



BUSI 2501 A: Business Finance

Summer 2026

Instructor	<i>Yifan Yang</i>
Email Address	Yifanyang4@cunet.carleton.ca
Class Times	Monday & Wednesday, 6:05-8:55 pm
Modality	In-person Lecture
Office Hours	Thursday 7:00-8:00 pm
Office Location	<i>Zoom (Online)</i>
TA Name/Email	<i>TBD</i>

Pre-Requisites & Preclusions:

Prerequisites: BUSI 2018 (or BUSI 1005) , and ECON 1001 and ECON 1002 (or ECOR 3800).

Restricted to selected Spratt programs.

Preclusions: BUSI 2503, BUSI 2504 (no longer offered)

Course Description/Instructor's Statement

Carleton Calendar Description

Basic issues and practices in finance. Survey of business firms' financing, investment, and payout decisions. Emphasis on understanding the principles, resources, and trade-offs in the financial area of business.

Instructor's Course Description:

This is an introductory course in finance. It addresses topics in finance that are important for all managers in organizations to understand. In addition to informing managers generally, these topics amount to an important foundation for higher level finance courses and will be used extensively in those courses. Finally, some of the topics addressed in this course can help with personal financing and investment decisions.

Course Learning Objectives:

It is the objective of this course to teach students:

- The principles of time value of money and how to apply them;

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- The features of various kinds of financial instruments, how to value them, and how organizations can use them to raise the capital they need;
 - Approaches to evaluating investment opportunities and making investment decisions;
 - Measures of risk and how they are related to returns; and,
 - General analytical skills in structuring and analyzing financial problems.

Required/Optional Materials & Prices

Title of Textbook

Fundamentals of Corporate Finance by Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan, J. Ari Pandes, Thomas Holloway, 12th Canadian Edition, McGraw-Hill, Ryerson, 2025.

Price Options for 12th Edition:

- Print Textbook - \$159.95
- eBook (180-day access) - \$69.00 or (lifetime access) - \$99.00

The 12th edition is the most recent version of this textbook; however, students may want to purchase a previous edition (e.g., 11th or 10th edition) since the topics and questions in the 12th edition are similar to those in these previous editions (i.e., there may be different numbers and answers for the practice questions).

Calculator: Any non-programmable calculators can be used in the test and examination, such as Texas Instruments BA II Plus.

Grading Scheme

Class Attendance	10%
Midterm Exam	35%
Final Exam	55%
TOTAL	100%

Policies & Accommodations

<https://students.carleton.ca/course-outline/>

<https://carleton.ca/pmc/current-students/academic-accommodations/>



Stay updated with important notifications and announcements from Carleton University, by downloading the Carleton University App!

Class Attendance will be checked at the end of each lecture if there is no further announcement. Students will be required to sign on an attendance sheet before leaving the classroom.

The Midterm Exam (around 30 questions, 2 hours) will be held during class time (see the course outline for dates). Material covered up to and including the class before the term test is eligible to be addressed. A student who does not write the midterm exams will automatically receive a grade of zero unless this is due to a medical or otherwise **emergency** with the appropriate **documentation**. Make-up exam will be held only for students with emergencies.

The Final Exam (around 45 questions, 3 hours) will be a comprehensive test, covering material from the entire course. More information about the final exam will be provided in class as the term progresses.

Both the midterm and final exam will be conducted online (Brightspace) using the Carleton University e-proctoring system (CoMaS). These exams will be conducted in-person, but will still use this system, as you will be writing using your laptops. Details about this system and your requirements will be laid out well before the exams so that you are ready. You can find more information at <https://carleton.ca/ses/e-proctoring/>.

Students are responsible for ensuring that the application is working properly on your computer during the exam. Failure to ensure proper functioning of CoMaS will constitute a violation of the exam rules and may be grounds for an allegation that you have violated the Academic Integrity Policy.

The minimum computing requirements for this service are as follows:

Hardware: Desktop, or Laptop

OS: Windows 10 or higher, Mac OS 10.14 or higher

Internet Browser: Google Chrome, Mozilla Firefox, Apple Safari, or Microsoft Edge

Internet Connection (High-Speed Internet Connection Recommended)

Webcam (HD resolution recommended)

Note: Tablets, Chromebooks, Smartphones and Windows-based tablets are not supported at this time. You must complete your exams using Windows-based or MacOS computers. Make sure to bring your charging cables and ensure your device's batteries are fully charged.

Deferred In-Class Tests:

In the event that you are unable to write a midterm, test, or other scheduled assessments due to extenuating circumstances (such as a death in the family, illness, etc.), you must provide appropriate supporting documentation to your professor. Upon review, a deferred test may be

offered. Please note that students who do not provide valid documentation or fail to offer a reasonable explanation for missing an assessment will receive a grade of 0% for that test.

The deferral test will be held on Monday, June 8th at 7:15am.

Deferred final exams:

If you wish to defer a **Formal Final Exam**, you – the student – must reach out to the registrar's office with the proper documentation prior to the deadline (please refer to <https://carleton.ca/registrar/deferral/> for dates). Once the request has been put through, your instructor will be notified for their approval.

Use of Generative Artificial Intelligence

This is a human-centered course. In this course, evaluation focuses on what you can do *without* AI assistance. While you are welcome to use AI tools to explore ideas, study, or clarify concepts, all submitted work must represent your independent thinking and original effort. Use AI for learning, not for producing graded submissions. Your understanding and reasoning—not AI output—will form the basis of assessment. Using AI for graded submissions constitutes and academic integrity violation.

