Course Syllabus

BUS 222G – Corporate Financial Managemente – Spring 2019

Number of ECTS credits: 6

One ECTS credit represents about 27.5 hours of work, so the workload for a 6 ECTS credits course is about 165 hours, or - spread over 15 weeks - 11 hours per week. This includes the class meetings (three hours per week), so I expect you to work for this class eight hours per week outside class (including preparation for classes, video case preparations, case studies, group case preparation and presentation and both exams.

Time and Place:
Friday 08:30-11:30, VeCo3

Contact Details for Professor
Instructor: Drs. Marc Van Gastel, MSc, MBA
Office: Pleinlaan 5, Brussels
Class Hours: Friday 08:30-11:30
Office Hours: Friday 11:30-12:30 (by appointment)
Email: mvgastel@vesalius.edu
please put "BUS353G" in the subject line
Telephone: +32 (0)477 46 95 15 (only in emergencies)

CONTENT OVERVIEW

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Course Prerequisites
BUS101G+BUS142G+ MTH140G

Course Description
This course focuses on corporate finance from the managerial point of view. Students will engage in vivid discussions about the key considerations behind fundamental choices CFOs face. Students will also gain insight on the company’s financial decision-making processes and learn how to make educated financial decisions. Corporate financial management involves the process through which the corporation creates value through its capital allocation decisions. Using a blend of quantitative tools and analyses, managers forecast financial needs and opportunities, assess the value of these opportunities, and implement a strategy for achieving the company’s financial goals. Major corporate finance decisions include capital budgeting decisions, valuation analysis, financing decisions, risk management, and dividend policy. Students will learn how to analyze how a company functions by looking into the yearly reports disclosed by companies. They will gain knowledge on how to apply the most important ratios (e.g. leverage/return on investment) and will be able to analyze the company results.

Further Detail on Course Content (if needed)
An extensive chapter (I bis) on Managerial Accounting is included as well. Many of the fundamental concepts and tools that will be introduced apply equally well one’s own personal financial management. Students will learn about: the structure of the firm and financial markets, the notion of time impact on money, Financial Statements, Financial Ratio Analysis, the trade-off between risk and return, the approach to balance investments with capital funding, the impact of firm’s financial policy on leverage and shareholders’ return, the management of the funds needed for operations, the advantage of utilizing financial tools,

Course Learning Objectives (CLO)
After completing this course, you should be able to acquire knowledge and understanding of:
• Business and its functional fields, including financial markets operating mechanism, financial management goals and implications, and principles of corporate governance
• The position and roles of the financial manager in a company
• Firms and markets and their external environment
• Read and interpret balance sheets, income statements and cash flow statements
• Process and analyze data, using the appropriate tools, e.g. analyze financial statements and perform financial planning, applying various models
• Quantitative and qualitative research to find and analyze stock information
• Identify, analyze and solve a financial problem, i.e. perform valuation of future and discounted cash flows; employ the concepts of bond and equity valuation
• Input data, generate and interpret results, and identify additional need for research
• Being able to critically evaluate existing research, question the status quo, and provide alternative solution possibilities; to make a justified investment decision applying project analysis and evaluation of multiple investment criteria

Learning Objective Outcomes: What you should learn:

• Acquisition of knowledge and understanding is achieved through extensive reading and lecturing on indicated topics. Students will gain breadth and depth of the topics by reading, participating in course discussions, analyzing (class) assignments, and thorough exam preparation.
• Students can expand their knowledge base by actively participating in academic research for assignment completion. Students will become accustomed to using the Internet for academic purposes, using periodicals, and peer-reviewed journals and websites.
• Students will be expected to use good judgment in critical analysis and evaluation of current research and case evaluation.
• Communicate effectively on financial (business) topics and concepts.
• Develop an effective attitude that will assist the student in their development academically, ethically, analytical, and to become more financially oriented.

