Finance (FNCE) 370

Overview of Corporate Finance (Revision 11)

Status:	Replaced with new revision, see the **course listing** ↗ for the current revision ✖
Delivery mode:	**Individualized study online** ↗ or **Grouped study** ↗ with **eText** ↗
Credits:	3
Area of study:	Applied Studies (Business and Administrative Studies)
Prerequisites:	**MATH 215** ↗ or **MGSC 301** ↗ and **ACCT 250** ↗ or **ACCT 253** ↗ .
Precluded:	None
Challenge:	FNCE 370 has a challenge for credit option.
Faculty:	**Faculty of Business** ↗

Overview

FNCE 370 presents a comprehensive and detailed treatment of the theories, applications, and financial tools used in a corporate financial environment. The course emphasizes understanding, analyzing, and integrating financial information as an aid to making financial decisions.

The course discusses the impact of interest rates, taxation, dividends, cash flow, and other business considerations on financial decision making. It also examines the role of financial institutions and regulations in corporate financial management. Students who successfully complete this course will be comfortable working on financial management challenges such as capital budgeting, capital structure, capital asset pricing, and dividend policy.

FNCE 370 is a challenging, high volume course, reflecting the precision and breadth of knowledge required to be a finance professional. On average, students should expect to spend nine or more hours per week for 26 weeks to pass the course.

Outline

- Lesson 1: Reviewing Prerequisite Concepts

- Lesson 2: Forecasting, Growth Planning, and EFN

- Lesson 3: Time Value of Money

- Lesson 4: Time Value of Money (II)

- Lesson 5: Bond Valuation

- Lesson 6: Stock Valuation

- Lesson 7: NPV and Other Investment Criteria

- Lesson 8: Operating Cash Flows and Capital Investment Decisions

- Lesson 9: Project Analysis and Evaluation

- Lesson 10: Historical Average Returns and Risk

- Lesson 11: Portfolio Return and Risk, and the Security Market Line

- Lesson 12: Cost of Capital

- Lesson 13: Raising Capital

- Lesson 14: Capital Structure Decisions and the M&M Propositions

- Lesson 15: Dividends and Dividend Policy

Learning outcomes

After completing this course, you should be able to

- solve practical financial problems in corporate finance.

- apply the principles of corporate financial management.

- apply a working knowledge of financial practices for business.

Evaluation

Your final grade in FNCE 370 is based on 15 online quizzes, 5 assignments, and a Final Examination. To **receive credit** ⧉ for this course you must achieve a minimum grade of "D" (50 percent) on the Final Examination, and an overall course grade of **D (50 percent)** ⧉ . If you are taking FNCE 370 to transfer credit to one of the accounting organizations, check the organization's specific requirements.

The following chart describes the credit weight associated with each course requirement.

Activity	Weight
Assignment 1	5%
Assignment 2	5%
Assignment 3	5%
Assignment 4	5%
Assignment 5	5%

Activity	Weight
Online Quizzes	25%
Final Online Exam	50%
Total	**100%**

The **final examination** for this course must be requested in advance and written under the supervision of an AU-approved exam invigilator. Invigilators include either ProctorU or an approved in-person invigilation centre that can accommodate online exams. Students are responsible for payment of any invigilation fees. Information on exam request deadlines, invigilators, and other exam-related questions, can be found at the **Exams and grades** ⬈ section of the Calendar.

To learn more about assignments and examinations, please refer to Athabasca University's **online Calendar** ⬈ .

Note: Students planning to transfer this course to a Chartered Professional Accountant designation are advised that they will be required to achieve a grade higher than the minimum passing grade. See **CPA Requirements** ⬈ for details.

Materials

Ross, S. A., Westerfield, R. W., Jordan, B. D., Roberts, G. S., Pandes, J. A., & Holloway, T. A. (2022). *Fundamentals of corporate finance* (11th Can. ed.). McGraw-Hill. ISBN-13: 978-1-26-088138-7; ISBN-10: 1-26-088138-5 📖 (eText)

eText

Registration in this course includes an electronic textbook. For more information on **electronic textbooks** ⬈ , please refer to our **eText Initiative site** ⬈ .

Other Materials

All other learning resources will be available online.

Special Course Features

You will require a type of word processing software (MS-Word or equivalent) and spreadsheet software (MS-Office Excel or other).

Challenge for credit

Overview

The challenge for credit process allows you to demonstrate that you have acquired a command of the general subject matter, knowledge, intellectual and/or other skills that would normally be found in a university-level course.

Full information about **challenge for credit** ⤤ can be found in the Undergraduate Calendar.

Evaluation

To **receive credit** ⤤ for the FNCE 370 challenge registration, you must achieve a grade of at least **D (50 percent)** 📄 on the examination.

Students are permitted to bring into the examination one "cheat" sheet of 8½ x 11" paper, written on one side only (one side must be blank).

In the examination, students may use one of the following calculators **only**:

Sharp EL733A, EL-738, EL-738C, EL-738F, or EL-738FC, EL-738XTB, EL-738XT financial calculators; Casio FC-200V, the Texas Instrument BA II Plus financial calculator (including the Professional edition); or the Hewlett Packard 12C and 10BII series financial calculators.

No other calculators may be used without written permission from the course coordinator, obtained at least one day prior to the examination.

Activity	Weight
Oneline Examination	100%

Activity	Weight
Total	100%

📄 **Challenge for credit course registration form**

Important links

> **Academic advising** ⬈

> **Program planning** ⬈

> **Request assistance** ⬈

> **Support services** ⬈

Athabasca University reserves the right to amend course outlines occasionally and without notice. Courses offered by other delivery methods may vary from their individualized study counterparts.

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Updated November 21, 2024

View **previous revision** 📄