



## Corporate Finance 2 – ACCT 372 Business Management Program

### Course Outline

COURSE IMPLEMENTATION DATE: Pre 1998  
OUTLINE EFFECTIVE DATE: September 2023  
COURSE OUTLINE REVIEW DATE: March 2028

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#### GENERAL COURSE 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.

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**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 and the Financial Services diploma program.

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**Delivery:** This course is delivered face-to-face and online.

**COTR Credits:** 3

**Hours for this course:** 45 hours

#### Typical Structure of Instructional Hours:

Instructional Activity	Duration
Lecture Hours	45
Seminars / Tutorials	
Laboratory / Studio Hours	
Practicum / Field Experience Hours	
Other Contact Hours	
<b>Total</b>	45

#### Practicum Hours (if applicable):

Type of Practicum	Duration
On-the-job Experience	N/A
Formal Work Experience	N/A
Other	N/A
<b>Total</b>	

**Course Outline Author or Contact:**

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Signature

**APPROVAL SIGNATURES:**

Department Head  
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Department Head Signature

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Dean Signature

EDCO

Valid from: September 2023– March 2028

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Education Council Approval Date

**COURSE PREREQUISITES AND TRANSFER CREDIT:**

**Prerequisites:** A minimum grade of C- (55%) in ACCT 371

**Corequisites:** None

**Flexible Assessment (FA):**

Credit can be awarded for this course through FA  Yes  No

Learners may request formal recognition for flexible assessment at the College of the Rockies through one or more of the following processes: External Evaluation, Worksite Assessment, Demonstration, Standardized Test, Self-assessment, Interview, Products/Portfolio or Challenge Exam. Contact an Education Advisor for more information.

**Transfer Credit:** For transfer information within British Columbia, Alberta, and other institutions, please visit <http://www.cotr.bc.ca/Transfer>

Students should also contact an academic advisor at the institution where they want transfer credit.

**Prior Course Number:** BUAD 202 ⇔⇔ ACCT 372

**Date changed:** June 2010

## Textbooks and Required 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*, 10<sup>th</sup> Canadian Edition, McGraw-Hill Ryerson, 2015.

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

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## LEARNING OUTCOMES:

Upon the successful completion of this course, a student 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.
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## 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.*

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## EVALUATION AND ASSESSMENT:

Assignments	% Of Total Grade
1. Assignments/Quizzes	15%
2. Projects	15%
3. Midterm exams	40%
4. Final exam	<u>30%</u>
TOTAL	100%

*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.*

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## EXAM POLICY:

Students must attend all required scheduled exams that make up a final grade at the appointed time and place.

Individual instructors may accommodate for illness or personal crisis. Additional accommodation will not be made unless a written request is sent to and approved by the appropriate Department Head prior to the scheduled exam.

Any student who misses a scheduled exam without approval will be given a grade of "0" for the exam.

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## COURSE GRADE:

Course grades are assigned as follows:

Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F
Mark (Percent)	≥ 90	89-85	84-80	79-76	75-72	71-68	67-64	63-60	59-55	54-50	< 50

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.

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## ACADEMIC POLICIES:

See [www.cotr.bc.ca/policies](http://www.cotr.bc.ca/policies) for general college policies related to course activities, including grade appeals, cheating, and plagiarism.

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## COURSE CHANGES:

Information contained in course outlines is correct at the time of publication. Content of the courses is revised on an ongoing basis to ensure relevance to changing educational, employment, and marketing needs. The instructor will endeavour to provide notice of changes to students as soon as possible. The instructor reserves the right to add or delete material from courses.