



DEPARTMENT Business & Office Administration

COURSE OUTLINE – Fall 2022

BA2030 (A2): Financial Management – 3 (3-0-0) UT 45 Hours for 15 Weeks

Northwestern Polytechnic acknowledges that our campuses are located on Treaty 8 territory, the ancestral and present-day home to many diverse First Nations, Metis, and Inuit people. We are grateful to work, live and learn on the traditional territory of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation, who are the original caretakers of this land.

We acknowledge the history of this land and we are thankful for the opportunity to walk together in friendship, where we will encourage and promote positive change for present and future generations.

INSTRUCTOR: Abigail (Abby) Head, CPA, CMA, MBA **PHONE:** 780-539-2712
OFFICE: C304 **E-MAIL:** AHead@NWPolytech.ca
OFFICE HOURS: Tuesday and Thursday 11:30am – 1pm

CALENDAR DESCRIPTION:

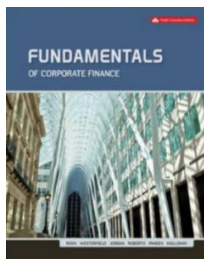
The objectives of financial management and financial decision making are explored in this course. The approach is practical in nature with an emphasis on cash flow analysis, working capital management, and financial planning.

PREREQUISITE(S): BA1120 Principles of Accounting *and* BA1050 Business Mathematics

REQUIRED TEXT/RESOURCE MATERIALS:

1. PRINT TEXT/E-BOOK

Ross S.A., Westerfield R.W., Jordan B.D., Roberts G.S., Pandes J.A., Holloway T.A. (2019). *Fundamentals of corporate finance*, Tenth Canadian Edition. McGraw Hill Ryerson Limited.



This text/e-Book includes Connect with SmartBook Online Access. The text/e-Book will be used extensively in class. Student's must purchase the McGraw Hill Connect (Connect) print text/e-Book with SmartBook online access. Students must have a Connect access code to access online course resources used for evaluations. It is the student's choice if they purchase a new print text with a Connect access code *or* an e-Book with a Connect access code. If student's purchase a used print text, a Connect access code must be purchased separately. *Note: the time zone in Connect must be set to Canada/Mountain time for duration of course.*

Connect Supports several operating systems and browsers. See required Connect operating systems and browsers at <https://mhedu.force.com/CXG/s/article/McGraw-Hill-System-Requirements-HigherEd> . Google Chrome with auto-updates enabled is the recommended web browser for Connect.

2. FINANCIAL CALCULATOR

Texas Instruments (BA II Plus), Hewlett-Packard (HP-10B II), *or* Sharp (EL-738) (recommended & used in BA1050). The above calculators and pre-approved translation devices are the *only* electronic devices allowed during quizzes, tests, and examinations. Cell phones and programmable calculators and other electronic devices may not be used in quizzes, testing, or examinations.

3. **MICROSOFT OFFICE (Excel) (Free to NWP students)**

Office 365 is available for students to install on personal devices. Please note that Chromebooks and other tablets and cell phones cannot install the full Office 365 applications, only the mobile versions. For access to the full applications, please see the NWP Remote Desktop section. Office 365 is available for NWP students to install from the following link: <https://www.nwpolytech.ca/students/techsupport/index.html>

4. **SOFTWARE & NETWORK REQUIREMENTS**

The following software apps and internet capacity are required to participate in online course content: see NWP requirements at <https://www.nwpolytech.ca/doc.php?d=TECHREQ> and Connect requirements at <https://mhedu.force.com/CXG/s/article/McGraw-Hill-System-Requirements-HigherEd>

5. **MINIMUM DEVICE REQUIREMENTS**

A device must meet or exceed the following specifications to participate in online course content at NWP: see NWP requirements at <https://www.nwpolytech.ca/doc.php?d=TECHREQ> and Connect requirements at <https://mhedu.force.com/CXG/s/article/McGraw-Hill-System-Requirements-HigherEd>

6. **COURSE MANAGEMENT SYSTEM:**

NWP uses myClass (D2L/Brightspace) online course management system. In myClass, see the BA2030 course home page for important course information. To access visit <https://myclass.gprc.ab.ca/d2l/home>

DELIVERY MODE(S): On-Campus (face-to-face)

This type of course will be delivered on campus in a specific location which will be indicated on the student timetable. Students are expected to fully attend in person.

COURSE OBJECTIVES:

The course objectives are:

- Gain an understanding of the finance function in the business firm within a Canadian context.
- Create an awareness of and appreciation of the problems, issues, and decisions confronting businesses.
- Develop the ability to apply analytical tools in the identification and resolution of financing problems and financial decision making.
- Identify various corporate financing needs and explore the sources of funds available to meet those needs.

LEARNING OUTCOMES:

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

Introduction to Corporate Finance

- Describe the basic types of financial management decisions and the role of the financial manager.
- Recognize the financial implications of the different forms of business organization.
- Summarize the goals of financial management.
- Discuss the conflicts of interest that can arise between managers and owners.
- Describe the roles of financial institutions & markets and the types of Financial Institutions

Financial Statements, Cash Flow, and Taxes

- Demonstrate the differences between accounting value (or “book” value) and market value.
- Identify the differences between accounting income and cash flow.
- Determine a firm’s cash flow from its financial statements.
- Demonstrate the difference between average and marginal tax rates.
- Describe the concepts of Capital Cost Allowance (CCA) & Undepreciated Capital Cost (UCC).

