

Corporate Finance | Syllabus

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Course Description

This course covers the foundation of finance and important issues in corporate finance theories, tools, and techniques for financial decision making. Topics include (1) valuation, (2) risk-return trade-offs, (3) corporate bonds, (4) capital structure, and (5) capital allocation.

Course Learning Objectives

At the end of the course, the student should be able to:

- i. Analyze the theories and key terms in corporate finance. (C4, PLO1)
- ii. Evaluate financial management tools and techniques. (C5, PLO2)
- iii. Interpret financial data and financial policies of corporation. (C5, PLO7)

Class structure

Asynchronous

Before the first live session and between sessions, you will watch short video lectures and complete brief homework assignments to cement your in-class learnings.

Live Sessions

The beginning of each class will be a review discussion of the asynchronous content. After this, we will discuss the case of the day, as listed in the schedule below. We may also discuss some additional topics or do some in-class simulations.

Assessment & Grading

Final grade will be broken down into following segments:

Assessment Items	Weight	Note
Case studies + In-class Discussions (CP)	20%	<i>Individual</i>
Simulation (Reflection + Screenshot)	15%	<i>Individual</i>
6 x Quizzes	30%	<i>Individual</i>
Final Exam	35%	<i>Individual</i>

Course Schedule & Outline

Recommended textbook readings:

- BMA) R. Brealey, S. Myers, and F. Allen, Principles of Corporate Finance, 12th edition, Irwin/McGraw Hill
- (AW) P. Asquith and L. A. Weiss, Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation

Date & Time	Topics & Readings*	Deliverable/ Activity
Session 1 19-Oct-24	Introduction to Corporate Finance + Time Value of Money (Recap) Reading: BMA Chapter 2	N/A
	Discounted Cash Flow & Valuation Reading: BMA Chapter 6, Asquith and Weiss Chapters 14,15,16	Case Study: Singapore Buy or Rent Group Discussion (5%)
Session 2 26-Oct-24	Investment Criteria (NPV, IRR, Payback Period) Reading: BMA Chapter 5	Case Study: Marriott Cost of Capital Group Discussion (5%)
	Cost of Capital (WACC & CAPM) Reading: BMA Chapter 8	
Session 3 09-Nov-24	Capital Asset Pricing Model (CAPM) Theory Part 2 & Beta	Hands-On Exercises Excel examples
	Corporate Bonds (Cost of Debt) & Review of Concepts Reading: Asquith and Weiss Chapters 21 and 23	
Session 4 16-Nov-24	Capital Structure Theory Reading: Asquith and Weiss Chapter 5	Case Study: Massey Group Discussion (5%)
	Capital Allocation Reading: BMA Chapter 16 and Weiss Chapter 11	
Session 5 23-Nov-24	Financial Strategy Non-Graded Case Study: Late Trading and Market Timing	Group Discussion Breakout rooms (5%)
	Summary and Review of Corporate Finance + Final Exam Recap	
	ACE Corporate Finance Final Exam	Final Exam - 2.5 hours (35%) Details to be announced

*Topics and readings are subjected to change.

Readings

You should complete all required pre-readings before the start of each live session. Some of the longer cases are broken up into sections, and you will receive section assignments in your team assignment documentation. **If you are unable to carefully read your entire assigned reading, you must at least read your assigned section.** Expect to be cold called on the details of your assigned sections during case discussions.

Quizzes

This class will also feature asynchronous participation. After each live session, you will have graded quizzes to complete. The video lectures you'll be assigned between classes may have reflection and response components, and you will need to complete them before the beginning of each class.

In-Class Discussion (Individual)

Active in-class discussion in activities and discussions is expected of all students, graded individually. All absences, even partial, are assumed “unexcused” resulting in zero credit for the session due to loss of participation opportunity. Such strict application of the attendance policy is important not only because so much of the learning is achieved via in-class experience, but also because unexpected absences create disruption to your fellow classmates’ learning.

In-Class Discussion is evaluated based on the depth and quality of your comments and not limited to frequency with which you speak up in class. Your contributions will create and enhance a positive learning environment for this course. This includes enhancing the atmosphere and quality of classroom discussions, as well as interactions outside the classroom.

In-Class Discussion Rubric

Score	Feedback
Outstanding (5)	Demonstrates consistent and excellent preparation, and readily contributes to all activities and discussions in class (proactive participation); consistently demonstrates insight by asking thoughtful questions and making high quality statements (relevance to topic, in-depth with clarity and brevity) that adds to and facilitates class discussion, builds upon others’ comments, and relates to readings /cases and/or other sources (experiences, or course materials).
Exemplary (4)	Demonstrates consistent preparation, and readily contributes to all activities and discussions in class (proactive participation); often demonstrates insight by asking thoughtful questions and making quality statements (relevance to topic, in-depth with clarity and brevity) that adds to and facilitates class discussion, builds upon others’ comments, and relates to readings /cases and/or other sources (experiences, or course materials).
Accomplished (3)	Demonstrates preparation, and contributes to most activities and discussions in class; occasionally demonstrates insight by asking questions and/or making quality statements (relevance to topic, in-depth with clarity and brevity) that adds to and facilitates class discussion.
Developing (2)	Demonstrates inconsistent preparation, and/or sporadically participates in some activities or may not voluntarily contribute to discussions in class; may make tangential statements; occasionally knows basic facts about readings/cases, but does not show evidence of trying to interpret or analyze them.
Passive (1)	No (or limited) participation in class activities and/or does not contribute to discussions in class.

