

GRANDE PRAIRIE REGIONAL COLLEGE  
ARTS, EDUCATION AND COMMERCE  
COURSE OUTLINE  
FN 3700  
(INTRO. TO CORPORATE FINANCIAL MANAGEMENT)  
Winter 1999

**INSTRUCTOR:** Richard Beeson, B.Sc., M.B.A.  
**TELEPHONE:** 539-2864 (W) afternoons  
532-1299 (H)  
**OFFICE:** B303  
**OFFICE HOURS:** 12:30 - 13:30 MWF  
**CLASS TIME** 13:30 - 14:50 Tuesdays & Thursdays  
**TEXT:** Ross, Westerfield, Jordan and Rogers.  
Fundamentals of Corporate Finance, 2nd Canadian Edition.  
Toronto: Irwin ( 1996).  
Regular reading of the Globe and Mail, the Financial Post, and  
other financial papers is encouraged.

#### COURSE DESCRIPTION

The course provides an introduction to corporate financial management. The following topics will be covered:

- Financial Statements and Long-Term Financial Planning
- Valuation of Future Cash Flows
- Capital Budgeting
- Risk and Return
- Long-Term Financing
- Cost of Capital and Long-Term Financial Policy
- Selected Topics in Corporate Finance e.g. Options, Mergers & Acquisitions

Prerequisites: MA1130, MS 3010, and AC 3110

#### COURSE FORMAT

The learning process in this course is based on lectures and class discussions. Video and handouts may be employed to facilitate learning.

#### COURSE OBJECTIVES

1. To introduce the student to the fundamentals of corporate finance.
2. To provide an opportunity for students to develop and refine their communication skills.

## GRADING

Grande Prairie Regional College uses the following nine-point grading scale:

90-100%	9
80-89	8
72-79	7
65-71	6
57-64	5
50-56	4
45-49	3
26-44	2
0-25	1

Every effort will be made to ensure that the final grade you receive reflects your effort and achievement as accurately as possible.

Ongoing Assignments (5% each)*	20%
Midterm Exams	30%
Final Exam	40%
Attendance, effort and participation	10%

\* In addition to the graded course assignments you may be expected to complete various reading and writing assignments outside of class time. (e.g. chapter-end questions for discussion) Pop quizzes may be used to give feedback on your comprehension and retention. Quiz scores may be factored into the participation component of your final grade.

### Re: Exams

You will be tested on your understanding of and ability to apply the concepts presented in class and in the readings. Textbook material and anything discussed in class, presented by guest speakers, videos or distributed in handouts is fair game for exams. The final exam will be cumulative. More detail on the exams will be provided as the term progresses. Calculators will be allowed in exams; however, you will be required to show your work to get full marks for all answer.

### Re: Participation

It is strongly advised that the assigned chapters are read before each lecture. The participation grade is based on attendance and both the quantity and quality of in-class participation. You will be called upon to answer questions during class. You may be asked for informal exercises or assignments to be handed in on a random basis. As well, you are responsible for obtaining any notes or handouts you may have missed due to an absence.

- \* hand-in assignments are due at the beginning of Class on the due date
- \* classes start promptly
- \* if you feel you have a valid reason for an extension, please request it well in advance
- \* unauthorized late assignments, if accepted, will have a 25% per day late penalty
- \* enter into discussions and exercises
- \* avoid private conversations when someone else has the floor
- \* ask questions to make sure you understand

COURSE SCHEDULE (\*May be revised as required)

Week	Topics Reading	
1	Introduction to Corporate Finance	Ch. 1
2	Financial Statement, Taxes & Cash Flow	Ch. 2
	Working with Financial Statements	Ch. 3
3	Long-Term Financial Planning & Growth	Ch. 4
	The Time Value of Money	Ch. 5
4	Valuing Stocks and Bonds	Ch. 6
	Net Present Value & Other Investment Criteria	Ch. 7
5	Assignment 1 Due	
	Making Capital Investment Decisions	Ch. 8
	Project Analysis & Evaluation	Ch. 9
6	Some Lessons from Capital Market History	Ch. 10
7	Mid-Term Exam.	
	Return, Risk & the Security Market Line	Ch. 11
8	Winter Break No classes for the weekly	
9	Return, Risk & the Security Market Line	Ch. 11 (cont'd)
	An Introduction to Long-Term Financing	Ch. 12
10	Assignment 2 Due	
	Issuing Securities to the Public	Ch. 13
	Cost of Capital	Ch. 14
11	Financial Leverage & Capital Structure Policy	Ch. 15
	Dividend & Dividend Policy	Ch. 16
12	Group Presentations	
13	Options & Corporate Securities	Ch. 20
14	Mergers & Acquisitions	Ch. 21
15	Assignment 3 Due	
April ?	Final Exam (T.B.A.)	