



Description

This course is an introduction to Corporate Finance. The goal for you is, from a financial point of view, to better understand the decision process in your future company.

First step will introduce how finance is managed within a company: the main financial statements (balance sheet model, income statement) and analyze cash flows and some ratios used to audit a company. A good understanding is important, simply because such information is the main financial data communicated within and outside the firm.

Next step will present how corporate investments are evaluated with regards to financial structure and risk analysis: how to compare different projects, the impact of the choice of financing for each project and decide which one to launch.

Learning Objectives and Outcomes

The student will be able to:

- Explain the difference between a balance sheet and an income statement
- Understand the main components of balance sheet and income statement
- Have a first appreciation of the situation of a company using financial ratios
- Understand the process of analyzing investment opportunities and choosing the beneficiaries (Capital Budgeting)
- Understand the impact of Capital Structure on risk analysis and on the cost of financing

Course Schedule and Contents

Session#1
3 hours

- Introduction to Corporate Finance
 - What is Finance? Corporate Finance
 - Role of the Finance Manager
- Reading Financial Statement
 - Balance sheet
- Assignment # 1 – case study on Balance sheet

Session#2
3 hours

- Reading Financial Statement
 - Income Statement



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- Metrics (ratios) analysis of Financial statements
- Assignment # 2 – case study on Income Statement and Balance sheet

Session#3
3 hours

- Capital Budgeting
 - Time value of money
 - Capital budgeting methods
- Assignment # 3 – case study on Capital Budgeting

Session#4
3 hours

- Capital Structure
 - Modes of financing
 - Risk and Reward
 - Evaluation of the Average Cost of Capital

Session#5
3 hours

- Final control of learning
 - Multiple case studies and questions

Grading

Assignments #1#2#3:	25%
Final Control of learning:	50%
Classroom participation:	25%

Policies

- I expect you to turn-in your assignments reports on time to receive proper credit/grade.
- Any work submitted must be your own.
- Attendance in every class is expected. Class participation and discussion are strongly encouraged.
- Late work will not be accepted unless prior arrangements have been made directly with me.

Good Luck!