

**American University Central Asia**  
**Syllabus**  
**Financial Management**  
**Fall 2014**

**General information**

Course ID: FIN 492

Credits: 3

Schedule: Lectures will occur on Monday at 14.30 and Seminars on Wednesday at 14.30.

Instructor: Jean-Baptiste Jault, Master in Wealth Management

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**Course description**

This course is intended to introduce you the essential concepts of Corporate Finance and the roles of financial managers in the company. The basics of finance such as stock and bond, financial statements will be studied again. The financial environment and institutions will be presented in details. Finally financial instruments for managers such as capital budgeting, working capital management will be practiced during seminars.

**Course organization**

**Exams:**

There will be one midterm and one final exam. The midterm will be conducted after concluding lecture 7 of the course. The midterm and final exam will include multiple choices questions, open questions and exercises.

Any exam will be organized before or after the scheduled day without special permission/official order of the BA Chair. All students should be in classroom accurately in time scheduled to participate in any exam. No any student can be overdue, and nobody will be able to enter to the classroom after Instructor, especially when the examination will be started.

There will be also a final exam. Each student is expected to come with a scientific calculator at each exam. If you forget it, your grade for the final exam will be F. **Nothing is allowed during quizzes and final exam but scientific calculator.**

**Students should pay attention to their final grade all along the semester.** No additional work will be given.

Communication between students and instructor will be mainly made through emails. Make sure the instructor has the correct email address. If you do not receive emails, please inform the instructor as soon as possible. It is not the responsibility of the instructor if you do not receive emails.

**Additional work:** The responsibility to organize any special additional work is given to the BA Chair under mutual agreement with Instructor; additional work can be given until the last day of the current semester (final exam week is not included), after this date, no additional work will be given. If students did not enter to quiz exam because of valid reason will be able to pass through such kind of make-up. The subjects of new exam will be different compared to basic quiz options. **No any other additional work to improve the basic exam's grade will be available.**

**The instructor reserves the right to modify any and all portions of this syllabus at any time during the period of the course.**

**Adobe connect:**

During the semester, the platform “Adobe Connect” will be used to provide all the material for this course. Please make sure you are well registered in the virtual classroom. If you have difficulties or questions, please contact the instructor for more information.

The lectures and seminars will be conducted on the following URL: <https://connect.auca.kg/fmfall2014>

**Objectives statement**

Firstly the students should understand the financial environment and the goals of financial management which include the forms of business organization, the financial markets.

Secondly, the students should understand the financial statements and the ratios.

Thirdly the students should understand concepts of valuation for bonds and stock, time value of money and discounted cash flow valuation.

At the end of the course, the students should be able to make capital investment decisions and to understand portfolio with their risks and returns. The students will also be able to understand important financial transactions such as IPO or Leverages and the work of underwriters.

**Assessment plan**

Grade Components	Percentage
Midterm (After lecture 7)	30
Participation during lectures and seminars (including presentations)	40
Final Exam	30
Total	100

**Grading information**

The grade scale is unified for Business Administration Academic Program as follows:

A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
100-93	92-90	89-87	86-83	82-80	79-77	76-73	72-70	69-67	66-63	62-60	59 –b/w

**General remarks**

Regarding attendance in case if any student will miss 3 (three) or more academic classes (i.e., 6 academic hours) without medical or valid reason, such student will see his/her grade downgraded by one letter (for instance if the student deserves A-, he/she will receive B-). Only medical evidence by Medical Service at the AUCA is valid for consideration by instructor.

Written group assignment must be typed in English and submitted to instructor via e-mail before required presentation in class.

Task order and terms of presentation will be pre-determined by Instructor between two sessions of group presentations.

Academic Dishonesty:

The American University of Central Asia is responsible to support and implement the policy against an academic dishonesty in accordance with the Int’l High Education Standards. Irrespective of motives, the chairs of academic programs provide a policy of intolerance to all cases of academic dishonesty and falling of the intellectual customs.

List of examples concern the academic dishonesty includes a fraud at examinations in the form of crabs using, the writing off the information at other students on group, a plagiarism at individual and/or group term assignments preparation, the active use of fraudulent situations at the appeal and evaluation of an attendance level of academic course, and also the using of false information at evaluation of quality of teaching and contents of educational materials distributed.

The Instructor has a right to report on the facts of disturbance of principles of academic honesty on the part of the students to administration of appropriate structural department.

## Lecture topics

Weeks	Subjects of academic course
Week 1	An overview of financial management
Week 2	Financial statements, cash flow and taxes
Week 3	Analysis of financial statements
Week 4	Financial planning and forecasting
Week 5	The financial environment markets, institutions and interest rates
Week 6	Risk and rates of return
Week 7	Time value of money
Week 8	Bonds and their valuation
Week 9	Stocks and their valuation
Week 10	The cost of capital
Week 11	The basics of capital budgeting
Week 12	Cash flow estimation and risk analysis
Week 13	Capital structure and leverage
Week 14	Distribution to shareholders dividends and share repurchases
Week 15	Working capital management
Week 16	Multinational financial management

## Bibliography

Brigham and Houston, *Fundamentals of financial management*, 10<sup>th</sup> edition