LINK BETWEEN MAJOR OBJECTIVES, COURSE OBJECTIVES OUTCOMES, TEACHING METHODS, ASSIGNMENTS AND FEEDBACK

(BA in Business Studies)

Summary:
Number of assignments used in this course: 4 (1 individual case, 1 mid-term exam, Group presentation and written reflection report, 1 final exam)
Number of Feedback occasions in this course (either written or oral): 1 per assignment
Number and Types of Teaching Methods: 2 types (lectures on theory and extensive in-class discussions based on the online simulation investment game)
<table>
<thead>
<tr>
<th>Major Learning Objectives</th>
<th>Course Learning objectives addressing the Major Objectives (choose the most important ones that your course actually addresses)</th>
<th>Methods used to Teach Course Objectives</th>
<th>Methods (and number/types assignments) used to test these learning objectives</th>
<th>Type, Timing and Numbers of Feedback given to Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>The bachelor has a broad knowledge of the different functional fields of financial management. He is able to apply this knowledge in the analysis of business-oriented problems and is able to propose solutions to specific business problems.</td>
<td>Understanding business and its functional fields, including financial markets operating mechanism, financial management goals and implications, and principles of corporate governance</td>
<td>Acquisition of knowledge and understanding is achieved through extensive reading and lecturing on indicated topics. Students will gain breadth and depth of the topics by reading, participating in course discussions, analyzing (class) assignments, and thorough exam preparation</td>
<td>Two assignments – individual assignment, group assignment 1 mid-term exam 1 final exam</td>
<td>One feedback session after MidTerm exam  End semester feedback (rubrics)</td>
</tr>
<tr>
<td>• Identify, analyze and solve a financial problem, i.e. perform valuation of future and discounted cash flows; employ the concepts of bond and equity valuation</td>
<td>Students will learn how to interpret financial statements and how to apply the tools of portfolio allocation to financial management decisions</td>
<td>Ex-cathedra (teach theory and discuss in class) Readings Theory guided practice embedded experiential learning</td>
<td>Mid-term and final exams</td>
<td>One feedback session after MidTerm exam  End semester feedback (rubrics)</td>
</tr>
<tr>
<td>The bachelor has insight into the broad context of financial businesses and is able to take it into account in the analysis of business-oriented problems.</td>
<td>The position and roles of the financial manager in a company Firms and markets and their external environment</td>
<td>Ex-cathedra (teach theory and discuss in class) Readings Theory guided practice embedded experiential learning</td>
<td>Individual Assignment Group Assignment</td>
<td>Oral feedback upon return of the assignments</td>
</tr>
<tr>
<td>The bachelor knows and is able to apply common qualitative and quantitative research methods and is able to apply these in the field of business studies</td>
<td>Critically evaluate existing research, question the status quo, and provide alternative solution possibilities; to make a justified</td>
<td>Students will be expected to use good judgment in critical analysis and evaluation of current research and case evaluation.</td>
<td>Individual Assignment Group Assignment</td>
<td>Oral feedback upon return of the assignments</td>
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<td>----------------------------------------</td>
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<tr>
<td>The bachelor has an open and academic attitude characterized by accuracy, critical reflection and academic curiosity.</td>
<td>investment decision applying project analysis and evaluation of multiple investment criteria</td>
<td>critically evaluate existing research, question the status quo, and provide alternative solution possibilities; to make a justified investment decision applying project analysis and evaluation of multiple investment criteria</td>
<td>One feedback session after MidTerm exam</td>
<td>End semester feedback (rubrics)</td>
</tr>
<tr>
<td>The bachelor is able to identify the international dimension in business-related problems and knows how to handle these problems in an effective way.</td>
<td>Students will learn how to establish an efficient investment portfolio independently and put it in a broader context of financial transactions.</td>
<td>Mid-term exam Final exam</td>
<td>See above</td>
<td></td>
</tr>
<tr>
<td>The bachelor is able to work in a multi-cultural team.</td>
<td>Project teams to complete the group case.</td>
<td>A small team of 3-4 students will be compiled of multicultural diverse members.</td>
<td>Students will research their given topic to a high standard, which includes the group case and individual case. Final reflection report.</td>
<td>Students receive feedback from the instructor after the group case.</td>
</tr>
<tr>
<td>The bachelor recognizes the importance of life-long learning.</td>
<td>There will be multi-disciplinary perspective in his analysis of both Financial cases.</td>
<td>All concepts are revisited during course lectures to ensure a comprehensive knowledge base.</td>
<td>There is an individual case and a final group case paper due, for self-reflection and evaluation. The learning objective can be seen through group work.</td>
<td>The reflection report comments on their (financial) academic path and how they will progress in their future career(s). Feedback will be provided.</td>
</tr>
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<td>---------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------</td>
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<td>--------------------------------------------------------------------------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>The bachelor is able to communicate clearly, fluently and accurately;</td>
<td></td>
<td></td>
<td>Midterm case and exam discussion and final reflection report.</td>
<td>Feedback on assignments</td>
</tr>
</tbody>
</table>

