



Grande Prairie Regional College

Department of Business

COURSE OUTLINE – FALL 2010

BA2030 3(3-0-0) UT – FINANCE I

Instructor Gwen Hoyseth

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Office Hours Wednesday & Friday
10:30 -12:00 or by
appointment

Prerequisite:

BA 1120

Required Text/Resource Materials:

Block, Hirt and Short (2005). Foundations of Financial Management, 8th Canadian Edition, McGraw-Hill Ryerson Limited.

Sharp Business/Financial Calculator (EL-733A)

Description:

The objectives of financial management and the related role and responsibilities of the financial manager are explored. The approach is practical in nature with references to the development of theories in finance. The various sources of funds for a firm are explored using a corporate framework.

Credit/Contact Hours: 3 hours per week

Delivery Mode:

Classroom work will include lectures and discussions of required topics, selected problems, and cases. Students are expected to have read all assigned readings, cases and problems prior to coming to class, and to participate fully in their discussion and analysis

To get the most out of this class, students are expected to read the business news in national papers or on the internet on a regular basis. The papers are available in the Library.

Objectives:

The objectives of the course are:

1. to gain an understanding of the finance function in the business firm within a Canadian context
2. to create an awareness and appreciation of the problems, issues and decisions confronting financial managers today
3. to develop the ability to apply analytical tools in the identification and resolution of financing problems and in financial decision making
4. to identify various corporate financing needs and explore the sources of funds available to meet these needs

Transferability:

CGA and CMA Programs (with BA 2230)

AU (with BA 2230)

This course can be included as part of block transfer agreements with Athabasca University, University of Lethbridge, Thompson Rivers' University (Kamloops), Royal Roads University, Lakeland College (into their Applied Degree in Financial Services program) and Okanagan College. Students should check with the receiving institution concerning transferability as all arrangements are subject to change.

Grading Criteria:

The grading system employed in this course will be:

Quizzes and Assignments	35%
Participation	5%
Midterm Examination	25%
Final Examination	35%

Business Administration and Commerce Department
Grading Conversion Chart

Alpha Grade	4-point Equivalent	Percentage Guidelines	Designation
A ⁺	4	90-100	EXCELLENT
A	4	85-89	
A ⁻	3.7	80-84	FIRST CLASS STANDING
B ⁺	3.3	76-79	
B	3	73-75	GOOD
B ⁻	2.7	70-72	
C ⁺	2.3	67-69	SATISFACTORY
C	2	64-66	
C ⁻	1.7	60 – 63	
D ⁺	1.3	55 – 59	MINIMAL PASS
D	1	50 – 54	
F	0	0 – 49	FAIL

Quizzes and Assignments

There will be a short quiz at the end of each chapter, as well as various hand-in assignments throughout the term. All assignments are expected to be handed in on time

Participation

Each student is expected to come to class having read the material and completing any assignments given. Marks will be based on both attendance and the contribution made to the class

Examinations:

The Midterm Exam will be held after the completion of Chapter 5 scheduled for the week of October 13th. The final exam will be scheduled by the registrar during December exams scheduled between December 10th and December 19th. Plan to be here during that time.

BA2030 Course Outline

Chapter 1 Goals and Functions of Financial Management

Chapter 2 Review of Accounting

- Income Statement
- Balance Sheet
- Statement of Cash Flows
- Amortization and Cash Flow
- Income Tax Considerations

Chapter 3 Financial Analysis

- Ratio Analysis
- Distortion in Financial reporting

Chapter 4 Financial Forecasting

- The Financial Planning Process
- Pro-Forma Income Statement
- Cash Budget
- Pro-Forma Balance Sheet

Chapter 5 Leveraging

- Operating Leverage
- Financial Leverage
- Combined Leverage

Chapter 6 Working Capital and Financing Decisions

Chapter 7 Current Asset Management

- Cash Management
- Collections and Disbursements
- Marketable Securities
- Accounts Receivable
- Inventory

Chapter 8 Sources of Short Term Financing

- Trade Credit
- Bank Credit
- Commercial Paper
- Foreign Borrowing
- Accounts Receivable Financing
- Inventory Financing
- Hedging to reduce risk

Chapter 9 Time Value of Money

Chapter 10 Valuation and Rates of Return