



**BUSI 2505
Business Finance
Summer 2014**

Section	Instructor	Class Time
A	Kobana Abukari	Tues/Thurs 6:05PM-8:55PM

Contact Info:

Instructor	Office	Office Hours	phone	e-mail
Kobana Abukari	DT 1009	Tues & Thurs 4:45PM-5:45PM	520-2600 X 2287	<u>Kobana.Abukari@carleton.ca</u>

Prerequisites

BUSI 1002 or BUSI 1005 and BUSI 2504 with a grade of C or higher in each ECON 1000 with a grade of C- or higher and one BUSI 1704 and BUSI 1705 with a grade of C- or higher, or one of MATH 1009 and MATH 1119 with a grade of C- or higher

The School of Business enforces all prerequisites. Only the Undergraduate Program Supervisor of the School can waive prerequisite requirements.

This Course is Prerequisite to

BUSI 3500, BUSI 3502 and BUSI 3504 (with a grade of C or higher).

Course Objectives

The topics covered in BUSI 2504 will be extended, exposing students to a broad range of material pertaining to Business Finance and Financial Management. Topics covered include: risk /return analysis, capital budgeting under uncertainty, capital structure analysis, dividend policy, lease financing, and mergers and acquisitions. Students will learn principles for making sound decisions about financing (obtaining funds) and investment (using funds) when facing an environment with risk and uncertainty.

The overarching goal of this course is to teach students how to apply an approach to financial decisions that uses expectations about after-tax cash flows, while accounting for uncertainty in the available information.

Important learning objectives for the course are to teach students:

- Important details of financial management that could not be covered in 2504
- That risk and uncertainty can be managed as part of running a business
- To apply discounted cash flows techniques as a general and powerful tool in understanding business decisions

This course makes frequent use of quantitative techniques and models. **Review 2504 notes!**

Class Format

The majority of the classes will be comprised of lectures and the completion of sample problems.

Required Text and Materials

Text: Ross, Westerfield, Jordan, and Roberts, *Fundamentals of Corporate Finance*, 8th Canadian edition, McGraw-Hill Ryerson, 2013

Calculator: Texas Instruments BA II Plus

Course Evaluation

	Grade Weight	Date
4 In-class Quizzes (best 3 of 4), 3@5%	15%	1: lecture #3 2: lecture #5 3: lecture #9 4: lecture #11
Group Assignments (2 in total, group of 4 people), 2@7.5% [Must be typed, late assignments NOT accepted]	15%	1: due on lecture #6 2: due on lecture #12
Mid-term Exam	25%	lecture # 7
Final Exam	45%	TBA

There will be two assignments (to be posted on the course WebCT site). Assignments are due on the date specified, at the beginning of class. **Late assignments will not be accepted** and will receive a grade of zero. Assignments are to be submitted in **printed** format. Assignments are to be done in **groups of 4 students**.

There will be a midterm test for this course. Once marked, assignments and the test will be returned. The final exam is for evaluation purposes, not instruction. It will not be returned to students.

Marks in the tests and assignments include a component for showing formulae and calculations. The marking scheme will reflect the instructor's interest in seeing the steps you take to solve a problem.

Only Texas Instruments BA II Plus calculators can be used in the test and examination. Translation dictionaries are allowed as long as they are in print format and do not contain any handwritten notes. Electronic translation dictionaries are not allowed.

The date and location of the final exam will be announced through the University's normal procedures for such matters. Be sure that you are available for the mid-term and final exam. **Allowance will not be made for conflicting travel plans.**

NOTE: Students who do not demonstrate a minimum level of performance during the term will not be allowed to defer the final exam. The requirement for satisfactory in-term performance is an overall mark of 50% or better on the assignments and test. Students with unsatisfactory in-term performance who miss the final exam will be awarded FND for the course.

NOTE: The final exam will be comprehensive, covering material from the entire course. If you are awarded less than 40% on the final exam, you will receive an "F", regardless of your total mark in the course.

There may be cases in which a student is permitted by University regulations to miss a graded component of the term work in a course. In such circumstances there will be no make-up assignment or test. The grade weighting corresponding to the missed component will be added to the grade weighting of the final exam.

Doing Well in the Class

1. Read the chapter before the class.
2. Do all self-test questions and all recommended questions (see course schedule below) for each chapter. The critical thinking questions will help you to put chapter concepts into your own words, which will help you develop a "feel" for what's going on.
3. Answers to many text problems will be available on the WebCT site. Don't look at the answer to a problem until you have worked at the problem long enough to feel frustrated. Looking at posted answers without "working" problems is a waste of your time.
4. Work at the course throughout the term. Cramming before tests won't enable you to develop an understanding of the material.

