



A POLYTECHNIC INSTITUTION

School of Business

Programs:

Integrated Management Studies

Information Technology Management

Human Resources Management

FMGT 3560
Finance 1 Administration

Start Date: September 2005

End Date: December 2005

Total Hours: 56 **Total Weeks:** 15

Term/Level: 3 **Course Credits:** 4

Hours/Week: 4 **Lecture:** 2 **Lab:** 2

Shop: **Seminar:** **Other:**

Prerequisites

FMGT 3550 is a Prerequisite for:

Course No. Course Name

Course No. Course Name

FMGT 2100 Accounting 2

FMGT 4550 Business Finance 2

Course Description

Allows those with little or no knowledge of financial management to study the various methods of optimizing the economic position of a firm. Middle management people in business finance will learn to make the best decisions on the financing of a firm. Topics include control and financial management of the business firm, profit and cash-planning, the cost of capital and working capital management.

Evaluation

| | |
|-------------------------|-------------|
| Midterm | 35% |
| Final Examination | 45% |
| Cases & lab assignments | <u>20%</u> |
| TOTAL | 100% |

Course Learning Outcomes/Competencies

Upon successful completion, the student will be able to:

- identify how finance builds upon the disciplines of accounting and economics.
- discuss the analytical decision-making nature of finance within a risk-return framework.
- outline the activities of financial managers that are primarily based on the raising and investing of funds in an efficient manner.

Verification

I verify that the content of this course outline is current.

Carol Edwards
Authoring Instructor

July 22, 2005
Date

I verify that this course outline has been reviewed.


Program Head/Chief Instructor

Aug 30 / 05
Date

I verify that this course outline complies with BCIT policy.


Dean/Associate Dean

Aug 30 / 05
Date

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

Instructors

Instructor: Carol Edwards, BA, MBA, CFA
Office: SE6 379
Telephone: (604) 451-6751
Email: carol_edwards@bcit.ca

Assistant Instructor: N/A

Learning Resources

Required:

Foundations of Financial Management, 7th Canadian Edition. By Stanley Block, Geoffrey Hirt and Douglas Short, McGraw-Hill Ryerson.

Financial calculator (Sharp EL-733A is **highly recommended**)

Recommended:

- Publisher's online learning centre: <http://www.mcgrawhill.ca/college/block> or use of the Study Guide.
- Access to a daily or weekly financial newspaper (e.g. National Post, Globe and Mail, The Economist) will be useful as many of our discussions in the labs will be focused on current events in the world of finance.
- Internet access for research and ability to access the BCIT OUT folder, where course files will be uploaded.

Information for Students

Attendance: The attendance policy as outlined in the current BCIT Calendar will be enforced. Attendance will be taken at the beginning of each session. Students not present at that time will be recorded as absent.

Assignments: Late assignments, lab reports or projects will **not** be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.

Lecture Notes and other Information: Lecture notes will be available through the BCIT OUT folder under the FMGT3560 folder. Notes will be posted in advance of lectures. The notes DO NOT replace attendance at lectures. They are meant to be a complement to lectures. There may also be, from time to time, other information sources in the FMGT3560 OUT folder that will be required reading.

Makeup Exams: There will be **no** makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for **documented** medical reasons or extenuating circumstances. In such a case, it is the responsibility of the student to inform the instructor **immediately**.

Ethics: BCIT assumes that all students attending the Institute will follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.

Illness: A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects, or exam. At the discretion of the instructor, you may complete the work missed or have the work prorated.

Attempts: Students must successfully complete a course within a maximum of three attempts at the course. Students with two attempts in a single course will be allowed to repeat the course only upon special written permission from the Associate Dean. Students who have not successfully completed a course within three attempts will not be eligible to graduate from the appropriate program.

Course Outline Changes: The material or schedule specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.

Course Schedule

| Week of | Outcome/Material Covered | Reference/ Reading |
|-------------------------|--|-----------------------|
| Sept. 5 | Introduction to Corporate Finance | Chapter 1 |
| Sept. 12 | Review of Accounting | Chapter 2 |
| Sept. 19 | Financial/Ratio Analysis Shinerama – Wednesday, September 21 st | Chapter 3 |
| Sept. 26 | Financial Forecasting and Cash Budgeting | Chapter 4 |
| Oct. 3 | Financial Forecasting and Cash Budgeting, continued | Chapter 4 |
| Oct. 10 | Catch-up and exam review Thanksgiving – Monday, October 11 th | |
| Oct. 17 | Midterm Exam on - Chapters 1, 2, 3, 4 | |
| Oct. 24 | Operating and Financial Leverage (Break-even Analyses) | Chapter 5 |
| Oct. 31 & Nov. 7 | Working Capital Management <ul style="list-style-type: none"> • Financing Decision. • Cash Management. • Inventory Control. • Management of Accounts Receivable. Remembrance Day – Friday, November 11 th | Chapters 6 & 7 |
| Nov. 14 | Sources of Short-Term Financing <ul style="list-style-type: none"> • Use of Bank Financing, Commercial Paper, EuroDollars and Hedging. | Chapter 8 |
| Nov. 21 & Nov. 28 | Valuation and Rates of Return <ul style="list-style-type: none"> • Valuing Bonds, Preferred Stock and Common Stock. | Chapter 10 |
| Dec. 5 | Catch-up and exam review | |
| Dec. 12 | Final Examination – Chapters 5, 6, 7, 8 & 10 | |