

## MOS FALL 2009

### INTRODUCTION TO CORPORATE FINANCE MOS3310A SECTION 650

#### Contact Information

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#### Course Objectives

Students taking this course will examine various topics that will introduce them to the theories, techniques, and practices of Corporate Finance. Topics will include such items as: (1) Time Value of Money, (2) Financial Planning & Forecasting, (3) Cash Reporting, (4) Cash Budgeting, (5) Capital Budgeting, (6) Working Capital Management, (7) Financial Markets, (8) Valuation of Securities, (8) Capital Structures, (9) Risk Measurement, and (10) Dividend Policy.

#### Course Material

1. Brealy, Myers, Marcus, Maynes, and Mitra, Fundamentals of Corporate Finance, 4<sup>th</sup> Edition
2. Financial Statements & Industry Notes & Excerpts from Business News (as provided by instructor)
3. Access to Microsoft Excel
4. Optional ... Financial Calculator (e.g., TI BA II or II Plus)

#### Course Prerequisites

Enrolment in BMOS program  
Business Administration 2257 - Accounting & Business Analysis

#### Evaluation

Participation	10%
Online Quiz – (Sep 22)	15%
Mid-Term (Oct 24)	30%
Assignment (Nov 12)	15%
Final Exam (TBA)	30%

## LECTURE SCHEDULE

	<i>Topic</i>	<i>Reading</i>
Sep-10	Course Overview Financial Roles & Environment	Ch 1 Ch 2
Sep-15	Time Value of Money	Ch 6
Sep-17	Time Value of Money	Ch 6
Sep-22	<b>Online-Quiz</b>	
Sep-24	Financials & Ratios	Ch 17 Ch 3
Sep-29	Statement of Changes in Financial Positions	Ch 3
Oct-01	Proformas	Ch 18
Oct-06	Cash Budgets	Ch 3
Oct-08	Stocks & Bonds	Ch 13
Oct-13	Issuing Stocks & Bonds	Ch 14
Oct-15	Valuing Bonds	Ch 5
Oct-20	Valuing Stocks	Ch 6
Oct-22	Risk & Portfolio Mgmt	Ch 10
Oct-24	Review – 1 <sup>st</sup> Half	
Oct-27	<b>Mid-Term</b>	
Oct-29	Tax & CCA	Ch 3
Nov-03	Capital Budgeting	Ch 8
Nov-05	Project Analysis	Ch 7
Nov-10	Risk Analysis	Ch 9
Nov-12	<b>Assignment #1</b>	
Nov-17	Short- & Long-Term Financing	Ch 15
Nov-19	Cost of Capital	Ch 12
Nov-24	Leverage & Capital Structure	Ch 15
Nov-26	Dividend Policy	Ch 16
Dec-01	Cash Conversion Cycle Current Liability Mgmt	Ch 19 Ch 21
Dec-03	Current Asset Mgmt	Ch 20
Dec-08	Leases	Ch 22
Dec-10	Review – 2 <sup>nd</sup> Half	
	<b>Final Exam</b>	

Notes:

1. The above lecture schedule may be changed. The most current course timetable, readings, assignments will be posted on the WebCT Calendar
2. Exercises and extra readings that accompany these topics will be posted on WebCT.
3. Students will be expected to be able to do all exercises using both Excel and calculators.

## **OTHER IMPORTANT CONSIDERATIONS**

### **Email Communications with Advisor**

Students may want to communicate to the instructor via email. It is advised that these questions require only a short answer. In some instances, the information in the email may be beneficial to the whole class. In this case, the email may be broadcasted to the class. Students are advised, therefore, not to include private or personal information in any emails.

Questions that need a long answer should be addressed with an office visit.

### **Class Preparation**

All class readings and exercises are to be completed before the first class in which the topic is discussed – even if the topic is stretched out over more than one class.

If a student misses any classes, it is the student's responsibility to cover any materials missed.

### **Grading Late Assignments**

Students who hand in their assignments late will be penalized at 10% per day late, including Saturdays and Sundays.

