

BA 222 : BUSINESS FINANCE

Transcript title

Business Finance

Credits

4

Grading mode

Standard letter grades

Total contact hours

40

Lecture hours

40

Prerequisites

BA 104 and choose BA 113 or BA 212.

Course Description

Targets role of financial management in business and provides understanding of the effect of finance on business decisions. The course covers financial forecasting, capital budgeting and risk, financial institutions, securities markets, the investment process and working capital management.

Course learning outcomes

1. Demonstrate the time value of money by computing present values and future values of single amounts, annuities, and mixed cash flows.
2. Demonstrate the relationship between risk and potential return, and how different types of risk are measured and managed.
3. Identify the different sources of capital available to business and each provider's market niche.
4. Demonstrate how lenders and investors evaluate credit risk through financial statement and pro forma analysis.
5. Describe the differences between accrual based profit calculations and cash flow and the importance of cash flow in financial decision making.
6. Apply the above concepts to evaluate long-term investments through capital budgeting techniques including net present value, internal rate of return, and payback period.
7. Identify and calculate firm's cost of capital (WACC).

Content outline

- Financial Management
- Ratio Analysis
- Working Capital
- Time Value of Money
- Annuities
- Risk and Return
- Valuing Bonds
- Cost of Capital; WACC

- Cash Flow Estimates
- Capital Budgeting; NPV/IRR

Required materials

Required textbook and specified calculator.