**Main Course Materials (please note that you can find the readings for each week and session in the Course Schedule section below):**

The course material consists of powerpoint presentations, lecture notes, references to key research websites and readings from the textbook. Powerpoint presentations will be made available after the respective classes have taken place. A week-by-week overview of the course readings can be found in the section below.

The syllabus, powerpoint presentations and important messages will be uploaded to the Vesalius portal ‘Canvas. Students are expected to visit this site regularly to keep abreast of course evolutions. The professor is expected to upload relevant material in a timely manner.

Course material marked as ‘suggested readings’ and ‘additional sources’ is helpful for research and to gain an increased understanding, but is not mandatory. This material can be found online or will be made available upon individual request.

**Textbook**


Further Reading:
Investing:


Acceptable Additional Reading Cite:

- Economist www.economistacademic.com
- Financial Times www.ft.com
- Business Week - http://www.resourcecenter.businessweek.com
- Value Line – http://www.valueline.com/
- Bloomberg- www.bloomberg.com
- CNN- www.cnn.com

Register for the Financial Times by going to the VUB library web site: http://www.vub.ac.be/BIBLIO/index_en.html > Databases > F. You should use your VUB mail address as your user name. Once registered, you have full access to the Financial Times site (ft.com ), and you can every morning download a pdf of the newspaper: go to http://ftepaper.ft.com; click on the European edition; then click on the floppy disk icon (top right) and choose Download Newspaper PDF.

**Active Learning**

Learning should be an active experience. Students who passively listen to lectures, copy someone else’s notes, and limit their readings to the bare minimum are unlikely to develop their critical thinking potential and expand their personal knowledge system. This might not only pose problems during the course and the exams, but also during your later career. Students are strongly recommended to have an updated understanding of current events. Active learning will turn out to be enriching to the overall course and class discussions. For this course, it is strongly recommended (and even required) to keep yourself up to date through newspapers such as the Financial Times, and weekly magazines, such as the Economist.

**Leading Journals in Business Studies**

Further Journals Relevant for this Course:
Financial journals:
- Wall Street Journal: Most popular source; reports daily world, national, regional, and corporate news
- Barron’s: second popular source, published weekly
- Investor’s Business Daily: contains more detailed price and market data than WSJ

- USA Today: “Money” section
- Institutional News
- Monthly economic letters of nation’s leading banks: Bank of America, Northern Trust, Wells Fargo
- Wire services: Dow Jones, Bloomberg Financial Services, AP, UPI
- Websites specializing in financial news: CNNMoney, Marketwatch

Business Periodicals:
- Business sections of general-interest periodicals: Newsweek, Time, U.S. News & World Report

Websites of Interest:

Work Load Calculation for this Course:

This course counts for 6 ECTS, which translates into 150 – 180 hours for the entire semester for this course. This means that you are expected to spend roughly 10 hours per week on this course. This includes 3 hours of lectures or seminars per week and 7 hours ‘out of class’ time spent on preparatory readings, studying time for exams as well as time spent on preparing your assignments. Please see below the estimated breakdown of your work-load for this course.

Time spent in class: 3 hours per week / 45 hours per semester
Time allocated for course readings: hours per week / hours per semester: 2 hours per week
Time allocated for preparing Individual Assignment 1: 10 hours per semester
Time allocated for preparing Group Assignment 2: 4 hours per week
Time allocated for preparing/revising for written Mid-term Exam: 10 hours
Time allocated preparing/revising for written Final Exam: 10 hours

Total hours for this Course: 165 hours

Course Assessment:

The students will be evaluated on the basis of their performance as follows:

Class based exercises and homework  10%
Individual Case I  10%
Midterm Exam  30%
Group Case II  20%
Final Exam  30%
Total  100%

Grading Scale of Vesalius College

Vesalius College grading policy follows the American system of letter grades, which correspond to a point scale from 0 – 100. **All assignments (including exams) must be graded on the scale of 0-100.** To comply with the Flemish Educational norms, professors should on request also provide the conversion of the grade on the Flemish scale of 0-20. The conversion table below outlines the grade equivalents.

