



## DEPARTMENT Business & Office Administration

### COURSE OUTLINE – Winter 2023

#### BA2030 (EC): 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:** Virtually via Zoom by appointment

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#### CALENDAR DESCRIPTION:

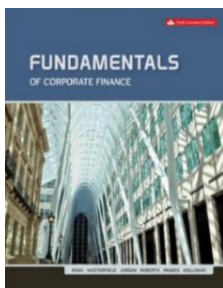
The objectives of financial management and financial decision making are explored in this course. The approach is practical in nature with an emphasis on cash flow analysis, working capital management, and financial planning.

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

#### REQUIRED TEXT/RESOURCE MATERIALS:

1. **PRINT TEXT/E-BOOK + CONNECT**

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. 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. 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>

## 4. 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>

## 5. 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>

## 6. MCGRAW HILL CONNECT PROCTORIO BROWSER LOCKDOWN & MONITOR PROCTORING SOFTWARE:

**The assignments for this course must be taken online with the use of McGraw Hill Connect's Proctorio proctoring software. The quizzes, tests, and exams for this course must be taken online with the use of McGraw Hill Connect's Proctorio proctoring software where video and audio are recorded from the student's webcam and microphone. Students are responsible for all fees associated with proctoring services. Please be aware that Proctorio charges a one-time fee of \$15 USD per course (subject to change).**

Proctorio software is enabled to control import/export and access. Video and screen recording is off for assignments. Video and screen recording is activated for quizzes, tests, and exams taken online. Students are responsible for all fees associated with proctoring services.

**Students must download and utilize Proctorio through McGraw Hill Connect for the duration of course.**

The proctoring software is a requirement to uphold academic integrity and is necessary to meet accreditation requirements.

McGraw Hill Connect's Proctorio software requires minimum device requirements. If you do not have access to the minimum device requirements listed above in the required text/resource materials section of this course outline, students may book a NWP computer and web-camera at the Learning Commons via <https://libguides.gprc.ab.ca/c.php?g=717998&p=5128509>.

It is important to note that the software recordings are automated systems and are designed to be less intrusive and costly than in-person proctors. **The Proctorio software is used to record video/screen activity only while you are signed in during your pre-announced quizzes, tests, and examinations.** The instructor and administrators only review the video/screen recordings after the assessments are submitted **and only if it was flagged** due to suspicious activity. Note all suspicious activity will be reviewed with the Department Chair.

The collection and use of your personal information is in accordance with the Freedom of Information and Protection of Privacy (FOIP) Act S. 33 (c) which states that "*No personal information may be collected by or for a public body unless that information relates directly to and is necessary for an operating program or activity of the public body.*" In addition, S. 39 (4) states, "*A public body may use personal information only to the extent necessary to enable the public body to carry out its purpose in a reasonable manner.*"

If you are unable to complete assessments using the McGraw Proctorio Proctoring software, you must request alternative accommodations in advance from your instructor; [ahead@nwpolytech.ca](mailto:ahead@nwpolytech.ca). Alternative accommodations include the Testing Centre in the GPRC Learning Commons Center and Proctoru; **Students are responsible for all proctoring fees. Any proctoring services are subject to instructor pre-approval. Students are responsible for all fees associated with proctoring services; fees range from \$15US - \$50US.**

## **DELIVERY MODE(S): Asynchronous (online)**

This type of course will be delivered online through NWP's learning management system and McGraw Hill Connect with Proctorio. There are no set class times and students attend remotely and asynchronously. **This is a paced online self-study course.**

## **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 financial managers.
- 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.

### 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.transferalberta.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:

Connect Smartbook Assignments	10%
Connect Practice Assignments	15%
Quizzes	10%
Midterm Examination	30%
Final Exam* (Cumulative; All chapters)	35%
<b>Total</b>	<b>100%</b>

***\*In order 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 assignments, tests, and exams. Students will receive a zero (0) for any missed exercises, assignments, quizzes, and exam(s). Extra work is not assigned. There are no re-writes, deadline extensions, or bonus assignments available to improve your grade.

Connect grades are posted to myClass grades within five days after the due date. Please check your myNWP account for your final letter grade after course completion.

**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/TENTATIVE TIMELINE:**

Course schedule is tentative and may vary slightly at the discretion of the instructor.

Week . . .	Week of . . .	Required Reading
1	Jan 1	Introduction, course outline, Zoom test, & Chapter 1
2	Jan 8	Chapter 2 Financial Statements, Cash Flow, and Taxes
3	Jan 15	Chapter 3 Working with Financial Statements
4	Jan 22	Chapter 4 Long-term Financial Planning and Corporate Growth
5	Jan 29	Chapter 5 Introduction to Valuation: The Time Value of Money
6	Feb 5	Chapter 6 Discounted Cash Flow Valuation
7	Feb 12	Chapter 9 Net Present Value and Other Investment Criteria
8	Feb 19	Family Day and Winter Break
9	Feb 26	Chapter 9 Net Present Value and Other Investment Criteria
10	Mar 5	Midterm Exam
11	Mar 12	Chapter 10 Making Capital Investment Decisions
12	Mar 19	Chapter 10 Making Capital Investment Decisions
13	Mar 26	Chapter 10 Making Capital Investment Decisions
14	Apr 2	Chapter 18 Short-term Finance and Planning
15	Apr 9	Chapter 19 Cash and Liquidity Management
16	Apr 14 - 23	Comprehensive Final Exam* (All chapters)

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**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>

## **Participation:**

**Complete the course content in the order presented.** Complete all Connect Smartbook Assignments (textbook readings), Connect Exercises, and Connect Practice Assignments before progressing to the next chapter. Please adhere to the tentative weekly schedule; see tentative timeline section above.

Adopting and adhering to effective learning habits in this course will likely take up a great deal of time. You should plan your schedule according to the tentative course schedule above. You may complete and submit exercises, assignments, and tests before the due dates but only within the allowed pre-set time range.

Students are expected to keep current with readings, McGraw Hill Connect assignments, and myClass postings. Course materials (course outline, schedule information, assignments, PowerPoints, etc.) and announcements will be available in myClass, McGraw Hill Connect, and through NWP Webmail. **Students are responsible for checking all three of these websites regularly; 2 – 5 times per week for the duration of the course.**

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>.

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.

## **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>

## **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>