Preparation and Participation:

Students are responsible for reading each chapter listed in the course outline and knowing the material in those chapters whether specific mention of certain topics is made in class and regardless of whether topics are addressed in class. Because of time constraints, it is not possible to cover all the chapter material in class. Class time will be spent on the most important topics and on the topics from which students receive the most benefit from explanation in class.

Student Responsibilities:

- Read the indicated chapter before class in which it is to be addressed;
- Do the self-test questions in the chapter immediately after you read it;
- Use the critical thinking questions at the end of each chapter to help you put concepts into your own words; this will help you develop a level of comfort with the material.
- Use class time to ask questions about things that were not clear to you from reading the chapter;
- Do the listed problems before the relevant tutorial;
- Attend the tutorials to see how the problems identified in bold can be solved and to ask questions about issues you may have with the other problems or with other course material;
- While solutions to the end-of-chapter problems will be provided at the beginning of the course, attempt problems before looking at their solutions; looking at the solution first leads to under-estimation of a problem's difficulty and over-estimation of your ability to solve it;
- Experiment with examples presented in class using your calculator and spreadsheets to develop your understanding of how the calculations and solution approaches work; re-doing

a class example, and re-working an example with different values can significantly improve your understanding or un-cover things you are not understanding;

- Work at the course throughout the term, practice as you go along, and deal with things you don't understand as they arise; it is difficult to be successful with the kind of material covered in this course by cramming before the term test or exam;
- Think about ideas addressed in the course outside of class, for example, when reading the newspaper or watching the news on television; question whether what you are seeing or hearing makes sense in light of your knowledge of the course concepts?

For many students, this course can be challenging. Part of this difficulty arises from new and (sometimes) counterintuitive subject matter, but the biggest challenge often comes from not dedicating enough time and effort to engage with the material. **To succeed in this course, you will need to consistently spend 5- 7 hours each week reviewing course materials, working on problem sets, and attending weekly tutorials to ask questions, in addition to attending every lecture.** You must keep up with the assigned readings and end-of-chapter problems.

The teaching assistants and I are here to enthusiastically answer your questions promptly. Do not hesitate to ask for clarification. Remember: the only way to learn finance is to do finance. Practice, practice, and practice...

Course Schedule

Date	Topics	Chapters
May 06	Overview of Corporate Finance	1
11	Time Value of Money	5
	Discounted Cash Flow Valuation	6
13	Discounted Cash Flow Valuation (continued)	6
18	Statutory Holiday – No Class	
20	Interest Rates and Bond Valuation	7 (excl. 7A)
25	Stock Valuation	8
27	Midterm Test I (Ch 1, 5, 6, 7)	
Jun 01	Cash Flows	2.3-2.4
	Net Present Value and Other Investment Criteria	9
03	Capital Cost Allowance	2.5
	Capital Budgeting	10 (excl. 10.7)
08	Lessons from Capital Market History	12
	Return and Risk	13
10	Return and Risk (continued)	13
15	Cost of Capital	14
17	Capital Structure	16

Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):

Program Learning Goal	Competencies Not Covered	Competencies Introduced (only)	Competencies Taught But Not Assessed	Competencies Taught and Assessed
BC1 Knowledge <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>				X
BC2 Collaboration <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>		X		
BC3 Critical Thinking <i>Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.</i>			X	
BC4 Communication <i>Graduates will be effective and persuasive in their communications.</i>	X			
BI5 Global Awareness (BIB ONLY) <i>Graduates will be globally-minded.</i>	X			

ADDITIONAL INFORMATION

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments, and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Recommended Calculator for Examinations

If you are purchasing a calculator, we recommend anyone of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, followership, and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Grading

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodation

Carleton is committed to providing academic accessibility for all individuals. You may need special arrangements to meet your academic obligations during the term. The accommodation request processes, including information about the *Academic Consideration Policy for Students*

in Medical and Other Extenuating Circumstances, are outlined on the Academic Accommodations website (students.carleton.ca/course-outline).

Pregnancy Accommodation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, please review the [pregnancy academic accommodation process](#).

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, please review the [religious academic accommodation process](#).

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. For more details, visit the [Paul Menton Centre website](#).

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and where survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit the [Equity and Inclusive Communities website](#).

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, see the [Senate Policy on Accommodation for Student Activities \(PDF, 25 KB\)](#).

Academic Consideration for Medical and Other Extenuating Circumstances

Due to medical and other extenuating circumstances, students may occasionally be unable to fulfil the academic requirements of their course(s) in a timely manner. The university supports the academic development of students and aims to provide a fair environment for students to succeed academically. Medical and/or other extenuating circumstances are circumstances that are beyond a student's control, have a significant impact on the student's capacity to meet their

academic obligations, and could not have reasonably been prevented. Students may request Academic Consideration for Coursework or Other Academic Deliverable. For further information please review the [Procedure for Academic Consideration](#) and the [FAQ page](#).

Scheduling and Examination Support

Scheduling and Examination Services provides various supports for both in-term and end-of-term tests and exams. Details can be found on the [Exam Support website](#).

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another’s ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated.

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

Sprott Student Services

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at academicadvising@sprott.carleton.ca.

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas.

Important Information:

- Students must always retain a copy of all work that is submitted.

- All final grades are subject to the Dean's approval.
 - For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>
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