

DEREE COLLEGE SYLLABUS FOR: FN 2128 PRINCIPLES OF FINANCE							
(Previously FN 2028 Financial Mathematics) (Updated Fall 2021)	UK LEVEL: 4 UK CREDITS: 15 US CREDITS: 3/0/3						
PREREQUISITES:	AF 2007 Financial Accounting						
CATALOG DESCRIPTION:	Time value of money. Implementation of investment appraisal techniques. Investing decisions. Valuation of financial instruments. Cost of capital.						
RATIONALE:	The course provides students with a solid understanding, knowledge, competences and skills to understand the concept of the time value of money and its application to investment decisions; to valuation of financial assets; to cost of capital.						
LEARNING OUTCOMES:	As a result of taking this course, students should be able to: <ol style="list-style-type: none"> 1. Demonstrate understanding of the time value of money 2. Make investing decisions applying different investment appraisal techniques 3. Apply time value of money principles to perform valuation of financial assets 4. Critically reflect on the implications of capital structure on firm performance 						
METHOD OF TEACHING AND LEARNING:	In congruence with the teaching and learning strategy of the college, the following set of tools are used: <ul style="list-style-type: none"> ➤ Class lectures, interactive learning (class discussions) and practical problems solved in class. ➤ Exercises and primary source documents are assigned as homework, the solutions of which are reviewed in class. ➤ Office hours: students are encouraged to make full use of the office hours of their instructor. ➤ Use of Blackboard. ➤ Use of the Simulated Trading Room for illustrating examples 						
ASSESSMENT:	<p>Summative:</p> <table border="1" style="width: 100%;"> <tr> <td>1st assessment: In-class written examination (One-hour, closed book, essays/problems)</td> <td style="text-align: right;">40%</td> </tr> <tr> <td>Final assessment: In-class written examination (Two-hour, closed book, essays/problems, comprehensive)</td> <td style="text-align: right;">60%</td> </tr> </table> <p>Formative:</p> <table border="1" style="width: 100%;"> <tr> <td>Exercises / Comprehensive problems</td> <td style="text-align: right;">0%</td> </tr> </table> <p>The formative assignments prepare students for the examinations and ensure that students are actively engaged during the term.</p> <p>The 1st assessment tests Learning Outcomes 1 and 2. The final assessment tests Learning Outcomes 1, 2, 3, and 4.</p> <p>The final grade for this module will be determined by averaging all summative assessment grades, based on the predetermined</p>	1 st assessment: In-class written examination (One-hour, closed book, essays/problems)	40%	Final assessment: In-class written examination (Two-hour, closed book, essays/problems, comprehensive)	60%	Exercises / Comprehensive problems	0%
1 st assessment: In-class written examination (One-hour, closed book, essays/problems)	40%						
Final assessment: In-class written examination (Two-hour, closed book, essays/problems, comprehensive)	60%						
Exercises / Comprehensive problems	0%						

	weights for each assessment. If students pass the comprehensive assessment that tests all Learning Outcomes for this module and the average grade for the module is 40 or higher, students are not required to resit any failed assessments.
INDICATIVE READING:	<p>REQUIRED READING:</p> <p>Ross, S., Westerfield, R., Jordan, B., Fundamentals of Corporate Finance, McGraw Hill, latest edition.</p> <p>RECOMMENDED READING:</p> <p>Brealey, R., A., Myers, S. C. and Allen, F. (2011). <i>Principles of Corporate Finance</i>. London, McGraw-Hill, 10th ed.</p> <p>Copeland, T., E., Weston J., F., and Kuldeep, S., (2004). <i>Financial Theory and Corporate Policy</i>, 4th ed.</p> <p>Other library sources, including journal articles accessed through the library databases as recommended by the instructor.</p>
INDICATIVE MATERIAL: (e.g. audiovisual, digital material, etc.)	<p>REQUIRED MATERIAL: N/A</p> <p>RECOMMENDED MATERIAL: N/A</p>
COMMUNICATION REQUIREMENTS:	Use of appropriate academic conventions as applicable in oral and written communications.
SOFTWARE REQUIREMENTS:	Excel, Word, Refinitiv, Bloomberg
WWW RESOURCES:	<p>www.bloomberg.com</p> <p>www.wsj.com</p> <p>www.ft.com</p>
INDICATIVE CONTENT:	<ol style="list-style-type: none"> 1. Time value of money 2. Investment Decisions 3. Applications (amortization / lease or buy) 4. Equity valuation and risk premium 5. Bond valuation and duration 6. Cost of capital (WACC) and investing decisions