<table>
<thead>
<tr>
<th>Letter grade</th>
<th>Scale of 100 (VeCo Grading Scale)</th>
<th>Scale of 20 (Flemish System)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>85-100</td>
<td>17.0-20.0</td>
</tr>
<tr>
<td>A-</td>
<td>81-84</td>
<td>16.1-16.9</td>
</tr>
<tr>
<td>B+</td>
<td>77-80</td>
<td>15.3-16.0</td>
</tr>
<tr>
<td>B</td>
<td>73-76</td>
<td>14.5-15.2</td>
</tr>
<tr>
<td>B-</td>
<td>69-72</td>
<td>13.7-14.4</td>
</tr>
<tr>
<td>C+</td>
<td>66-68</td>
<td>13.1-13.6</td>
</tr>
<tr>
<td>C</td>
<td>62-65</td>
<td>12.3-13.0</td>
</tr>
<tr>
<td>C-</td>
<td>58-61</td>
<td>11.5-12.2</td>
</tr>
<tr>
<td>D+</td>
<td>54-57</td>
<td>10.7-11.4</td>
</tr>
<tr>
<td>D</td>
<td>50-53</td>
<td>10.0-10.6</td>
</tr>
<tr>
<td>F</td>
<td>0-49</td>
<td>0-9.9</td>
</tr>
</tbody>
</table>
Description of Activities, Grading Criteria and Deadlines:

Class based exercises/ Homework ("class or home work"):
Every chapter contains one or more exercises which will cover the textbook material that students were required to prepare (read) prior to class OR the material covered in the current session.
The exercises will in aggregate account for 10% of your final grade. Each exercise is handed in at the beginning of the next class.

Class based Exercises Grading Criteria – Rubrics

<table>
<thead>
<tr>
<th>Points</th>
<th>If…</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>The student clearly understands how to solve the exercise. Minor mistakes and careless errors can appear insofar as they do not indicate a conceptual misunderstanding.</td>
</tr>
<tr>
<td>1</td>
<td>The student has partially understood the exercise. The student is not completely lost, but requires tutoring in some of the basic concepts. The student may have started out correctly, but gone on a tangent or not finished the problem.</td>
</tr>
<tr>
<td>0</td>
<td>The student did not understand the exercise. They may have written some appropriate formulas or diagrams, but nothing further. Or, they may have done something entirely wrong or wrote (almost) nothing.</td>
</tr>
</tbody>
</table>

Assignment 1 (Group case study): Students are required to solve the questions of the Data Case (Caterpillar vs Microsoft) Introduction to Corporate Finance (Berk) p. 94-95 to be handed in BEFORE February 28 Midnight

Assignment 2 - (individual case study): Students are required to solve the questions from the case (Nanovo Inc): Introduction to Corporate Finance (Berk) p. 356-357, to be handed in BEFORE April 30 Midnight

Mid-Term Exam and final exams (written): Written mid-term and final examination (week 7 and week 15).
The written mid-term exam and the final examination consist of open, short questions and a brief medium essay question (max 500 words length) on lectures of week 1, 2, 3, 4, 5 and 6 (for week 7) and week 8, 9, 10, 11, 12, 13, 14 (for week 15). The exams test both the knowledge of the students (about 50%), as well as their ability to apply their knowledge (about 50%).

