

#### A POLYTECHNIC INSTITUTION

School of Business
Programs:
Integrated Management Studies
Information Technology Management
Human Resources Management

FMGT 4560 Finance 2 Administration

Start Date: January 2, 2008 End Date: May 23, 2008

Total Hours: 80 Total Weeks: 20 Term/Level: 4 Course Credits: 5.5

Hours/Week: 4 Lecture: 2 Lab: 2 Shop: Seminar: Other:

**Prerequisites** 

**FMGT 2100** 

Course No. Course Name

FMGT 3560 Finance 1 Administration

Accounting 2

# **Course Description**

This course 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 1	30%	
Midterm 2	30%	
Final Examination	35%	
Game*	5%	* Failure of any individual to participate properly in the game
TOTAL	100%	may lead to the entire Set losing these 5 marks.

**NOTE**: There will be no FMGT 4560 midterm during the midterm exam week.

# **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

Date

I verify that this course outline has been reviewed.

Program Head/Chief Instructor

Date

I verify that this course outline complies with BCIT policy.

Dean/Associate Dean

Date

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

### Instructor

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Instructor web page:

http://www.bcit.ca/facultystaff/bios/1112580

## **Learning Resources**

#### Required:

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

#### Recommended:

- Foundations of Financial Management, Seventh Canadian Edition. By Stanley Block, Geoffrey Hirt and Douglas Short, McGraw-Hill Ryerson, 2005.
- Publisher's online learning centre: http://www.mcgrawhill.ca/college/block
- Access to a daily or weekly financial newspaper (e.g. National Post, Globe and Mail, The Economist) will be useful as discussions in labs may be focused on current events in the world of finance.
- Internet access for research purposes and to access the course web site.

### Information for Students

Self Study Problems: Suggested self-study problems will be assigned throughout the term. This homework will not be collected or marked, but it is essential that you work through the problems in order to understand the material and perform well on the exams. Time permitting we will take up most of these problems during the labs. For your own sake, please resist the temptation to simply look at solutions without having worked through the problems yourself.

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.

**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.

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:	Lecture Topic:		
January 1	Capital Markets – ST & LT Debt, Bonds & Lease Financing		
January 7	ST & LT Debt, Bonds & Lease Financing		
January 14	ST & LT Debt, Bonds & Lease Financing		
January 21	ST & LT Debt, Bonds & Lease Financing		
January 28	ST & LT Debt, Bonds & Lease Financing Capital Markets - Preferred Stock Financing		
February 4	Preferred Stock Financing		
February 11	Preferred Stock Financing Midterm 1		
February 18	Capital Markets – Common Stock Financing, Dividend Policy and Retained Earnings		
February 25	Common Stock Financing, Dividend Policy and Retained Earnings Wednesday, February 27 <sup>th</sup> - PD Day - No classes		
March 3	Midterm Exam Week – No FMGT 4560 midterm exam		
March 10	SPRING BREAK		
March 17	Common Stock Financing, Dividend Policy and Retained Earnings		
March 24	Common Stock Financing, Dividend Policy and Retained Earnings		
March 30	Capital Budgeting Friday, April 6 <sup>th</sup> – Good Friday – No classes		
April 7	Capital Budgeting Monday, April 9 <sup>th</sup> – Easter Monday – No classes Midterm 2		
April 14	Capital Budgeting		
April 21	Capital Budgeting		
April 28	Derivatives		
May 5	Mergers & Acquisitions / International Finance		
May 12	Exam Review		
May 19	Final Exam Week Monday, May 21 <sup>st</sup> – Victoria Day – No Classes		