

PRINCIPLES OF FINANCE

Course No	:	BUS 204
Course Title	:	PRINCIPLES OF FINANCE
Prerequisites	:	
Course Type	:	Major
Faculty Member	:	Dr. ; Room # ; Telephone ; e-mail ;
Office Hours	:	
Class Time	:	
Lecture Class	:	

Course Objectives:

The primary objective of this course is to introduce students to financial planning and analysis concepts with emphasis on start-ups and small businesses in the high tech sector of the economy. Another major objective of the course will be to improve the skills of students in the analysis of complex business/management situations and problems.

Course Description:

The course is an overview of basic principles and theoretical framework leading to sound corporate financial management decisions. The course deals with financial statements, cash flow and taxes with a look at key financial statements, including the balance sheet, income statements and cash flow statements. The course also deals with capital budgeting, risk and return, cost of capital and financial policy, planning and management. Also examined are the various financial ratios and the type of information that they convey to us with regard to the financial health of a business and the process of looking ahead and anticipating the future.

Course Outline:

1. Financial Statements, Cash Flow, and Taxes Depreciation
2. Analysis of Financial Statements
3. Basic theories, concepts, techniques and skills of financial management.
4. Tools for measuring and analyzing the financial performance of a firm.
5. Financial Planning and Forecasting
6. The Financial Environment: Markets, Institutions, and Interest Rates
7. Risk and Rates of Return
8. Time Value of Money
9. Bonds and Their Valuation
10. Stocks and Their Valuation
11. Basics of Capital Budgeting
12. Introduce global markets and their impacts on and linkages with the Global markets.
13. Apply the finance techniques by doing assignments on various financial topics utilizing MS Excel (computer lab) and Stock Investing

Learning Outcomes:

Upon successful completion of the course, students should be able to:

1. understand basic finance concepts, such as the time value of money, asset valuation, risk and return, capital budgeting, and financial statement analysis.
2. prepare consolidated accounts and explain the accounting principles
3. appropriately employ relevant accounting standards,
4. evaluate a business entity's financial statements and analyze its performance
5. explain the problems of profit measurement and alternative approaches to asset valuations,
6. explain the role of the external auditor
7. develop abilities to read and interpret financial reports, do financial analysis and write financial reports.

Skills to be developed:

This course helps students in developing the following skills:

- | | |
|--|---|
| 1. Communication (Oral & written) | Through Assignments, Case Study discussions and Examinations |
| 2. Analytical | Through Case studies and examinations |
| 3. Team Work | Through Case studies |
| 4. Creative Thinking | Through Case studies, assignments, classroom discussions |
| 5. Adaptability to Change | Through Case studies, and examinations |
| 6. Ethics | Through lectures and assignments |
| 7. Use of Information Technology | Through use of PCs, Internet, CD-ROM, Statistical data base in the library |
| 8. International issues | Through Case studies, assignments, classroom discussions, and examinations |

Evaluating Student Performance:

Class participation and attendance	10%
Individual assignments	20%
Mid-term examination	20%
Final Exam	50%

Assignment	LO1	LO2	LO3	LO4	LO5	LO6	LO7
Class Participation	X					X	
Assignments		X	X	X	X		X
Mid-term exam	X		X	X		X	X
Final Exam	X		X	X		X	X

Grading:

Percentage Score	Letter Grade	GPA Points	Percentage Score	Letter Grade	GPA Points
90 - 100	A	4.0	70 - 74	C	2.0
85 - 89	B+	3.5	65 - 69	D+	1.5
80 - 84	B	3.0	60 - 64	D	1.0
75 - 79	C+	2.5	< 60	F	0.0

Educational Resources:

<i>Educational Resource</i>	Description	Comments
Textbooks Required	Fundamental of Corporate Finance, 2003 by Ross, Westerfield and Jordan, from McGraw Hill. Fundamentals of Financial Management (Harcourt Press) – The Concise 3 rd ed.	
References	Peter Lynch: One Up on Wall Street Lawrence J. Gitman, "Principles of Managerial Finance," 2 nd ed., Addison-Wesley-Longman, 2000. Chen, K.C. and Manuchehr Shahrokhi, "Financial Management Lab Manual," 4 th ed., Premier Publishing, 2000.	
Computers	Internet searches for obtaining info on Computers.	
CD - ROM :	(CD-ROM) data base in the library + Action learning through CD Accompanying the textbook	
Other Resources:	Library resources, Internet search of periodicals	

Course Schedule & Outline:
Sixteen Week Semester, 3 hrs/Wk

Date	Week	Outline Syllabus	Learning Outcomes	Homework Assignments, Due dates
February 12/2-16/2	1		LO1	
February 19/2-23/2	2		LO2	
May 28/5- 31/5		General Review		