



# B.E. International Program

## Faculty of Economics, Thammasat University



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### Course Outline

#### FN201 Business Finance

Semester 2/2013

<b>Number of credits:</b>	<b>3 credits (3-0-6)</b>
<b>Lecture Time:</b>	Saturday, 1.00 – 4.00 PM
<b>Lecture Venue:</b>	Room 206, 2nd floor, Faculty of Economics
<b>Instructor:</b>	Dr. Winai Homsombat
Email:	winai.hom@kmutt.ac.th or 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. 13<sup>th</sup> Edition. OH: South-Western.

**Other Recommended Book:**

- **BMA:** Brealey, R.A., Myers, S.C., Allen, F., (2010). Principles of Corporate Finance. 10<sup>th</sup> Edition. New York: McGraw-Hill/Irwin.

**Teaching Plan:**

<b>Class</b>	<b>Date (2014)</b>	<b>Topics</b>
1	JAN 18	<b>Lecture 1:</b> Introduction to business finance and financial statements <i>Reading: BE Chapter 1 and 2: BMA Chapter 1</i>
2	JAN 25	<b>Lecture 2:</b> Financial analysis and planning <i>Reading: BE Chapter 3: BMA Chapter 28 and 29</i>
3	FEB 1	<b>Lecture 3:</b> Working capital management <i>Reading: BE Chapter 16: BMA Chapter 30</i>
4	FEB 8*	<b>Lecture 4:</b> Time value of money <i>Reading: BE Chapter 4: BMA Chapter 2</i>
5	FEB 15	<b>Lecture 4:</b> Time value of money <i>(Continued)</i>
6	FEB 22	<b>Lecture 5:</b> Investment criteria and decision <i>Reading: BE Chapter 10: BMA Chapter 5 and 6</i>
7	MAR 1	<b>Lecture 5:</b> Investment criteria and decision <i>(Continued)</i>
<b>8</b>	<b>MARCH 8, 2014</b> <b>MIDTERM EXAMINATION (1.00 – 2.30 PM)</b>	
9	MAR 15	<b>Lecture 6:</b> Valuing bonds and common stocks <i>Reading: BE Chapter 5 and 7: BMA Chapter 3 and 4</i>
10	MAR 22	<b>Lecture 6:</b> Valuing bonds and common stocks <i>(Continued)</i>
11	MAR 29	<b>Lecture 7:</b> Introduction to risk and return and portfolio theory <i>Reading: BE Chapter 6: BMA Chapter 7 and 8</i>
12	APR 5	<b>Lecture 8:</b> Cost of Capital <i>Reading: BE Chapter 9: BMA Chapter 9</i>
13	APR 12	<b>Lecture 8:</b> Cost of Capital <i>(Continued)</i>
14	APR 19	<b>Lecture 9:</b> Capital Structure Decision <i>Reading: BE Chapter 15: BMA Chapter 18</i>
15	APR 26	<b>Lecture 9:</b> Capital Structure Decision <i>(Continued)</i>
16	MAY 3	<b>Lecture 10:</b> Hybrids, derivatives, and risk management <i>Reading: BE Chapter 23 and class handout</i>
<b>17</b>	<b>MAY 20, 2014</b> <b>FINAL EXAMINATION (1.30 – 4.30 PM)</b>	

Note: \* Class will be cancelled and make-up class will be announced later.

## Course Evaluation

Type of evaluation	Evaluation Method	Evaluation date
Midterm	Closed-book Examination	March 8, 2014 (1.00 – 2.30 PM)
Final	Closed-book Examination	May 20, 2014 (1.30 – 4.30 PM)

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

### Important Dates

Classes Begin	January 13, 2014
Adding and Dropping Course	January 13 – 27, 2014
Midterm Exam Period	March 3 – 8, 2014 (No Lectures)
<b>Midterm Exam</b>	<b>March 8, 2014; 1.00 – 2.30 PM</b>
Course Withdrawal with “W”	March 19 – 24, 2014
Last Day of Classes	May 3, 2014
<b>Final Exam</b>	<b>May 20, 2014; 1.30 – 4.30 PM</b>