Rubrics: Transparent Grading Criteria For Each Assignment

The following criteria will be applied in assessing your individual work:
# Grading form for individual case:

<table>
<thead>
<tr>
<th></th>
<th>Fail (0-49%)</th>
<th>Pass (50-69%)</th>
<th>Good (70-79%)</th>
<th>Excellent (&gt;80%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Introduction</strong></td>
<td>The business case is not decently introduced. Structure of essay is not written down.</td>
<td>The business case not decently introduced. Structure of essay is written down.</td>
<td>The business case relates is decently introduced. Structure of essay is written down.</td>
<td>The business case is decently introduced. Structure of essay is written down.</td>
</tr>
<tr>
<td><strong>Discussion</strong></td>
<td>Discussion of the topic is below par.</td>
<td>Essay offers a mediocre discussion of the selected business case and its link to the class materials.</td>
<td>Essay offers a good discussion of the selected business case and its link to the class materials.</td>
<td>Essay offers an excellent discussion of the selected business case and its link to the class materials. Discussion introduces relevant and excellent outside materials.</td>
</tr>
<tr>
<td><strong>Analysis (35%)</strong></td>
<td>The student fails to engage in a critical analysis.</td>
<td>The analysis is critical but fails to grasp the main issues.</td>
<td>The analysis is coherent and makes use of the class materials. The core argument is validated by evidence.</td>
<td>The discussion offers an excellent analysis of the selected business case through the lens of the class materials and external data and academic sources. The core argument is validated by evidence.</td>
</tr>
<tr>
<td><strong>Conclusions (20%)</strong></td>
<td>The conclusions are a mere summary</td>
<td>The conclusions are somewhat critical but fail to put the essay in a bigger perspective.</td>
<td>The conclusions recap the main steps and findings of the research and engage in a critical analysis of the most interesting findings.</td>
<td>The conclusions recap the main steps and findings of the research and engage in a critical analysis of the most interesting findings in the light of</td>
</tr>
</tbody>
</table>
The following criteria will be applied in assessing your Group work:

<table>
<thead>
<tr>
<th>Component</th>
<th>Sophisticated 2 (&gt;75%)</th>
<th>Competent 1 (50-75%)</th>
<th>Unsatisfactory 0 (&lt;50%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Teamwork</strong></td>
<td>The team worked well together to achieve objectives. Each member contributed in a valuable way to the project. All data sources indicated a high level of mutual respect and collaboration.</td>
<td>The team worked well together most of the time, with only a few occurrences of communication breakdown or failure to collaborate when appropriate. Members were mostly respectful of each other.</td>
<td>Team did not collaborate or communicate well. Some members would work independently, without regard to objectives or priorities. A lack of respect and regard was frequently noted.</td>
</tr>
<tr>
<td><strong>Contribution</strong></td>
<td>All requirements and objectives are identified, evaluated and completed. The deliverable offered new information or approach to the topic under discussion.</td>
<td>All requirements are identified and evaluated but some objectives are not completed. The deliverable offered some new information or approach to the topic under discussion. The application is reasonable; further analysis of some of the alternatives or constraints may have led to a different recommendation.</td>
<td>Many requirements and objectives are not identified, evaluated and/or completed. The deliverable offered no new information or approach to the topic under discussion. Few application considerations are analyzed and other factors were ignored or incompletely analyzed.</td>
</tr>
<tr>
<td><strong>Subject Knowledge</strong></td>
<td>The deliverable demonstrated knowledge of the course content by integrating major and minor concepts into the response. The deliverable also demonstrated evidence of extensive research effort and a depth of thinking about the topic.</td>
<td>The deliverable demonstrated knowledge of the course content by integrating major concepts in to the response. The deliverable also demonstrated evidence of limited research effort and/or initial of thinking</td>
<td>The deliverable did not demonstrate knowledge of the course content, evidence of the research effort or depth of thinking about the topic.</td>
</tr>
<tr>
<td><strong>Supporting Material (10%)</strong></td>
<td>All relevant information such as formulas and variables were recognized or obtained and information sources were valid. Analysis and design considerations were well supported by the information.</td>
<td>Sufficient information was obtained and most sources were valid. Analysis and design considerations were mostly supported by the information.</td>
<td>Insufficient information was obtained and/or Sources lack validity. Analysis and design considerations were not supported by the information collected.</td>
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<tr>
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</tr>
<tr>
<td><strong>Composition (20%)</strong></td>
<td>The deliverable was well organized and clearly written. The underlying logic was clearly articulated and easy to follow. Words and formulas were chosen that precisely expressed the intended meaning and supported reader comprehension. Tables were clearly organized and conclusions were clearly indicated. Sentences were grammatical and free of spelling errors.</td>
<td>The deliverable was organized and clearly written for the most part. In some areas the logic and/or flow of ideas were difficult to follow. Words and formulas were well chosen with some minor expectations. Tables were consistent and based on the data provided. Sentences were mostly grammatical and/or only a few spelling errors were present but they did not hinder the reader.</td>
<td>The deliverable lacked overall organization. The reader needs to make considerable effort to understand the underlying logic and flow of ideas. Tables were inconsistent with the data provided. Grammatical and spelling errors made it difficult for the reader to interpret the text in places.</td>
</tr>
</tbody>
</table>
### Exam & Assignment Grading Criteria – Rubrics

