

GRANDE PRAIRIE REGIONAL COLLEGE

DEPARTMENT OF ARTS, EDUCATION AND COMMERCE

FN3700 - INTRODUCTION TO CORPORATE FINANCIAL MANAGEMENT

COURSE OUTLINE

INSTRUCTOR:	Ebby Aslani	FALL, 1995
OFFICE:	C423	
OFFICE HOURS:	Mon, Wed, Fri, 11:00 - 12:00 or by appointment	
PHONE:	539-2973	

I COURSE OBJECTIVE

The course provides a general corporate framework for financial decision making. The course examines types of securities and basic methods of valuation. Valuation and selection of physical and intellectual assets. Operation of asset markets and market efficiency. Risk measures and risk reduction methods. Financing policy, including choices between debt and equity financing.

* PREREQUISITES: MA1130 MS3010 AC3110

II. TEXT BOOK:

FUNDAMENTALS of CORPORATE FINANCE First Canadian Edition, Ross, Westerfield, Jordan and Rogers, Irwin, 1993.

III. MARK DISTRIBUTION:

Three Assignments	(10% each)	30%
Mid-Term Exam		30%
<u>Final Exam</u>		<u>40%</u>
Total		100%

COURSE OUTLINE:**I. OVERVIEW OF CORPORATE FINANCE**

- | | | |
|----|--|-------|
| 1. | Introduction to Corporate Finance | CH. 1 |
| 2. | Financial Statement, Taxes & Cash Flow | CH. 2 |

II. FINANCIAL STATEMENTS & LONG-TERM FINANCIAL PLANNING:

- | | | |
|----|-----------------------------------|-------|
| 3. | Working with Financial Statements | CH. 3 |
|----|-----------------------------------|-------|

4.	Long-Term Financial Planning & Growth	CH. 4
III.	<u>VALUATION OF FUTURE CASH FLOWS</u>	
5.	The Time Value of Money	CH. 5
6.	Valuing Stocks & Bonds	CH. 6
IV.	<u>CAPITAL BUDGETING</u>	
7.	Net Present Value & Other Investment Criteria.	CH. 7
8.	Making Capital Investment Decision	CH. 8
9.	Project Analysis & Evaluation	CH. 9
V.	<u>RISK & RETURN</u>	
10.	Some Lessons from Capital Market History	CH. 10
11.	Return, Risk, & the Security Market Line	CH. 11
VI.	<u>LONG-TERM FINANCING</u>	
12.	An Introduction to LT Financing	CH. 12
13.	Issuing Securities to the Public	CH. 13
VII.	<u>COST OF CAPITAL & LONG-TERM FINANCIAL POLICY</u>	
14.	Cost of Capital	CH. 14
15.	Financial Leverage & Capital Structure Policy	CH. 15
16.	Dividend & Dividend Policy	CH. 16
VIII.	<u>TOPICS IN CORPORATE FINANCE</u>	
17.	Options & Corporate Securities	CH. 20
18.	Mergers & Acquisitions	CH. 21
19.	International Corporate Finance	CH. 22

*** Due to the limited time, we may not be able to cover all of the above, but we will try.

NOTES:

1. It is important that attendance at lectures be regular.
2. It is strongly advisable that the appropriate chapters are read prior to each lecture since this is generally considered to be an important and helpful approach to the study of economics.

3. The accompanying study guide provides an excellent means whereby students may test themselves about their understanding of text materials.
4. Failure to withdraw from the course before official withdrawal deadline may result in an "F" grade because a mark of 0% will be assigned to the incomplete portion of the course work.
5. Absence from class will not be accepted as a legitimate reason for failure to submit an assignment or to attend an exam on time.
6. Students are encouraged to contact the instructor regarding any questions pertaining to course materials or their performance in the course. Remember that your instructor is here to help you learn, not to make things hard to you. It is a great pleasure to see you in the office for consultation and discussion whenever you feel the need....

BEST WISHES