Course Schedule (tentative and subject to changes)

Lecture	Date	Topics	Chapters
1		Review Cash Flows, CCA	Sections 2.3-2.5
2		Capital Budgeting	10
3		Capital Budgeting Quiz #1	10
4		Project Analysis and Evaluation	11
5		Cost of Capital, Quiz #2	14
6		Raising Capital, Assignment 1 due	15
7		MID-TERM EXAM (in-class)	
8		Leverage and Capital Structure	16
9		Dividend Policy Quiz #3	17
10		International Corporate Finance,	21
11		Lease Financing Quiz #4	22
12		Mergers & Acquisitions, Assignment 2 due	23

IMPORTANT ADDITIONAL INFORMATION

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one 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, follower-ship 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.

In accordance with the Carleton University Undergraduate Calendar (Section 2.3 Standing in Courses/Grading System), 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	WDN = Withdrawn from the course		

ABS = Student absent from final exam

DEF = Deferred (See above)

FND = (Failed, no Deferred) = Student could not pass the course even with 100% on final exam

Academic Regulations, Accommodations, Etc.

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 Accommodations

Academic Accommodations for Students with Disabilities

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your **Letter of Accommodation** at the beginning of the term, and 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 me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (*if applicable*).

- The deadlines for contacting the Paul Menton Centre regarding accommodation for final exams for the June 2014 exam period is June 6, 2014 and for the August 2014 exam period is July 25, 2014.

For Religious Obligations:

Students requesting academic accommodation on the basis of religious obligation should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory event.

Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

For Pregnancy:

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

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. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. 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 <http://www2.carleton.ca/sasc/advisingcentre/academic-integrity/>.

Assistance for Students:

Student Academic Success Centre (SASC): www.carleton.ca/sasc

Writing Tutorial Services: <http://www1.carleton.ca/sasc/writing-tutorial-service/>

Peer Assisted Study Sessions (PASS): www.carleton.ca/sasc/peer-assisted-study-sessions

Important Information:

- Students must always retain a hard copy of all work that is submitted.
 - All final grades are subject to the Dean's approval.
 - Please note that you will be able to link your CONNECT (MyCarleton) account to other non-CONNECT accounts and receive emails from us. However, 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 CONNECT address. Therefore, it would be easier to respond to your inquiries if you would send all email from your connect account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://portal.carleton.ca/>
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Important Dates

SUMMER

TERM 2014

- March 1, 2014 Last day for receipt of applications for admission to an undergraduate degree program for the summer term.
- May 1, 2014 Last day for receipt of applications for undergraduate degree program transfers for the summer term.
- May 5, 2014 Early summer and full summer classes begin.
- May 12, 2014 Last day for registration and course changes (including auditing) for early summer courses.
- May 16, 2014 Last day for registration and course changes (including auditing) for full summer courses.
- May 19, 2014 Statutory holiday. University closed.
- May 23, 2014 Last day to withdraw from early summer and full summer courses with a full fee adjustment.
- June 6, 2014 Last day to submit to the Paul Menton Centre for Students with Disabilities, formal Examination Accommodation Forms for June examinations.
- June 9-19, 2014 Fall/winter and winter term deferred final examinations will be held.
- June 10, 2014 Last day for tests or examinations in early summer courses below the 4000-level before the final examination period (see Examination Regulations in the Academic Regulations of the University section of this Calendar).
- June 17, 2014 Last day of early summer classes (NOTE: Full summer classes resume July 3). Last day for academic withdrawal from early summer courses. Last day for handing in term assignments, subject to any earlier course deadline.
- June 20-26, 2014 Early summer examinations may be held. Examinations are normally held all 7 days of the week.
- July 1, 2014 Statutory holiday. University closed.
- July 3, 2014 Late summer classes begin. Full summer classes resume.
- July 10, 2014 Last day for registration and course changes (including auditing) for late summer courses.
- July 23, 2014 Last day to withdraw from late summer courses with a full fee adjustment.
- July 25, 2014 Last day to submit to the Paul Menton Centre for Students with Disabilities, Formal Examination Accommodation Forms for August examinations.
- July 31, 2014 Last day for tests or examinations in full summer courses below the 4000-level before the final examination period (see Examination Regulations in the Academic Regulations of the University section of this Calendar).
- August 4, 2014 Statutory Holiday. University closed.
- August 7, 2014 Last day for tests or examinations in late summer courses below the 4000-level before the final examination period (see Examination Regulations in the Academic Regulations of the University section of this Calendar).
Classes held on this day follow a Monday schedule. Last day of late summer and full summer classes. Last day for academic withdrawal from late summer and full summer courses and any other courses that end this term. Last day for handing in term assignments, subject to any earlier course deadline.
- August 15, 2014 Summer Co-op Work Term Reports are due.
- August 18-23, 2014 Summer examinations may be held. Examinations are normally held all 7 days of the week.
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