## **ACADEMIC RIGHTS AND RESPONSIBILITIES**

### **General Information**

If, on medical or compassionate grounds, you are unable to meet your academic responsibilities, i.e., unable to write term tests or final examinations or complete course work by the due date, you should follow the instructions listed below. You should understand that academic accommodation will not be granted automatically on request. You must demonstrate that there are compelling medical or compassionate grounds that can be documented before academic accommodation will be considered. Read the instructions carefully. In all cases, action must be taken at the earliest possible opportunity, preferably prior to the scheduled examination, test or assignment.

1. Check the course outline to see if the instructor has a policy for missed tests, examinations, late assignments or attendance. The course outline should include the preferred method of contact (e-mail, phone, etc.).
2. Inform the instructor prior to the date of the scheduled time of the test or examination or due date of the assignment. If you are unable to contact the instructor, leave a message for him/her at the department office.
3. Bring your request for accommodation to the Social Science Academic Counselling Office, Room 2105, Social Science Centre, telephone 519 661-2011 or fax 519 661-3384. Be prepared to submit documentation of your difficulties.
4. If you decide to write a test or an examination you should be prepared to accept the mark you earn. Rewriting tests or examinations or having the value of the test or examination reweighted on a retroactive basis is not permitted.

### **Tests & Mid-Terms**

1. If you are unable to write a term test, inform your instructor (preferably prior to the scheduled date of the test). If the instructor is not available, leave a message for him/her at the department office.
2. Be prepared, if requested by the instructor, to provide supporting documentation. Submit your documentation to the Social Science Academic Counseling Office.
3. Make arrangements with your professor to reschedule the test.
4. The Academic Counseling Office will contact your instructor to confirm your documentation.

### **Final Examinations**

1. You require the permission of the Dean, the instructor, and the Chair of the department in question to write a special final examination.
2. If you are unable to write a final examination, contact the Social Science Academic Counselling Office in the first instance to request permission to write a special final examination and to obtain the necessary form. You must also contact your instructor at this time. If your instructor is not available, leave a message for him/her at the department office.
3. Be prepared to provide the Social Science Academic Counselling Office and your instructor with supporting documentation.
4. You must ensure that the Special Examination form has been signed by the instructor and Department Chair and that the form is returned to the Social Science Academic Counselling Office for approval without delay.

### **Late Assignments**

1. Advise the instructor if you are having problems completing the assignment on time (prior to the due date of the assignment).
2. Submit documentation to the Social Science Academic Counselling Office.
3. If you are granted an extension, establish a due date.
4. Extensions beyond the end of classes must have the consent of the instructor, the Department Chair and Dean. A Recommendation of Incomplete form must be filled out indicating the work to be completed and the date by which it is due. This form must be signed by the student, the instructor, the Department Chair, and the Dean=s representative in the Academic Counseling Office.

### **Extended Absences**

If you are absent more than approximately two weeks or if you get too far behind to catch up, you should consider reducing your workload by dropping one or more courses. This must be done by the appropriate deadlines. (Refer to the Registrar=s website for official dates.) The Social Science Academic Counsellors can help you to consider the alternatives. At your request, they can also keep your instructors informed of your difficulties.

### **Documentation**

**Personal Illness:** If you consulted Student Health Services regarding your illness or personal problem, you should complete a Records Release Form at the time of your visit allowing them to notify Social Science Academic Counselling Office. Once your documentation has been assessed, the academic counsellor will inform your instructor that academic accommodation is

warranted. If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The doctor must provide verification of the severity of the illness for the period in question. Notes stating "For Medical Reasons" are not considered sufficient. In Case of Serious Illness of a Family Member: Obtain a medical certificate from the family member's physician. In Case of a Death: Obtain a copy of the newspaper notice, death certificate or documentation provided by the funeral director. For Other Extenuating Circumstances: If you are not sure what documentation to provide, ask an Academic Counsellor. **Note:** Forged notes and certificates will be dealt with severely. To submit a forged document is a scholastic offense and you will be subject to academic sanctions.

### **Academic Concerns**

You need to know if your instructor has a policy on late penalties, missed tests, etc. This information may be included on the course outline. If not, ask your instructor. You should also be aware of attendance requirements in courses such as Business and English. You can be debarred from writing the final examination if your attendance is not satisfactory. If you are in academic difficulty, check the minimum requirements for progression in your program. If in doubt, see your Academic Counsellor. If you are registered in Social Science courses but registered in another faculty (e.g., Arts or Science), you should immediately consult the Academic Counselling Office in your home faculty for instructions.