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| aشعار الجامعةpsd | **King Saud University - College of Business**  **Syllabus: Prin7ciples of Finance (FIN 200)**  **Spring (2nd) Semester 1433/1434**  **Pre-requisite: Acct 201** | **http://cba.ksuedu.server261.com/file/news/cba_logo.gif** |

**Instructor:**Rima Al-Sager

**Room:** F 50

**E-mail:**ralsager@ksu.edu.sa

**Office hours:**(12:00pm to 1:00pm)Saturday –Monday – Wednesday

Many other times are available by appointment. Please do not hesitate to contact me if you have any problem with the course material and your progress.

**Course description**

The course deals with managing business funds and planning their use to accomplish organizational objectives. It covers the following topics: techniques of financial analysis and planning such as financial statements analysis,ratio construction and analysis, long term financial planning and growth, interest and time value of money, discounted cash flow analysis; capital budgeting, security valuation, capital budgeting,and risk and return.

**Methodology**

We will use lectures, case discussions and overview of some applicationsto topics of financial analysis.

**Course objectives**

The course aims to acquaint students with the principles and techniques of financial analysis, and to integrate and apply economic and financial principles to decision-making.

Upon successful completion of the course, students will be able to:

* Know the scope of corporate finance and the responsibilities of the financial manager.
* Know the differences between the financial statements and how to analyze these statements by using ratio analysis.
* Understand the basics of time value of money.
* Solve problems for future and present values of multiple cash flows, annuities and perpetuities.
* Value bonds and stock.
* Understand the relationship between risk and return
* Apply the skills of critical thinking (knowledge, comprehension, application, analysis, and evaluation) to solve problems and to support statements of beliefs and opinions related to business finance.

**Required Textbook:**

Stephen A. Ross, Randolph W. Westerfield, and Bradford D. Jordan, ***Fundamentals of Corporate Finance***, 9th Edition., McGraw-Hill, International Edition, 2008.

**Other Optional Reference:**

Brigham, Eugene F. and Joel F. Houston, **Fundamentals of Financial management**, Sixth Edition, South-Western, 2010.

**Course outline**

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| **Week** | **Topic** |
| **1** | * Introduction to the Course: Syllabus Review, Teaching Methodology * Introduction to Corporate Finance, (**Ch.1** ) * Financial Statements, Taxes, and Cash Flow, (**Ch. 2**) |
| **2** | * Financial Statements, Taxes, and Cash Flow (Cont’d) |
| **3** | * Working with Financial Statements, (**Ch.3** ) |
| **4** | * Long Term Financial Planning and Growth, (**Ch. 4**) |
| **5** | * Introduction to Valuation: The Time Value of Money, (**Ch. 5**) |
| **6** | * Discounting Cash Flow Valuation, (**Ch.6** ) |
| **7** | Discounting Cash Flow Valuation, (Cont’d)  * Applications   **Unified Midterm Exam**  **ThursdayMarch 14**, **2013From 1:00am to 3:00pm(2 Hours Exam)** |
| **8** | Applications and Case studies |
| **9** | Spring Break (No Classes) |
| **10** | * Interest Rate and Bond valuation, (**Ch.7** ) |
| **11** | * Stock Valuation, (**Ch. 8**)   **Quiz I**  *Around Here*  *Around Her* |
| **12** | * Net Present Value and Other Investment Criteria, (**Ch. 9**) |
| **13** | * Net Present Value and Other Investment Criteria, (Cont’d)   **Quiz II**  *Around Here*  *Around Her* |
| **14** | * Applications and Case Study Analysis |
| **15** | * Risk and Return, (**Ch.13** ) |
| **16** | * Review and Preparation for the Final Exam |
| **UNIFIED FINAL EXAM** | |

**Exams and Grading**

**Exams& Quizzes:**

There will be one unified**mid-term exam**, a unified **final exam**, and **two quizzes**.

The unified **mid-term exam** will cover chapters 1, 2, 3, 4, 5, and 6. The unified**final exam** will be a cumulative test.

The first quiz will cover chapters 7 and 8, whereas the second quiz will cover only chapter 9 and its related applications.

You are not allowed to refer to textbook or class notes during the exams and quizzes.

**Grading distribution:**

Your final grade will be based on your performance in two exams, two quizzes, and class participation.

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| Unified Midterm Exam  **ThursdayMarch 14**, 2013 From 10:30pm to 12:00pm **(2 Hours Exam)** | 25% |
| Second Midterm | 15% |
| 2 Quizzes | 10% |
| Attendance and Class Participation | 10% |
| Unified Final Exam | 40% |
| Total | **100%** |

Regular attendance is required and positive contributions to class are strongly encouraged.

**Calculator:**

You must have a financial calculator. Many of the exam problems involve financial calculations and a financial calculator is necessary to solve them.It is required thatyou have your own financial calculator during class meetings and exam sessions.You are responsible for learning how to operate your financial calculator and it is critical that you are familiar with your calculator. You can NOT borrow from or share a calculator with another student during exams and quizzes.

Recommended calculators: Texas Instruments BA II Plus (including BA II Plus Professional); Hewlett Packard 12C (including the HP 12C Platinum, 12C Platinum 25th anniversary edition, 12C 30th anniversary edition, and HP 12C Prestige).

**NOTES:**

* Regular and punctual attendance at all scheduled classes is expected of all students. University regulations do not authorize students to miss more than 25% of the classes.
* Exchange of calculators during exam sessionsis NOT permitted.

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| **Code of Academic Conduct**\* |
| King Saud University students are expected to be reliable and honest in doing their homework, assignments, research, exams and in all of their dealings with others. If a student fails to comply with his/ her responsibilities, the College shall, thereby, take the disciplinary actions necessary to correct his/ her behavior. Academic misconduct is any type or means of cheating or dishonesty meant to get academic or personal advantages. It can take the following forms: |
| **Exams:** |
| * 1. Cheating or attempting to cheat from the work of another student, allowing another student to cheat from your work in whichever way whether with or without your knowledge, using technology or notes of any type in an exam that does not allow the use of books.   2. Impersonating another student in whichever way when doing exams, participating in discussion or giving presentations.   3. Sabotaging exams in whichever way. |
| **Homework, Presentations, Research … etc.** |
| * 1. Plagiarism: Adopting texts, ideas, views, research findings or any other piece of information in any product without due acknowledgement so that it sounds as if the work is all done by the student him-/ herself.   2. Collusion: Working with others on the assignments intended to be done individually, incorporating others' work as a part of a student's work or carrying out assignments individually when they should be done in groups.   3. Fabrication: Falsifying data, information or citations collected from authentic and reliable resources.   4. Copying: Copying from the internet without following any of the academic referencing styles used in quoting or citing websites. |

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**\* Source:**<http://ksu.edu.sa/sites/py/en/about/Pages/pyAgreement.aspx> (with modification to the original source).