

ALLIANCE UNIVERSITY COLLEGE



BUS 220 *Finance* (3)

Winter 2006

Instructor: Dr. Alan Kwan

Contacting the Instructor

Office: Room 530

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Class Times: WF 1:00-2:15 pm

Class Location: Room 701

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Course Description

The course examines the fundamental concepts in the field of finance. It gives an introduction to financial management and portfolio analysis. Topics covered include: time value of money, cost of capital, capital structure, capital investment decisions, budgeting and financial planning, and various forms of business financing and evaluation.

Course Objectives

By the end of this course students are expected to gain an understanding about

- 1. financial terms*
- 2. decision related to financial analysis*
- 3. factors which affect the financial market*
- 4. business evaluation*
- 5. portfolio analysis.*

Required Texts

Lasher, William; P Hedges; and T Fegarty, *Practical Financial Management*, 1st Canadian edition, Nelson, 2005. ISBN: 0-17-622323-1

Course Schedule

(1) Role of Financial Management	<i>Chapter</i>	Jan 11, 13
(2) The Financial Marketplace	<i>Chapter</i>	Jan 18, 20
Community Days		Jan 25
(3) Evaluating Financial Performance	<i>Chapter</i>	Jan 27, Feb 1
(4) Time Value of Money	<i>Chapter</i>	Feb 3, 8
<i>Term Test 1</i>		Feb 10
(5) Valuating Debt Instruments	<i>Chapter</i>	Feb 15, 17
Mid-term Break		Feb 22, 24
(6) Valuating Stocks	<i>Chapter</i>	Mar 1, 3
(7) Portfolio Analysis - Risk and Return	<i>Chapter</i>	Mar 8, 10
(8) Capital Asset Pricing Model	<i>Chapter</i>	Mar 15, 17, 22
<i>Term Test 2</i>		Mar 24
(9) Capital Budgeting	<i>Chapter</i>	Mar 29, 31
(10) Capital Structure	<i>Chapter</i>	Apr 5, 7
(11) Dividend Policy	<i>Chapter</i>	Apr 12, 19

Course Requirements

Students need to familiarize themselves with current economic events and financial news which will constitute the materials for class discussions.

Students are advised to be prepared for the lectures by reading the relevant chapters in the required text and participating in class discussions.

Course Grade

<i>Class Participation</i>	<i>10%</i>
<i>Mid-term Test 1</i>	<i>25%</i>
<i>Mid-term Test 2</i>	<i>25%</i>
<i>Final Examination</i>	<i>40%</i>