



B.E. International Program

Faculty of Economics, Thammasat University



Course Outline

FN201 Business Finance (Section 046401)

Semester 2/2014

Number of credits:	3 credits (3-0-6)
Lecture Time:	Saturday, 1.00 – 4.00 PM
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.

Teaching Plan:

Class	Date (2015)	Topics
1	JAN 17	Lecture 1: Introduction to business finance and financial statements <i>Reading: BE Chapter 1 and 2: BMA Chapter 1</i>
2	JAN 24*	Lecture 2: Financial analysis and planning <i>Reading: BE Chapter 3: BMA Chapter 28 and 29</i>
3	JAN 31	Lecture 3: Working capital management <i>Reading: BE Chapter 16: BMA Chapter 30</i>
4	FEB 7	Lecture 3: Working capital management <i>(Continued)</i>
5	FEB 14	Lecture 4: Time value of money <i>Reading: BE Chapter 4: BMA Chapter 2</i>
6	FEB 21	Lecture 5: Investment criteria and decision <i>Reading: BE Chapter 10: BMA Chapter 5 and 6</i>
7	FEB 28	Lecture 5: Investment criteria and decision <i>(Continued)</i>
8	MARCH 7, 2015 MIDTERM EXAMINATION (12.30 – 2.00 PM)	
9	MAR 14	Lecture 6: Valuing bonds and common stocks <i>Reading: BE Chapter 5 and 7: BMA Chapter 3 and 4</i>
10	MAR 21	Lecture 6: Valuing bonds and common stocks <i>(Continued)</i>
11	MAR 28	Lecture 7: Introduction to risk and return and portfolio theory <i>Reading: BE Chapter 6: BMA Chapter 7 and 8</i>
12	APR 4	Lecture 8: Cost of Capital <i>Reading: BE Chapter 9: BMA Chapter 9</i>
13	APR 18	Lecture 8: Cost of Capital <i>(Continued)</i>
14	APR 25	Lecture 9: Capital Structure Decision <i>Reading: BE Chapter 15: BMA Chapter 18</i>
15	MAY 2	Lecture 9: Capital Structure Decision <i>(Continued)</i>
16	MAY 9	Lecture 10: Hybrids, derivatives, and risk management <i>Reading: BE Chapter 23 and class handout</i>
17	MAY 16, 2015 FINAL EXAMINATION (09.00 AM – NOON)	

Course Evaluation

Type of evaluation	Evaluation Method	Evaluation date
Midterm	Closed-book Examination	March 7, 2015 (12.30 – 2.00 PM)
Final	Closed-book Examination	May 16, 2015 (09.00 AM - noon)

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

Important Dates

Classes Begin	January 17
Adding and Dropping Courses	January 12 – 26
Mid-term Examination Period	March 2 – 8
Mid-term Examination	March 7, 2015 (12.30 – 2.00 PM)
Course Withdrawal With "W"	March 18 – 23
Last Day of Classes	May 9
Final Examination	May 16, 2015 (09.00 AM - noon)