IMPORTANT:

Reduction on the average class participation score if student shows disruptive/distractive behavior in class:

- **Substantial offence:** Sometimes demonstrates disruptive and/or distractive behavior in class which hinders the learning of others and/or sometimes arrive late to classes.
- **Serious offence:** Very often demonstrates disruptive and/or distractive behavior in class which hinders the learning of others and/or frequently arrives late to classes.

Attendance and Punctuality

Students are expected to attend all class sessions and actively participate in class. Given the compressed and rigorous nature of ASB classes, absences can have a detrimental impact on individual and team academic performance. Student attendance is critical towards contributing a diverse array of perspectives to the classroom discussion. Consequently, a lack of attendance (too few engaged students in a class) will compromise each student's learning experience.

Students are expected to be punctual by arriving in class on time and staying for the entire duration. The AM or faculty have the final say of what is considered attendance.

If the student cannot attend a class, the student is responsible for notifying faculty, AMs, and the Program Offices of the absences, by email, at least two hours before class, except for exceptional circumstances. This will greatly help faculty and AM plan accordingly for class. If there is a situation where the student must be absent more than one day during a class period, the student must notify the faculty and AMs in advance, and provide justification (e.g. medical certificate) for the absence. In addition, the student must work with faculty and AM on a make-up plan.

Academic Integrity and Honesty

As a member of the ASB academic community, the highest standards of academic behavior are expected of you. It is your responsibility to make yourself aware of the standards and adhere to them. These standards are discussed above, specifically regarding plagiarism, individual work, and team work.

This discussion of academic honesty is not exhaustive, and there may be areas that remain unclear to you. If you are unsure whether some particular course of action is proper, it is your responsibility to consult with your instructor and/or academic associate for clarification.

When preparing cases and assignments you should not receive input from anyone who has already participated in a faculty-led discussion of the same material, be it at ASB or another school. In addition, you should work alone when preparing graded individual assignments. When preparing graded team assignments, your discussions should be strictly limited to the members of your team. When preparing any graded assignment, you may not consult or use material not already included in the course packet or posted on the course webpage, unless this has been explicitly authorized by the instructor. In particular, using material from previous editions of this course or courses offered at other schools is strictly prohibited. Also, no individual may be listed as a co-author of a team assignment unless that person has contributed to the work submitted in a substantial manner. Each member of the team is fully responsible for ensuring that each submitted assignment is done according to the expected professional standards and the academic integrity policy.

If at any point during the course you are unsure about appropriate adherence to the academic integrity policy, or if its implications in your particular situation are not completely clear, you should immediately contact the instructor for clarification.

Note that this policy implies in particular that you should:

- Never ask for/obtain/use hints or material relative to an assignment from any student or alumnus who has already taken the session;
- Never perform a search on the Internet to find information relative to a graded assignment, unless such access has been approved as appropriate in a given situation.

Academic standards violations will result in disciplinary action. Possible consequences include grade reduction, a failing F grade, a transcript notation, delay of graduation, or expulsion from ASB.

Plagiarism

Plagiarism occurs when you use another's intellectual property (words or ideas) and do not acknowledge that you have done so. Plagiarism is a very serious offense. If it is found that you have plagiarized — deliberately or inadvertently — you will face serious consequences.

The best way to avoid plagiarism is to cite your sources - both within the body of your assignment and in a bibliography of sources you used at the end of your document.

We recommend you abide by the following guidelines on citation developed by **MIT Libraries** (see links below).

You must cite:

- Facts, figures, ideas, or other information that are not common knowledge
- Ideas, words, theories, or exact language that another person used in other publications
- Publications that must be cited include: books, book chapters, articles, web pages, theses, etc.
- Another person's exact words should be quoted and cited to show proper credit
- When in doubt, be safe and cite your source!

Internet Research

Materials gathered through research via the Internet must be cited in the same manner as more traditionally published material. Lack of such citation constitutes plagiarism.

For additional information on how to avoid plagiarism please refer to the following sources:

- [Avoiding Plagiarism. From the MIT Writing and Communication Centre.](#)
- [Plagiarism: What It is and How to Recognize and Avoid It. From Indiana University's Writing Tutorial Services.](#)
- [Plagiarism- Overview. A resource from Purdue University.](#)

Copying and other forms of academic dishonesty

Copying from other students, answer cheats, or materials from old courses, or from solutions on the shared sites is considered cheating and is never permitted.

Other forms of dishonest academic behaviour that could result in disciplinary action include, but are not limited to, the following:

- Changing the answers on an exam for re-grade;
- Misrepresenting a family or personal situation to get an extension;
- Using prohibited resources during a test or other academic work;
- Forging a faculty member's signature on a permission form or add/drop form;
- Falsifying data or claiming to have done research you did not do;
- Claiming work of others as your own by deliberately not citing them;
- Assisting another student in doing any of the above.

Citation Style

There is no one standard citation style used at ASB; therefore, we recommend you ask your professor or AM which style is preferred for their corresponding course. If you are unfamiliar or uncertain about how to apply a specific style we recommend you consult a style guide for examples.

Below we provide a list with some common citation styles:

- MLA: Modern Language Association [Humanities]
- APA: American Psychological Association [Social Sciences]
- CMS: Chicago Manual of Style [various subjects]
- ACS: American Chemical Society
- CBE: Council of Biology Editors
- IEEE: Institute of Electronics & Electrical Engineer
- NLM: National Library of Medicine or AMA: American Medical Association