



B.E. International Program

Faculty of Economics, Thammasat University



Course Outline

FN201 Business Finance

Semester 1/2015

Number of credits:	3 credits (3-0-6)
Lecture Time:	Saturday, 9.00 AM – noon
Lecture Venue:	Room 303, 3rd floor, Faculty of Economics
Instructor:	Dr. Winai Homsombat
Email:	win.homsombat@gmail.com
Office hours:	By appointment

Course Description

This course studies the basic principles of financial management for business as well as the responsibilities of financial managers in order that they can perform their best to maximize the enterprise value. Discussions will covers financial analysis, cash flow analysis, financial planning and control, fundamental analysis on risk and return, time value of money, current asset management, fixed assets investments, allocation and acquisition of funds, short-term and long-term financing, and costs of financing.

Prerequisites: AC201 Fundamental Accounting

Course Objectives

This course aims at developing students to have financial knowledge to deal with many issues in business finance. It will also form a foundation for further finance courses. Key objectives of this subject include:

1. to study the basic principles of financial management for business;
2. to provide an introduction to the theories of finance and decision tools for financial managers;
3. to discuss the fundamental of financial planning and control, investment, and capital financing.

Main Text:

- **BE:** Brigham, E.F., Ehrhardt, M.C., (2011). Financial Management: Theory and Practice. 13th Edition. OH: South-Western.

Other Recommended Book:

- **BMA:** Brealey, R.A., Myers, S.C., Allen, F., (2010). Principles of Corporate Finance. 10th Edition. New York: McGraw-Hill/Irwin.
- Ross, S.A., Westerfield, R.W., Jordan, B.D., (2012). Fundamentals of Corporate Finance. 10th Edition. New York: McGraw-Hill/Irwin.

Tentative Teaching Schedule:

Class	Date (2015)	Topics
1	22 Aug	Lecture 1: Introduction to business finance and financial statements <i>Reading: BE Chapter 1 and 2: BMA Chapter 1</i>
2	29 Aug	Lecture 1: Introduction to business finance and financial statements <i>(Continued)</i>
3	5 Sep	Lecture 2: Financial analysis and planning <i>Reading: BE Chapter 3: BMA Chapter 28 and 29</i>
4	12 Sep	Lecture 3: Working capital management <i>Reading: BE Chapter 16: BMA Chapter 30</i>
5	19 Sep	Lecture 3: Working capital management <i>(Continued)</i>
6	26 Sep	Lecture 4: Time value of money <i>Reading: BE Chapter 4: BMA Chapter 2</i>
7	3 Oct	Lecture 5: Investment criteria and decision <i>Reading: BE Chapter 10: BMA Chapter 5 and 6</i>
8	OCTOBER 10, 2015 MIDTERM EXAMINATION (09.00 – 10.30 AM)	
9	17 Oct	Lecture 6: Valuing bonds and common stocks <i>Reading: BE Chapter 5 and 7: BMA Chapter 3 and 4</i>
10	24 Oct	Lecture 6: Valuing bonds and common stocks <i>(Continued)</i>
11	31 Oct	Lecture 7: Introduction to risk and return and portfolio theory <i>Reading: BE Chapter 6: BMA Chapter 7 and 8</i>
12	7 Nov	Lecture 8: Cost of Capital <i>Reading: BE Chapter 9: BMA Chapter 9</i>
13	14 Nov	Lecture 8: Cost of Capital <i>(Continued)</i>
14	21 Nov	Lecture 9: Capital Structure Decision <i>Reading: BE Chapter 15: BMA Chapter 18</i>
15	28 Nov	Lecture 9: Capital Structure Decision <i>(Continued)</i>
16	5 Dec*	Lecture 10: Hybrids, derivatives, and risk management <i>Reading: BE Chapter 23 and class handout</i>
17	DECEMBER 12, 2015 FINAL EXAMINATION (09.00 AM – NOON)	

Note: * Make-up class will be announced later.

Course Evaluation

Type of evaluation	Evaluation Method	Evaluation date
Midterm	Closed-book Examination	October 10, 2015 (09.00 – 10.30 AM)
Final	Closed-book Examination	December 12, 2015 (09.00 AM – noon)

Class participation	10%
Assignment and/or quiz	20%
Midterm exam	30%
Final exam	40%

Important Dates

Classes Begin	August 22
Adding and Dropping Courses without Record	August 17 – 31
Mid-term Examination Period	October 5 - 10
Mid-term Examination	October 10, 2015 (09.00 – 10.30 AM)
Course Withdrawal With "W"	October 21 - 26
Last Day of Classes	December 4
Final Examination	December 12, 2015 (09.00 AM – noon)