

**IBH 2BB3  
Introduction to Finance  
Fall 2023 Course Outline**

**DeGroot School of Business  
McMaster University**

---

***COURSE OBJECTIVE***

---

This course aims 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 a basic understanding of financial decisions. 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 the time value of money, capital budgeting, risk and return trade-off, and security valuation.

---

***INSTRUCTOR AND CONTACT INFORMATION***

---

**Anwar Husain, B.Comm, MBA, CPA, CA**

[husaia5@mcmaster.ca](mailto:husaia5@mcmaster.ca)

or

[anh3783@g.harvard.edu](mailto:anh3783@g.harvard.edu)

Office Hours: TBA and by appointment

<p><b>Lectures:</b></p>
-------------------------

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

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

### ***COURSE ELEMENTS***

Credit Value: 3	Leadership: Yes	IT skills: No	Global view: Yes
A2L: Yes	Ethics: Yes	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: Yes	Group work: Yes	Oral skills: Yes
Evidence-based: Yes	Experiential: No	Final Exam: Yes	Guest speaker(s): Yes

### ***COURSE DESCRIPTION & LEARNING OUTCOMES***

This course is intended to provide students with 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>.

- **REQUIRED:** S.A. Ross, R.W. Westerfield, B.D. Jordan and G.S. Roberts, Fundamentals of Corporate Finance, 11th Canadian Edition. Toronto: McGraw-Hill Ryerson: henceforth RWJR. **(Note: you can purchase either the hard copy of the textbook or the eBook)**
- **Optional:** Digital Access for RWJR Textbook **(The bookstore is selling a package with “Connect” which you may want to purchase depending on the cost. Connect will not be used in IBH 2BB3, but it may be used next year in IBH 3AC3).**
- **REQUIRED:** TopHat Software Login Code **(This is free, and Instructions will be provided in class – do not buy a TopHat subscription)**
- Topic tutorials can be viewed online on YouTube under the channel “Corporate Finance by Anwar.” Playlists group them and will be listed in the outline for the appropriate weeks.

---

## EVALUATION

---

### **Components and Weights**

The following weighting scheme will be used:

Term Test (Topics 1 to 4)	30%
Participation (via TopHat Survey System)	10%
Group Assignment	20%
Final examination (Topics 5 to 8)	40%
<b>Total</b>	<b>100%</b>

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

**Term Test:** Thursday, October 19 (2 hours in class)

**Group Assignment:** Thursday, Nov 23 (due at the beginning of class - presentations)

**Final Exam:** Scheduled by the Registrar's Office (2 1/2 hours)

Missed tests/exams will receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF. Late assignments will not be accepted.

**COURSE OVERVIEW & ASSESSMENT**

Activity	Delivery Method	Description	Tools
Live Lectures	In Person	Weekly 3-hour lectures will be held in person on campus	Room KTH 124
Participation	In class	Participation questions are to be asked during class lectures using Tophat polling software	Tophat
Live Tutorials	Synch	Weekly 1-hour tutorials to be held live by TA - covering example questions	Zoom
Office Hours	Synch	Weekly optional office hours to be held by the TA to answer questions with course materials	In Person or on Zoom
Recorded Topic Tutorials	Asynch	Recorded 5-10 minute tutorials on several topics in the course posted on YouTube Channel "Corporate Finance by Anwar"	Online
Textbook Readings	Asynch	To be assigned weekly for the topics being reviewed from course text in the outline	Avenue / Course Outline

Grade Component	Weight	Description
Term Test	30%	In-person test covering weeks 1 to 4
Participation	10%	Participation questions are to be asked and graded during live lectures using TopHat polling software
Group Assignment	20%	Groups of 5-6 students will be assigned to prepare a group assignment on a company. Students will meet on their own and present in person.
Final Exam	40%	In-person arranged by Registrar

---

### ***TEST & FINAL EXAM***

---

The term test will be worth 30%, and the final exam is worth 40% of your final grade. They will cover material from the textbook, readings, lectures, and class discussions. The midterm and final exams will combine comprehensive questions and multiple choice. The final exam for the course will be cumulative.

If a student files a successful MSAF for missing the midterm, the final exam weight will include the weight of the midterm exam.

---

### ***PARTICIPATION***

---

The Tophat survey software will be used during classes throughout the semester. This will be used to track answers to in-class questions such as survey opinions and short problems. The total results of the responses throughout the semester will be used towards the 10% weighting allocated to class participation.

If you miss one or more classes for an acceptable reason (approved by the university), the 10% weighting of the participation grade may be transferred to the final exam weighting.

---

### ***COMMUNICATION AND FEEDBACK***

---

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. Emails regarding course issues should NOT be sent to the Area Administrative Assistants.

---

## ***REQUESTING RELIEF FOR MISSED ACADEMIC WORK***

---

In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar [“Requests for Relief for Missed Academic Term Work”](#) and the link below;

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

---

## ***ACADEMIC INTEGRITY***

---

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](#), 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.

---

## ***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](http://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), 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.

---

## **CONDUCT EXPECTATIONS**

---

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

---

## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

---

Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or [sas@mcmaster.ca](mailto:sas@mcmaster.ca) to make arrangements with a Program Coordinator. For further information, consult McMaster University’s [Academic Accommodation of Students with Disabilities](#) policy.



---

## ***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 should submit their request to their Faculty Office ***normally within 10 working days*** of the beginning of term in which they anticipate a need for accommodation 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.

---

## ***COPYRIGHT AND RECORDING***

---

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

---

## ***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.

---

### ***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/>

---

### ***ACKNOWLEDGEMENT OF COURSE POLICIES***

---

Your enrolment in Commerce 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.

**COURSE SCHEDULE**

**IBH 2BB3 – Introduction to Finance  
Fall 2023 Course Schedule  
(subject to changes during the semester)**

Topic Number	Date	Topic Description	Reading in RWJR (11 <sup>th</sup> Canadian Edition)	Suggested textbook practice problems
1	Sep 7	Introduction to Corporate Finance	Chapter 1	<b>TO BE ANNOUNCED WEEKLY IN CLASS AND POSTED ON AVENUE</b>
2	Sep 14	Time Value and DCF	Chapter 5 & 6 <i>Playlist - Time Value of Money</i>	
3	Sep 21	Personal Finance & Investing in Corporations	N/A	
4	Sep 38	Bond Valuation	Chapter 7 <i>Playlist – Debt</i>	
5	Oct 5	Stock Valuation	Chapter 8 <i>Playlist – Stock Valuation</i>	
	<b>Oct 12</b>	<b>Fall Recess</b>	<b>No Classes</b>	
	<b>Oct 19</b>	<b>Midterm - In Class</b>	<b>Topics 1 to 4</b>	
6	Oct 26	Market Efficiency/ Return, Risk & SML	Chapters 12 & 13	

7	Nov 2	Behavioural Finance and Financial Economics	Chapter 26
7	Nov 9	NPV Analysis & Capital Budgeting	Chapter 9 <i>Playlist – Capital Budgeting</i>
	Nov 16	No Class Work period for group projects	
	<b>Nov 23</b>	<b>Group Assignment Due Group Presentations</b>	
8	Nov 30	Cash Flow Management	Chapters 18 & 19.1-19.2
8	Dec 4	Cash Flow Management & Exam Review	
	<b>Dec 8-21</b>	<b>Exam Period</b>	<b>Topics 5 to 8</b>
			<b>Final Exam Date TBD</b>