early, eating in class, gathering up material before class is dismissed, sleeping in class, tardiness, threatening or harassing students or professors.

Communication Policy

- ✓ Announcements, assignments, and changes to the course may be delivered verbally in the classroom or may be delivered through emails. Students are responsible for all university communication.
- ✓ Keep the instructor informed – If you are having difficulty understanding the instructor, hearing the instructor, keeping up, studying, focusing, etc., please seek for help from the instructor.
- ✓ Personal electronic devices (laptop computers, phones, hand-held devices, etc.) should be silenced prior to the beginning of each class meeting. Classrooms should have a learning environment at all times.
- ✓ No personal conversations are allowed during lecture and talking in class while the instructor is teaching is strictly prohibited. If the student does not obey these rules and is disruptive to other students, they might be asked to leave.
- ✓ Be responsible – know if you are ready for a test – determine when you need outside help – be responsible for knowing where you stand in the class at all times.
- ✓ Be assertive – speak up and seek clarification when you do not understand something.
 - ✓ Be polite – if you question something that the instructor has said or something s/he has graded, kindly ask him/her to re-check it.



Exam Policy

Exam attendance is critical and required at the schedule time and day. If you have a last minute emergency, you will need to provide appropriate documentation. Make-up exam must be re-scheduled within 24 hours of the missed exam date or no credit is given. Advance holiday plans or airline reservations are not acceptable reasons for re-scheduling the planned exam date.

Academic Integrity

School demands the highest standards of conduct from students, faculty and staff. All students are expected to be the highest character and to behave honestly in their learning and in their behavior outside the classroom. Students are responsible for knowing and understanding these standards; misunderstanding of the appropriate academic conduct will not be accepted as an excuse for academic dishonesty. If a student is in doubt about appropriate academic conduct in a particular situation, he or she should consult with the instructor of the course and the program director.

Academic dishonesty or cheating includes acts of plagiarism, forgery, fabrication or misrepresentation, such as the following:

- ✓ claiming the work or thoughts of others as your own
- ✓ copying the writing of others into your written work without appropriate attribution
- ✓ writing papers for other students or allowing them to submit your work as their own
- ✓ buying papers and turning them in as your own
- ✓ having someone else write or create all or part of the content of your assignments
- ✓ submitting the same paper for more than one study or class without explicit permission from the faculty members

Students who falsify or present falsified documents may be dismissed. Prospective students who are discovered to have presented falsified admission documents prior to admission shall be denied admission to the program. Should it be discovered after admission that a student had presented falsified documents for admission, such admission may be annulled and the record of academic achievement removed from the academic record, with appropriate notations. Such annulments or denials may be reviewed after one year.

Course work (a quiz, assignment, report, mid-term examination, research paper, etc.) in which a student has been dishonest generally will receive zero points towards the grade in fulfillment of a course requirement, and/or the student may receive a failing grade for the course. The professor of the course determines the appropriate consequence.

When a student cheats in a major or final assignment such as a comprehensive examination or presents plagiarized material in a major or final assignment, that student shall receive an F in that particular subject. Student cheats on more than two exams shall be dismissed from School.

Grades

Grades are considered final when they are submitted to Academic Services. Students should ask their instructors for explanations of their grades if they believe errors were made. Students could consider filing an appeal to the Academic Committee and ask for judgment if they believe they were treated unfairly. Though students are entitled to an explanation of their grades, they should be careful not to harass instructors. Repeatedly calling an instructor about a grade or a few points on an exam or telling an instructor that a certain grade is needed could be considered harassment.