

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

COURSE TITLE: FINANCE AND INVESTMENTS II

CODE NO.: BUS206-4 **SEMESTER:** FOUR

PROGRAM: BUSINESS

AUTHOR: PENNY O'HARE

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PREVIOUS OUTLINE DATED: JANUARY, 1994

New: _____ Revision: X

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DEAN, SCHOOL OF BUSINESS &
HOSPITALITY

DATE

FINANCE & INVESTMENTS II

BUS206-4

COURSE NAME

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PHILOSOPHY/GOALS:

This course focuses on short and long term decision making with respect to the composition of the assets, the level of working capital, the capital structure and the distribution of profits of a firm.

OBJECTIVES:

Upon successful completion of this course, the student will be able to:

1. Explain the goals of financial management and the concept of "maximization of wealth" as a preferred objective of a firm.
2. Describe several methods of financing with relevance to how they affect the firm's capital structure.
3. Analyze financial statements and be able to make decisions regarding a firm's performance.
4. Understand working capital and cash management and prepare a cash flow forecast.
5. Explain the policies and apply some techniques for managing receivables and inventory.
6. Make calculations to assist in decision making based on "time value of money."
7. Make Capital Budgeting decisions by applying a variety of methods in the evaluation of proposals.
8. Make decisions with regards to various forms of short and intermediate financing as well as long-term financing by calculating the costs of each.
9. Make Lease-Buy decisions based on an analysis of the costs associated with each.

INSTRUCTIONAL METHODOLOGY:

Lecture/discussion sessions will introduce the student to the theoretical nature of financial management. Assigned questions and case studies will provide the opportunity for application.

METHOD OF ASSESSMENT

Students will be evaluated on the following basis:

Tests (3 x 20)	60%
Assignments	40%
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	100%

TESTS:

The date of each test will be announced approximately one week in advance. Each test will be of equal value. If a student is not able to write a test because of illness or a legitimate emergency, that student must contact the instructor prior to the holding of the test and provide an acceptable explanation for the absence. In all other cases, the student will receive a mark of zero for that test.

There will be no re-writes of individual tests.

FINAL GRADES:

A+	90-100%
A	80- 89%
B	70- 79%
C	60- 69%
R	Repeat - under 60%

A student with a final grade of 50% to 60% may apply to the instructor for permission to write a supplemental test which will be based on work taken throughout the entire semester. The instructor may allow the student to write the supplemental test provided that the student has attempted all semester tests and has given some indication of potential success in this category to apply for the supplemental test. A final grade of "C" will be assigned to any student who successfully completes the supplemental test.

REQUIRED RESOURCES:

Financial Decision Making, by John J. Hampton, Prentice Hall

