

**IBH 2BB3
Introduction to Finance
Fall 2022 Course Outline**

**DeGroote School of Business
McMaster University**

COURSE OBJECTIVE & OVERVIEW

The goal of this course is to provide students with an introduction to finance and develop an understanding of the key concepts used in the business world.

This course provides an overview of financial management and the financial system. The goal is to equip students with the basic understanding of how financial decisions are made. Students will learn fundamental finance concepts and tools, and how they are applied in practice. The course will lay a foundation for more advanced finance courses that students will subsequently take. Topics include time value of money, capital budgeting, risk and return trade-off, and security valuation.

INSTRUCTOR AND CONTACT INFORMATION

Prof. Imran Abdool

abdooli@mcmaster.ca

Office Hours: by appointment (over Zoom)

<p>Lectures:</p>

<p>Tuesday 11:30-2:20</p>

<p>Location: ETB 235</p>

Course Website: <http://avenue.mcmaster.ca>

LEARNING STRATEGY & OUTCOMES

This course is intended to provide students with a literacy in the problems and methods of modern business finance. During the lectures, the course will also discuss real world applications of the financial concepts that we cover.

REQUIRED COURSE MATERIALS AND READINGS

- Avenue registration for slides, readings and other course material: <http://avenue.mcmaster.ca>.
- S.A. Ross, R.W. Westerfield, B.D. Jordan and G.S. Roberts, Fundamentals of Corporate Finance, 10 th Canadian Edition. Toronto: McGraw-Hill Ryerson: henceforth RWJR.
- REQUIRED SOFTWARE: ***you must have access to the McGraw-Hill textbook companion software “Connect” as this will be used for assessmentS.***
- Occasionally reading articles from finance and business publications such as The Economist, Financial Times, Bloomberg, etc... will be required. These articles or their links will be posted to Avenue.

EVALUATION

Components and Weights

The following weighting scheme will be used:

Test 1	20%
Test 2	20%
Test 3	20%
Final examination (Topics 1 to 12)	40%
Total	100%

The scheduled dates and times of the exams and assignments are as follows:

Test 1:	Tuesday, Sept 27 (2 hours in class)
Test 2:	Tuesday, Oct 25 (2 hours in class)
Test 3:	Tuesday, Nov 29 (2 hours in class)
Final Exam:	Scheduled by the Registrar’s Office (2 hours)

COURSE OVERVIEW & ASSESSMENT

Activity	Delivery Method	Description	Tools
Live Lectures	In-person	Weekly 3-hour live lectures	
Group Discussions	In-person	Occasionally, during class time, breakout groups will be assigned to solve questions. Then collectively the solution will be discussed.	
TA Office Hours	Synch	Weekly optional office hours to be held by the TA to answer questions with course materials	Zoom
Textbook Readings	Asynch	To be assigned weekly for the topics being review from course text in outline	Avenue / Course Outline

Grade Component	Weight	Description
Test 1 - Sept 27	20%	Online test covering Chps 1,5,6, and 7
Test 2 - Oct 25	20%	Online test covering Chps 8,12,13, and 15
Test 3 – Nov 29	20%	Online test covering Chps 9, 10 and 15
Final Exam - TBA	40%	Online cumulative exam covering the full course.

TEST & FINAL EXAM

Each test will be worth 20% and the final exam is worth 40% of your final grade. They will cover material from the textbook, readings, lectures, and class discussion. The midterm and final exam will be a combination of short answer, short essay, and multiple choice. The final exam for the course will be cumulative. The test and exams are written online. The Multiple-Choice questions will be completed using Mc-Graw Hill's Connect software and the short answer question will be available via Avenue. You will email your completed short answer portion directly to the TA.

If a student files a successful MSAF for missing a test, the final exam weight will include the weight of that test. **Students who missed a test and filed a successful MSAF may write a final exam that is comprehensive and different from the final exam for students who wrote the midterm. The comprehensive final exam will include the chapters on which MSAF students were not tested.**

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

Students may request relief from a regularly scheduled midterm, or other course components. Please refer to the policy and procedure on the DeGroot website at the link below.

<http://ug.degroot.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

STUDENT ACCESSIBILITY SERVICES

Students who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements with a Program Coordinator. Academic accommodations must be arranged for each term of study. Student Accessibility Services can be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca.

For further information, consult McMaster University's Policy for Academic Accommodation of Students with Disabilities;

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicAccommodation-StudentsWithDisabilities.pdf>

ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the RISO policy. Students requiring a RISO accommodation should submit their request, including the dates/times needing to be accommodated and the courses which will be impacted, to their Faculty Office normally within 10 days of the beginning of term or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

ADDITIONAL ASSISTANCE

Students are strongly encouraged to seek help from the teaching assistants for the course during their regular office hours. The instructor will also be pleased to see students at any time that he is available. Students should try to contact me in advance (in class or by email) to ensure my availability at a mutually convenient time. Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student.

POTENTIAL MODIFICATIONS TO THE COURSE

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

ACADEMIC DISHONESTY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/), located at <https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/>

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

RESEARCH USING HUMAN SUBJECTS

All researchers conducting research that involves human participants, their records or their biological material are required to receive approval from one of McMaster's Research Ethics Boards before (a) they can recruit participants and (b) collect or access their data. Failure to comply with relevant policies is a research misconduct matter. Contact these boards for further information about your requirements and the application process.

McMaster Research Ethics Board (General board): <https://reo.mcmaster.ca/>

Hamilton Integrated Research Ethics Board (Medical board): <http://www.hireb.ca/>

AUTHENTICITY/PLAGIARISM DETECTION

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software.

All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to

www.mcmaster.ca/academicintegrity.

COURSES WITH AN ON-LINE ELEMENT

Some courses may use on-line elements (e.g. e-mail, Avenue to Learn (A2L), YouTube, LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course.

The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

ONLINE PROCTORING

Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

EXTREME CIRCUMSTANCES

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your enrolment in IBH 2BB3 will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.

Lack of awareness of the course policies cannot be invoked at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

IBH 2BB3 – Introduction to Finance Fall 2020 Course Schedule

Topic Number	Date	Topic Description	Reading in RWJR (10 th Canadian Edition)	Suggested textbook practice problems
1	Sep 6	Introduction to Corporate Finance	Chapter 1	TO BE ANNOUNCED WEEKLY AND POSTED ON AVENUE
2	Sep 13	Time Value and DCF	Chapter 5 & 6	
3	Sep 20	Bond Valuation	Chapter 7	
4	Sep 27	Test 1	Chps 1,5,6, and 7	
5	Oct 4	Stock Valuation Market Efficiency	Chapter 8 Chapter 12	
	Oct 11	Fall Recess	No Classes	
6	Oct 18	Return, Risk & SML Raising Capital	Chapter 13 Chapter 15	
7	Oct 25	Test 2	Chps 8,12,13, and 15	
8	Nov 1	Raising Capital	Chapter 15	
9	Nov 8	NPV Analysis & Capital Budgeting	Chapter 9	
10	Nov 15	NPV Analysis & Capital Budgeting	Chapter 10 + 11 (time permitting)	
11	Nov 22	Cash Flow Management	Chapter 18 and 19	
12	Nov 29	Test 3	Chps 9, 10 and 15	
13	Dec 6	Exam Review		

Topic Number	Date	Topic Description	Reading in RWJR (10th Canadian Edition)	Suggested textbook practice problems
	Dec 9-22	Exam Period	Topics 1 to 12	Final Exam Date TBD