Working with Financial Statements

- Identify the sources and uses of a firm’s cash flows.
- Prepare standardized financial statements for comparison purposes.
- Compute and interpret common financial ratios.
- Identify and discuss the determinants of a firm’s profitability.

- Identify and examine some of the issues in financial statement analysis.

Long-term Financial Planning and Corporate Growth

- Discuss the objectives & goals of financial planning.
- Compute the external financing needed to fund a firm's growth.
- Prepare pro-forma financial statements by applying the percentage sales method.
- Compute the sustainable and internal growth rates.
- Identify and examine some of the problems in planning for growth.

Introduction to Valuation: The Time Value of Money

- Determine the future value of an investment made today.
- Determine the present value of cash to be received at a future date.
- Demonstrate how to find the return on an investment.
- Calculate rates of return and the number of periods to reach the desired value.

Discounted Cash Flow Valuation

- Determine & calculate the future and the present value of investments with multiple cash flows.
- Demonstrate how loan payments are calculated and how to find the interest rate on a loan.
- Compute loan amortization and payments.
- Describe how interest rates are quoted (and misquoted).

Net Present Value and Other Investment Criteria

- Compute the net present value and explore its value when making investment decisions.
- Apply and compute the payback rule and discuss its shortcomings.
- Apply and compute the discounted payback rule and discuss its shortcomings.
- Apply the internal rate of return and discuss its strengths and weaknesses.
- Apply the profitability index and explain its relation to net present values.
- Explain how capital rationing affects the ability of a company to accept projects.

Making Capital Investment Decisions

- Determine relevant cash flows for a proposed project.
- Demonstrate how to project cash flows and determine project viability.
- Calculate operating cash flow using alternative methods.
- Calculate the present value of a tax shield on CCA.
- Evaluate cost-cutting proposals and analyze replacement decisions.

Short-term Finance and Planning

- Explain the operating and cash cycles and their importance.
- Discuss short-term financial policy and the essentials of short-term financial planning.
- Identify and list the sources and uses of cash on the balance sheet.
- Complete a cash budget.
- Describe the different types of short-term borrowing.

Cash and Liquidity Management

- Identify the advantages and disadvantages of holding cash and some of the ways to invest idle cash.
- Explain how firms manage their cash, and the collection and disbursement techniques utilized.
- Review the importance of float and how it affects the cash balances.

TRANSFERABILITY:

Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at the Alberta Transfer Guide main page <http://www.transferralberta.ca>.

**** Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability**

EVALUATIONS:

Practice Assignments	25%
Quizzes/In-class assessments	10%
Term Tests	30%
Final exam* (Cumulative; All chapters)	35%
Total	100%

*To receive credit for BA 2030, you must achieve 50 percent on the final examination, and a course composite grade of at least D (50%).

You are strongly encouraged to complete all in-class problems, practice assignments, quizzes/in-class assessments, test(s), and exam(s). Students will receive a zero (0) for any missed/incomplete practice assignments/in-class assessments, quizzes, test(s), and exam(s). There are no re-writes, deadline extensions, or bonus assignments available to improve your grades. Connect grades are posted to myClass grades within five business days after the due date. Please check your myNWP account for your final letter grade after course completion.

Practice Assignments

Students will complete practice assignments in Connect. Connect will automatically submit practice assignments on the due date. Late submissions are not permitted. No extensions or re-writes will be granted. Study attempts are provided in Connect after the due date. Study attempts are not graded and do not change your assignment grade(s).

Practice assignments may be taken at any time before the due date (excluding class time). Once the practice assignment is started, students should complete the entire assignment within the allotted time. Logging off or losing an internet connection during the assignment will result in a grade based only on the assignment proportion completed before published deadline.

Quizzes/In-class Assessments

Quizzes/in-class assessments will be given during the semester to practice and apply content. Unexcused absences during a scheduled quiz/in-class assessment will earn a grade of zero (0). Quizzes may only be taken once.

Term Tests

Tentatively scheduled for week of *October 2 and November 13, 2022*. **Do not plan to be away on these dates.** The testing format utilized will be announced in myClass Announcements. Unexcused absences during term tests will be assigned a grade of zero.

Final exam

Final examinations are scheduled by the office of the Registrar during the examination period of December 14 to December 22, 2022. **Do not plan any activities during the examination period.** See NWP Examination Policy for more information; <https://www.nwpolytech.ca/about/administration/policies/index.html>

GRADING CRITERIA:

Please note that most universities will not accept your course for transfer credit **IF** your grade is **less than C-**.