<table>
<thead>
<tr>
<th>Description</th>
<th>Excellent (A)</th>
<th>Good (B)</th>
<th>Fair (C)</th>
<th>Poor (D-F)</th>
</tr>
</thead>
</table>
| **Understanding**    | • The solution shows a deep understanding of the problem including the ability to identify the appropriate mathematical concepts and the information necessary for its solution.  
• The solution completely addresses all financial components presented in the task.  
• The solution puts to use the underlying mathematical concepts upon which the task is designed. | • The solution shows that the Student has a broad understanding of the problem and the major concepts necessary for its solution.  
• The solution addresses all of the financial components presented in the task. | • The solution is not complete indicating that parts of the problem are not understood.  
• The solution addresses some, but not all of the financial components presented in the task. | • There is no solution, or the solution has no relationship to the task.  
• Inappropriate concepts are applied and/or procedures are used.  
• The solution addresses none of the financial components presented in the task. | |
| **Strategies, Reasoning, Procedures** | • Uses a very efficient and sophisticated strategy leading directly to a solution.  
• Employs refined and complex reasoning.  
• Applies procedures accurately to correctly solve the problem and verify the results.  
• Verifies solution and/or evaluates the reasonableness of the solution.  
• Makes mathematically relevant observations and/or connections. | • Uses a strategy that leads to a solution of the problem.  
• Uses effective mathematical reasoning.  
• Financial procedures used.  
• All parts are correct and a correct answer is achieved | • Uses a strategy that is partially useful, leading some way toward a solution, but not to a full solution of the problem.  
• Some evidence of mathematical reasoning.  
• Could not completely carry out financial procedures.  
• Some parts may be correct, but a correct answer is not achieved. | • No evidence of a strategy or procedure, or uses a strategy that does not help solve the problem.  
• No evidence of mathematical reasoning.  
• There were so many errors in financial procedures that the problem could not be solved. |
| Communication | • There is a clear, effective explanation detailing how the problem is solved. All of the steps are included so that the reader does not need to infer how and why decisions were made. • Financial representation is actively used as a means of communicating ideas related to the solution of the problem. • There is precise and appropriate use of financial terminology and notation. | • There is a clear explanation. • There is appropriate use of accurate financial representation. • There is effective use of financial terminology and notation. | • There is an incomplete explanation; it may not be clearly presented. • There is some use of appropriate financial representation. • There is some use of financial terminology and notation appropriate of the problem. | • There is no explanation of the solution, the explanation cannot be understood or it is unrelated to the problem. • There is no use or inappropriate use of financial representations (e.g. figures, diagrams, graphs, tables, etc.). • There is no use, or mostly inappropriate use, of financial terminology and notation. |

**Vesalius College Attendance Policy**

As the College is committed to providing students with high-quality classes and ample opportunity for teacher-student interaction, it is imperative that students regularly attend class. As such, Vesalius College has a strict attendance policy. Participation in class meetings is mandatory, except in case of a medical emergency (e.g. sickness). Students will need to provide evidence for missing class (doctor’s note). If evidence is provided, the missed class is considered as an excused class. If no evidence is provided immediately before or after the class, the missed class is counted as an absence.

Participation implies that students are on time: as a general rule, the College advises that students should be punctual in this regard, but it is up to the professor to decide whether to count late arrivals as absences, or not. In the case of two sequential absences, the student’s advisor will be notified.

Example: at the end of the semester, a student has an overall grade of 75/100. Over the course of the semester, s/he missed 7 sessions of 1.5 hours for the course. S/He receives a penalty of 7 points, and his/her final course grade is 68/100.

