

## MODULE DESCRIPTOR

<b>MODULE TITLE</b>	<b>FINANCE FOR MANAGERS</b>		
<b>MODULE CODE</b>	AC2400 (L5)	<b>CREDIT VALUE</b>	20 CREDITS / 10 ECTS
<b>SCHOOL</b>	SCHOOL OF BUSINESS AND MANAGEMENT		

### MODULE AIMS

This module aims to enable students to appreciate the underlying principles of financial decision making and be aware of the sources of finance available to business.

To enable students to analyse and evaluate current corporate finance developments in a decision-making context.

### MODULE CONTENT

**Indicative Syllabus would include:**

- Introduction to business and finance objectives
- Interpretation of financial statements including the use of ratio analysis
- Sources of long-term finance including discussion around the risk profiles of debt and equity and alternative funding sources.
- Investment appraisal – introduction & development including: ARR; payback; NPV and IRR and nominal and real discount rates; effect of inflation; taxation and capital allowances; working capital.
- Risk in investment appraisal – risk and return trade off; risk management using EV; spread of risk, standard deviation and dispersion
- Cost of capital – introducing the cost of equity (DGM), cost of equity (CAPM) cost of debt and WACC
- Cost of capital – diversification, specific and systematic risk and portfolio theory
- Gearing, the cost of capital, shareholders wealth and dividend policy
- Small business and corporate restructuring (takeovers and mergers)
- Working capital and International Investment issues

### INTENDED LEARNING OUTCOMES

**On successful completion of this module a student will be able to:**

1. Understand the fundamentals of financial decision-making techniques and be able to apply the techniques to basic problems
2. Analyse financial decision-making concepts in theory and application
3. Be able to identify and discuss a range of corporate financing options

### TEACHING METHODS

Class contact time is currently a two-hour lecture per week, and one seminar group session each week. The module runs like this over one semester, but flexibility in the programme provision could allow this to be developed over the full academic year, in which case a one-hour lecture would be considered more appropriate. This is considered as the minimum contact time appropriate for students to develop their understanding and knowledge of corporate finance. Work by students will also include guided reading and problem solving. Several textbooks are recommended as is additional reading.

The module will be delivered by a combination of lectures and seminars. The lectures may incorporate practical example sessions/workshops, whereby case studies are worked upon in

the classroom either on an individual or small group basis. The seminars offer students the opportunity to develop their understanding of a subject area. Seminar material enables practical applications of the theoretical models to take place.

It is essential to do the preparatory reading, at least in outline, before attending the lecture.

The lecture material may include further references. Chapters in the texts generally have substantial references to further reading at the end of each chapter.

As part of the preparation for each seminar students will be required to prepare answers to questions given in the lecture & seminar notes. The purpose of these questions, together with the discussion and feedback given, is to stimulate thought and research on the topic concerned and to assist you in developing essential skills. Note – seminar answers to questions given in the lecture will be checked at the start of each seminar.

The assessment strategy – 30% exam and a 70% end of the year examination – is designed to allow students to gain proficiency in the fundamental technical and computational aspects of the subject. It is also designed meet the Accountancy Professional Bodies exemption criteria as well as test the width and depth of a student's knowledge.

Formative feedback on seminar and practice questions is provided to students on a weekly basis, with additional support available in the timetabled Technical Support Workshops.

## **ASSESSMENT METHODS**

This module is assessed through a 30% examination and a 70% examination.