



Course Descriptor FINA 201 - Principles of Finance

Proposed Academic Year	2020- 2021	Last Reviewed Academic Year	2019- 2020
Course Code	FINA201	Course Title	Principles of Finance
Credit hours	3	Level of study	Undergraduate -Year two
College / Centre	College of Business Administration (COBA)	Department	Accounting & Finance
Co-requisites	(ACCT201)	Pre-requisites	(ACCT201)

1. COURSE OUTLINE

This introductory course is designed to give an overview of tools and techniques used in the field of modern finance includes financial analysis, value of money, valuation and rates of return, portfolios theory, with reference to CAPM, capital budgeting decision to name a few. Explanations of these concepts including their applications are stressed. The course also gives a significant foundation to students who would want to major in business, finance and other related fields

2. AIMS

The successful completion of this course should:

- provide student with the basic skills that should be used in analyzing alternative business investments
- help students develop an understanding of financial concepts related to the time value of money
- familiarize students with the types of decisions that confront financial managers of a firm, and
- help students develop a working knowledge of analytical techniques commonly used in making financial decisions.
- also help students gain working knowledge about how firms make capital structure and budgeting decisions, and how to use security and portfolio valuation techniques..

3. LEARNING OUTCOMES, TEACHING, LEARNING and ASSESSMENT METHODS

Learning Outcomes (Definitive)	Teaching and Learning methods (Indicative)	Assessment (Indicative)
Upon successful completion of this course, students will be able to:		
1. Explain the investing function, the financing function, and dividend decision.	Lectures, PowerPoint	Exam +Homework assignment Participation
2. Explain the time value of money concept and calculate present and future values, annuities	Lectures, PowerPoint	Exam +Homework assignment Participation



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and payments, and rates per period		
3. To understand the theory of evaluating capital budgeting projects using NPV, IRR, and PI decision criteria	Lectures, PowerPoint	Exam +Homework assignment, Participation.
4. To understand and apply the measurement of risks and expected returns	Lectures, PowerPoint	Exam +Homework assignment Participation
5. To understand and apply portfolios theory, with reference to CAPM.	Lectures, PowerPoint	Exam +Homework assignment Participation
6. To explain financial analysis and planning.	Lectures, PowerPoint	Exam +Homework assignment Participation
7. To understand and explain stocks and their valuation	Lectures, PowerPoint	Exam +Homework assignment Participation

4. ASSESSMENT WEIGHTING

Assessment	Percentage of final mark (%)
Class homework assignment/participation	10
Mid-term Examination - 1	25
Mid-term Examination - 2	25
Final Examination	40
TOTAL	100%

5. ACHIEVING A PASS

Students will achieve 3 credit hours for this course by passing a minimum overall score of 50 %.

6. COURSE CONTENT (Indicative)

An introduction to the Foundations of Finance The Ties that Bind

First Principles of Valuation : Time Value of money

Net Present Value and other Investment Criteria

Project analysis and evaluation

Return and Risk

EXAM 1

Portfolios Theory, CAPM



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Financial Analysis	
Stocks and their Valuation	
Cost of Capital	
Capital Structure Policy and the value of the Firm	
EXAM 2	
Dividend Policy	
International Investment Decision & Introduction to Options	
Revision & FINAL EXAM	
TOTAL HOURS	48
Plus RECOMMENDED INDEPENDENT STUDY HOURS	48
TOTAL COURSE HOURS	96

7. RECOMMENDED REFERENCES

Core text/s:

Benninga, Simon, Principles of Finance with Microsoft Excel, Second Edition, Oxford University Press, 2011.

Class notes and handouts distributed during Class

Library + online resources:

Open Educational Resources:

<http://www.asu.edu.om/asuedu/about-the-programcurriculum-af/>

<http://www.asu.edu.om/asuedu/wp-content/uploads/2012/07/acc2.jpg>

https://www.oercommons.org/search?f.search=principles+of+finance+&f.general_subject=&f.sublevel=&f.alignment_standard=

<https://open.umn.edu/opentextbooks/subjects/accounting-finance>