**Additional Course Policies**

Add policies on late papers, coming late to class, etc. (an example below)

*Late papers will not be accepted unless there are serious legitimate reasons. Provision of a signed medical note is required, and notice must be given prior to the deadline.*

**Academic Honesty Statement**

Academic dishonesty is NOT tolerated in this course.

Academic honesty is not only an ethical issue but also the foundation of scholarship. Cheating and plagiarism are therefore serious breaches of academic integrity.
Following the College policy, cheating and plagiarism cases will be communicated in writing to the Associate Dean and submitted to the Student Conduct Committee for disciplinary action.

If you refer to someone else’s work, appropriate references and citations must be provided. Grammar, spelling and punctuation count, so use the tools necessary to correct before handing in assignments.

Please consult the Section “Avoiding Plagiarism” in the College Catalogue for further guidance.

**Turnitin**

All written assignments that graded and count for more than 10% towards the final course grade need to be submitted via the anti-plagiarism software Turnitin or Canvas. You will receive from your professor a unique password and access code for your Class.
<table>
<thead>
<tr>
<th>Week</th>
<th>Dates</th>
<th>Sessions</th>
<th>Readings</th>
<th>Assignments</th>
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<tr>
<td>Week 1</td>
<td>25 January</td>
<td>Session 1: Introduction to Corporate Finance</td>
<td>Berk: Chapter 1</td>
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<tr>
<td>Week 2</td>
<td>01 February</td>
<td>Session 2: Comparison between Managerial &amp; Financial Accounting</td>
<td>Slater: Chapter 1 BIS (Managerial Accounting: A Practical Approach, 14th ed.)</td>
<td>From Week 2 onwards: hand in exercise(s)</td>
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<tr>
<td>Week 3</td>
<td>08 February</td>
<td>Session 3: Introduction to Financial Statement Analysis</td>
<td>Berk: Chapter 2</td>
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<tr>
<td>Week 4</td>
<td>15 February</td>
<td>Session 4: Time Value of Money: An Introduction</td>
<td>Berk: Chapter 3</td>
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<tr>
<td>Week 5</td>
<td>22 February</td>
<td>Session 5: Time Value of Money: Valuing Cash Flow Streams I</td>
<td>Berk: Chapter 4</td>
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<tr>
<td>Week 6</td>
<td>01 March</td>
<td>Session 6: Interest Rates</td>
<td>Berk: Chapter 5</td>
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<td>Week 7</td>
<td>08 March</td>
<td>Mid-term examination</td>
<td>Mid-term examination</td>
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<td>Week</td>
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<tr>
<td>Week 8</td>
<td>15 March</td>
<td>Session 7: Bonds</td>
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<tr>
<td>Week 9</td>
<td>22 March</td>
<td>Session 8: Stock Valuation</td>
<td>Berk: Chapter 7</td>
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<tr>
<td>Week 10</td>
<td>29 March</td>
<td>Session 9: Investment Decision Rules</td>
<td>Berk: Chapter 8</td>
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<tr>
<td>Week 11</td>
<td>05 April</td>
<td>Session 10: Fundamentals of Capital Budgeting</td>
<td>Berk: Chapter 9</td>
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<td>SPRING RECESS</td>
<td>08-19 April</td>
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Session-by-Session Course Outline

Course Schedule

Session 1        January 25

Introduction
Course overview/syllabus discussion
Course setup/organization
Workload and planning

Formula Sheets containing the formulas needed to solve exercises as part of the course will be distributed to the students; these can be used during the course, but not during the exams. At the start of the exams the Examiner will distribute new (fresh) Formula Sheets.

