

**Fundamentals of Finance 1**  
**Business 2223**  
**Open Acadia**

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**Course Description**

This course provides students with a framework with which to analyze individual and corporate investment and financing decisions. Time value of money is discussed extensively, with applications to bond and stock pricing covered in detail. The course concludes with an introduction to risk and the cost of capital.

**Course Materials 1.**

Required Text:

*Fundamentals of Corporate Finance, Third Canadian Edition*

By Berk, DeMarzo, Harford, Stangeland and Marosi. Published by Pearson Canada Inc., 2020. (ISBN: 978-0-13-473531-3)

\* Note: Considerable savings available through unbound version of the text.

2. Course Website (Moodle)

The course website provides valuable information related to the course. On the website, you will find:

- i) Lecture slides with voice-over
- ii) Suggested practice problems and solutions from the text
- iii) Other miscellaneous material, as required

3. MyFinanceLab

All individual assignments will be administered through MyFinanceLab, an online Pearson Canada Inc. offering, the cost of which is included with the text. A link to MyFinanceLab can be found on Moodle. The MyFinanceLab course code is found on Moodle.

**Evaluation**

MyFinanceLab Assignments	30%
Midterm	30%
<u>Final Exam</u>	<u>40%</u>
Total	100%

**Course Examination Policy**

Students must earn a combined simple average of 50% on the midterm and final exam to pass the course.

**Course Policies**

1. MyFinanceLab Assignments: Given that the assignments are learning exercises rather than evaluation tools, you will have two attempts at each question in the assignments.
2. Calculator Policy: Students may use a financial calculator for the midterm. However, a financial calculator is **not required** for this course and I will not offer assistance with the usage of a financial calculator.
3. Formula Sheet: Students are permitted a single-sided (8.5" by 11") formula sheet for the midterm and a double-sided formula sheet for the final exam. No additional pieces of paper may be stapled, glued, etc. to the formula sheet. You can put any information you wish on the formula sheet but your student number must be included on the sheet and it must be handed in at the end of your midterm/final.
4. Academic Dishonesty: Academic dishonesty will **not** be tolerated in this course. Penalties for academic offences may range from receiving a grade of zero to expulsion. Please refer to the appropriate section of the academic calendar for more information.
5. Students with Disabilities: Students with Disabilities - If you are a student with a documented disability who anticipates needing supports or accommodations, please contact Accessible Learning Services at 902-585-1291, or 902-585-1823, or email [disability.access@acadiiau.ca](mailto:disability.access@acadiiau.ca). Accessible Learning Services is located in Rhodes Hall.
6. Course Coverage:

Chapter	Topic
1	Corporate Finance & the Financial Manager
3	The Valuation Principle
4	Time Value of Money
5	Interest Rates
<b>MIDTERM</b>	
6	Bonds
7	Valuing Stocks
10	Risk and Return in Capital Markets
11	Systematic Risk & the Equity Risk Premium
12	Determining the Cost of Capital
<b>FINAL EXAM</b>	