Alpha Grade	4-point Equivalent	Percentage Guidelines		Alpha Grade	4-point Equivalent	Percentage Guidelines	
A+	4.0	90-100		C+	2.3	67-69	
A	4.0	85-89		C	2.0	63-66	
A-	3.7	80-84		C-	1.7	60-62	
B+	3.3	77-79		D+	1.3	55-59	
B	3.0	73-76		D	1.0	50-54	
B-	2.7	70-72		F	0.0	00-49	

COURSE SCHEDULE/TIMELINE (TENTATIVE):

The course schedule/timeline is tentative and may vary slightly at the discretion of the instructor. Students are strongly encouraged to complete all in-class problems, practice assignments, quizzes/in-class assessments, test(s), and exam(s). Students will receive a zero (0) for any missed/incomplete practice assignments/in-class assessments, quizzes, test(s), and exam(s). There are no re-writes, deadline extensions, or bonus assignments available to improve your grades.

Week of...	Required Readings
Aug 28	Introductions, course outline & resources, and Chapter 1
Sept 4	Chapter 2 Financial Statements, Cash Flow, and Taxes
Sept 11	Labour Day (September 5) Chapter 2/3 Working with Financial Statements
Sept 18	Chapter 3/4 Long-term Financial Planning and Corporate Growth
Sept 25	Chapter 5 Introduction to Valuation: The Time Value of Money National Day for Truth and Reconciliation (Sep 30)
Oct 2	Chapter 5 Introduction to Valuation & Term Test
Oct 9	Thanksgiving Holiday & Fall break (no classes)
Oct 16	Chapter 6 Discounted Cash Flow Valuation
Oct 23	Chapter 9 Net Present Value and Other Investment Criteria
Oct 30	Chapter 9 & 10 Making Capital Investment Decisions
Nov 6	Chapter 10 Making Capital Investment Decisions Remembrance Day (November 11)
Nov 13	Chapter 10 & Term Test
Nov 20	Chapter 18 Short-term Finance and Planning
Nov 27	Chapter 18 & 19 Cash and Liquidity Management
Dec 4	Chapter 19 Cash and Liquidity Management
Dec 11 & 18	Comprehensive Final Exam (All Chapters)

STUDENT RESPONSIBILITIES:

Registered students are expected to abide by the rules and regulations of the Polytechnic. As students, rights apply to the Polytechnic in terms of what students are expected to know, expect and receive in all aspects of their period of study at NWP. The standards of student responsibilities apply to all students in terms of what they are expected to take responsibility for and how to conduct themselves during their period of study at NWP. There are no exceptions to this policy. It is the student's responsibility to be fully acquainted with and adhere to NWP's policies, procedures or rules; see <https://www.nwpolytech.ca/about/administration/policies/> and <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=69>

Attendance

Students are expected to attend all scheduled classes, arrive on time, and remain for the duration of the scheduled class. Students may be refused permission to write the final examination on the advice of the instructor. This usually happens when absences are more than four absences (2 weeks), *or* if significant assessments like assignments, quizzes, tests, and/or exams are not completed; see Examination Policy and Debarred from Examinations; <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=37>.

Attendance will be taken in class. Tardiness will be treated as an absence. Students may review their attendance on myNWP. During class time, it is expected that students will work on the BA2030 course material. Course materials (course outline, schedule information, assignments, PowerPoints, etc.) and announcements will be published in myClass

and McGraw Hill Connect (Connect) and NWP Webmail. Students are responsible for checking all three of these resources regularly: two to five times per week.

Time Management

The expectation for this course is that students read/review the course material before class. Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly. See **Course Schedule/Tentative Timeline** section above.

Recording

Recording lectures or taking photos in class is prohibited unless advance permission is obtained from the instructor and any guest presenter(s). In the event permission is granted, such recordings may only be used for individual study, and may not be reproduced, transferred, distributed, or displayed in any public manner. Any images taken without instructor consent will need to be deleted immediately.

Webmail

Students may contact the instructor by webmail. Webmail will be answered within one business day outside of stated office hours. Webmail correspondence must be sent to your instructor from your NWP Webmail account. Webmail should be professionally formatted with correct spelling and grammar. Webmail must include a subject line and reference to the course code and material(s) and/or textbook pages, etc.

Copyright

NWP respects Canadian and International laws and agreements with respect to the use of copyright materials. It is the responsibility of the individual using copyrighted materials to ensure said use is compliant with Canadian law, the Use of Copyright Materials Policy, and the Copyright Practices Guide for NWP instructors and Staff. See <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=71> and

STATEMENT ON PLAGIARISM AND CHEATING:

Cheating and plagiarism will not be tolerated and there will be penalties. For a more precise definition of plagiarism and its consequences, refer to the Student Conduct section of the Northwestern Polytechnic Calendar at <https://www.nwpolytech.ca/programs/calendar/> or the Student Rights and Responsibilities policy which can be found at <https://www.nwpolytech.ca/about/administration/policies/index.html>.

**Note: all Academic and Administrative policies are available on the same page.

ADDITIONAL INFORMATION:

Study Skills Hub

Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly.

The NWP Study Skills Hub will help you develop the skills you need to succeed in your program and cope with the demands of higher education. Click on the following link for free access:

<https://libguides.nwpolytech.ca/learningportal/studyskills>