CH.1 Corporate Finance and the Financial Manager
- Why Study Finance?
- The Types of Firms
- The Financial Manager
- The Stock Market

Course Textbook: Pages 31-51

Session 2        February 1

CH.1 Bis Comparison between Managerial & Financial Accounting:
- Explain Accounting, Business, and the Accounting Equation
- Explain the difference between Managerial and Financial Accounting
- Preparing a Balance Sheet
- Record Transactions into the Expanded Accounting Equation
- Preparing the Three Financial Statements

Slater J., Deschamps S.: Chapter 1-3 Managerial Accounting: A Practical Approach, 14th ed., 2019

Session 3        February 8

CH.2 Introduction to Financial Statement Analysis:
The Balance Sheet
The Income Statement
The Statement of Cash Flows

Course Textbook: Pages 53-95

Session 4 February 15
CH.2 Introduction to Financial Statement Analysis (continued):
  Other Financial Statement Information
  Financial Statement Analysis: the Ratio’s
Course Textbook: Pages 53-95

Group Case I Discussion:
(max 3 students per group)
Data Case (Caterpillar vs Microsoft) Introduction to Corporate Finance (Berk) p. 94-95

CH.3 Time Value of Money: An Introduction
  Cost-Benefit Analysis
  Market Prices and the Valuation Principle
  The Time Value of Money and Interest Rates
  Valuing Cash Flows at Different Points in Time
Course Textbook: Pages 99-114

Session 5 February 22
CH.4. Time Value of Money: Valuing Cash Flow Streams
  Valuing a Stream of Cash Flows
  Perpetuities
  Annuities
  Growing Cash Flows
  Solving for Variables Other Than Present Value or Future Value
Course Textbook: Pages 119-145
Using a Financial Calculator: Appendix pages 152-154

Hand in Group Case I:
Data Case (Caterpillar vs Microsoft) Introduction to Corporate Finance (Berk) p. 94-95
Send to mvgastel@vesalius.edu and marc@vangastel.cc
please put “BUS222G “ in the subject line BEFORE February 28 Midnight

Session 6 March 1
CH.5. Interest Rates
  Interest Rate Quotes and Adjustments
  Application: Discount Rates and Loans
  The Determinants of Interest Rates
  The Opportunity Cost of Capital
Course Textbook: Pages 155-176

Week 7 March 8
Mid Term Exam 9:00-11:00

Session 7 March 15
CH.6. Bonds
  Bond Terminology
  Zero-Coupon Bonds
  Coupon Bonds
Why Bond Prices Change
Corporate Bonds
Course Textbook: Pages 183-206

Session 8  March 22
CH.7 Stock Valuation
Stock Basics
The Mechanics of Stock Trades
The Dividend-Discount Model
Estimating Dividends in the Dividend-Discount Model
Limitations of the Dividend-Discount Model
Share Repurchases and the Total Payout Model
Course Textbook: Pages 221-241

Session 9  March 29
CH.8 Investment Decision Rules
The NPV Decision Rule
Using the NPV Rule
Alternative Decision Rules
Choosing Between Projects
Evaluating Projects with Different Lives
Choosing Among Projects When Resources Are Limited
Course Textbook: Pages 251-280

Session 10  April 5
CH.9 Fundamentals of Capital Budgeting
The Capital Budgeting Process
Forecasting Incremental Earnings
Determining Incremental Free Cash Flow
Other Effects on Incremental Free Cash Flows
Analysing the Project
Course Textbook: Pages 289-313

Discuss Individual Case (Nanovo Inc.): Introduction to Corporate Finance (Berk) p. 356-357

08-19 April  Academic holiday (no classes)

Session 11  April 26
CH.10 Stock Valuation: A Second Look
The Discounted Free Cash Flow Model DCF
Valuation Based on Comparable Firms
Information, Competition, and Stock Prices
Course Textbook: Pages 327-345

HAND IN Individual Case (Nanovo Inc.): Introduction to Corporate Finance (Berk) p. 356-357
Send to mvgastel@vesalius.edu and marc@vangastel.cc
please put "BUS222G " in the subject line BEFORE APRIL 30 Midnight

Session 12  May 3
CH.13 The Cost of Capital
A First Look at the Weighted Average Cost of Capital WACC
The Firm’s Costs of Debt and Equity Capital
A Second Look at the Weighted Average Cost of Capital
Using the WACC to Value a Project
Project-Based Costs of Capital
When Raising External Capital Is Costly
Course Textbook: Pages 427-445

Session 13  May 10 NO CLASS!

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<th>Week 15</th>
<th>March 17</th>
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<tr>
<td>Final Exam</td>
<td>9:00-11:00</td>
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