



## ACCT-372 – Corporate Finance 2

### Business

**Effective Term & Year:** Fall 2022

**Course Outline Review Date:** 2024-03-01

**Program Area:** Business Management

#### Description:

This course develops analytical techniques and financial theories used to make optimal decisions in a corporate setting. The course builds on and extends the concepts and tools covered in ACCT 371. Students are exposed to key financial concepts and tools commonly used by managers in making sound financial decisions.

#### Program Information:

This course is required in the Accounting major of the 2 year Diploma. It is also designed to meet a preparatory course requirement for the Chartered Professional Accountant (CPA) Professional Education Program.

ACCT 371 as well as ACCT 372, are required by those students enrolled in the Accounting Major and the Aboriginal Financial Manager's program.

**Delivery Methods:** On-campus (Face-to-Face), Online

**Credit Type:** College of the Rockies Credits

**Credits:** 3

**Course type/s:** Business Management

#### Instructional Activity and Hours:

Activity	Hours
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Classroom, Directed Studies or Online Instruction	45
Seminar/Tutorials	
Laboratory/Studio	
Practicum/Field Experience	
Co-op/Work Experience	
Other	
<b>Total</b>	<b>45</b>

### Course Requisites:

- Earned a minimum grade of C- (55%) in each of the following:
  - [ACCT371](#) – Corporate Finance 1 (3)

### Flexible Assessment: Yes

In some cases students may be able to apply for recognition of prior learning outside the classroom. This flexible assessment process provides equivalent course credit. It is a rigorous process that may include external evaluation, worksite assessment, demonstration, standardized test, self-assessment, interview, products/portfolio, and challenge exam, or other measures as appropriate. Tuition fees apply. Contact an education advisor for more information.

### Course Transfer Credit:

For information about receiving transfer credit for courses taken at other BC institutions, please see <http://www.bctransferguide.ca>. All requests for course transfer credit from institutions in BC or elsewhere should go to the College of the Rockies Enrollment Services office.

### Textbook Resources:

Textbook selection varies by instructor and may change from year to year. At the Course Outline Effective Date the following textbooks were in use:

Block, Hirt and Short, *Foundations of Financial Management*, 10th Canadian Edition, McGraw-Hill Ryerson, 2015.

Please see the instructor's syllabus or check COTR's online text calculator <https://textbook.cotr.bc.ca/> for a complete list of the currently required textbooks.

## Learning Outcomes:

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

- calculate the cost of capital using different financial models;
- calculate the cost of capital and the cost of equity under different capital structures, and decide which one is the best financial mix, taking into consideration the impact of taxes;
- examine and discuss the key issues related to dividend policy and their implications to the value of the firm;
- conduct capital budgeting for a levered firm or investment using the different financial models;
- identify and apply the underlying principles of financial derivative securities, futures, forwards, options, and swaps, and manage the financial risks faced by modern business;
- explain the importance of financial leverage and apply the acquired knowledge to long-term financial structure decisions;
- discuss and analyze the issues faced by companies when managing short-term assets and liabilities;
- explain the foreign exchange market with respect to forwards, futures, options and its effect to foreign currencies; and
- describe the ethical and global issues confronted by companies with regards to financial management and put more focus on its corporate social responsibility.

## Course Topics:

- Cost of capital – Raising capital, leverage and capital structure
- Dividends and dividend policy
- Short Term Financing and Forecasting
- Management of short term assets and liabilities – Cash, A/R, A/P and Inventory
- Lease financing
- International Corporate Finance
- Enterprise Risk Management – Insurance, hedging, options

*See instructor's syllabus for the detailed outline of weekly readings, activities, and assignments.*

## Evaluation and Assessments

### Assessment Type: On-Campus (face-to-face) and Online, or Hybrid

Assessment Type	% of Total Grade
Assignments/Quizzes	15%
Midterm exams	40%
Final exam	30%
Total	100%

## Grade Scheme

A+	A	A-	B+	B	B-	C+	C	C-	D	F
>=90	89-85	84-80	79-76	75-72	71-68	67-64	63-60	59-55	54-50	<50

**Pass requirements:** None

**Evaluation Notes:** Certificate and diploma students are required to maintain a minimum course grade of C- (55%) in all program courses. BBA students are required to maintain a minimum course grade of C (60%) and an average course grade of C+ in all program courses that contribute to the BBA.

### Evaluation Notes Comments:

*Please see the instructor's syllabus for specific classroom policies related to this course, such as details of evaluation, penalties for late assignments and use of electronic aids.*

### Exam Attendance:

Students must attend all scheduled exams at the appointed time and place. Instructors may approve an alternate exam to accommodate an illness or personal crisis. Department heads will consider other written requests. Any student who misses a scheduled exam without prior approval will receive a "0" on the exam.

### Academic Policies:

College of the Rockies policies related to courses can be found at <https://cotr.bc.ca/about-us/college-policies/> and include the following:

- Policy 2.4.3 Students with Documented Disabilities
- Policy 2.4.4 Student Conduct (plagiarism, other cheating, behavioral misconduct)
- Policy 2.5.8 Academic Performance
- Policy 2.5.3 Grade Appeal
- Policy 2.4.9 Student Concerns Re Faculty

### Equivalent Course(s) and Course Code Changes

Prior Course Code: BUAD 202 >> ACCT 372

Date changed: June 2010

### Course Changes:

The College of the Rockies updates course outlines regularly to meet changing educational, employment and marketing needs. The instructor will notify students in writing of any updates to this outline during the semester. The instructor reserves the right to revise, add or delete material while meeting the learning outcomes of this course outline.