



The Beijing Center

北京中国学中心

Fall 2019 TBC 1220 Business Finance

Credit Hours: 3.0

Class Times and Location: TBA

Instructor: Timothy Yang Bian, Ph.D.

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Note: Please include the words “BusFin2019” in the subject line of any message you send me.

Course Materials: https://pan.baidu.com/s/1I21sEN8sWQbdwB_ovp1QVA (I will upload all materials to this cloud drive.)

Course Description

The objective of this course is to provide students with a basic understanding of the general principles of business finance: financial statements, time value of money, capital structure, capital investment, financing, and related areas. This course should help prepare students for future careers in commercial and investment banking, corporate financial management, as well as more general business careers that have a substantial finance component.

Prerequisites: There is no specific requirements. Students are expected to have a basic knowledge of economics.

Learning Outcome

Lectures, readings, assignments, and discussions are designed to help you:

1. Identify after-tax incremental cash flows of corporate capital budget investments
2. Value the investment projects based on NPV, IRR and other widely used evaluation criteria
3. Estimate the weighted average cost of capital
4. Have a good command of financial derivatives hedging strategies

Textbook

• **Textbook.** *Essentials of Corporate Finance*. Ross, Westerfield, and Jordan. 9th edition (2015), Standard. McGraw Hill.

(I will also use certain materials from *Corporate Financial Management*, Douglas R Emery, John D. Finnerty and John D. Stowe. But you are **NOT required** to obtain this textbook.)

• **Financial Calculator.** Students are expected to be able to use a financial calculator OR a worksheet (e.g., excel).

Course Requirements

1. Assignments & Participation

This course is designed to be both time-consuming and challenging. Students are required to spend enough time and energy on reading the text books and working on the assignments, which are usually quantitative.

During the lectures, I like to encourage student participation and thus will at times actively call on students. My intention is not to test you, but rather to keep everyone actively engaged in the learning process.

Students are also required to make one in-class presentation related to course materials.

2. Attendance Policy

Regular attendance is required. Unreported absence will be counted in the final evaluation. An excused absence requires a written medical excuse or written approval from the TBC's administration office. All other absences are considered to be unexcused. Unexcused absences will affect your grade.

3. Grading

Class assessment (10%)
Problem sets (15%)
In class presentation (15%)
Mid-term examination (20%)
Final examination (40%)

**Note: If you miss the midterm, there will be no makeup exam and the final will take up 60%.*

4. Academic Honesty Statement

Please click the following link to see The Beijing Center's policy on Academic Integrity: <http://thebeijingcenter.org/academic-integrity>

Course Schedule

Lecture 1: The Principles of Finance and Introduction to Capital Markets

Lecture 2: Financial Statements and Cash Flow

Lecture 3: Working with Financial Statements

Lecture 4: The Time Value of Money

Lecture 5: Discounted Cash Flow Valuation

Lecture 6: Valuing Bonds and Stocks

Lecture 7: NPV and Other Investment Criteria

Lecture 8: Risk and Return

Lecture 9: Cost of Capital

Lecture 10: Making Capital Investment Decisions

Please note: This class may occasionally deviate from the course outline above. The instructor reserves the right to make changes as needed to the course syllabus.