

Unit Outline (Higher Education)

Institute / School: Institute of Innovation, Science & Sustainability

Unit Title: Corporate Financial Management

Unit ID: BUACC3008

Credit Points: 15.00

Prerequisite(s): (BUACC2004 or BUECO2302)

Co-requisite(s): Nil

Exclusion(s): (BUACC3701)

ASCED: 080101

Description of the Unit:

This unit enables students to develop an understanding of the theory of finance to permit evaluation of the firm's financial decisions. The unit considers the finance function as it relates to corporate objectives and the maximization of shareholder wealth. Particularly the unit aims to identify and analyse the financial decisions made by financial managers and develop skills in the use of techniques which assist in the decision making process. It also considers financial statement analysis and the forecasting of financial needs; capital markets, financial institutions and instruments; security valuation; capital budgeting and risk analysis; the cost of capital; financial and operating leverage and dividend policy. Each topic is introduced by a critical review of key theoretical concepts that are then applied to practical settings.

Grade Scheme: Graded (HD, D, C, P, MF, F, XF)

Work Experience:

No work experience: Student is not undertaking work experience in industry.

Placement Component: No

Supplementary Assessment: Yes

Where supplementary assessment is available a student must have failed overall in the Unit but gained a final mark of 45 per cent or above, has completed all major assessment tasks (including all sub-components where a task has multiple parts) as specified in the Unit Description and is not eligible for any other form of supplementary assessment

Course Level:

Level of Unit in Course	AQF Level of Course					
	5	6	7	8	9	10
Introductory	■	■	■	■	■	■
Intermediate	■	■	■	■	■	■
Advanced	■	■	✓	■	■	■

Learning Outcomes:

This unit enables students to develop an understanding of the finance function. More specifically, this unit will enable students to:

Knowledge:

- K1.** Describe the finance and treasury function in an organisation and identify the financial characteristics that underpin various financial policies
- K2.** Apply financial mathematics to analyse and evaluate the investment, financing and dividend decisions made by firms.
- K3.** Examine the features of specific forms of domestic and international business finance and identify the circumstances when each is appropriate.
- K4.** Assess the key factors affecting financial performance and the main principles of risk minimisation strategies.
- K5.** Judge the recent developments in the field of finance.
- K6.** Appraise the importance of socially responsible information being incorporated with finance decisions.

Skills:

- S1.** Apply theoretical and practical knowledge of the finance function to evaluate the effects of alternative financial policies.
- S2.** Determine the appropriate mix of finance for various stages of development and select appropriate risk minimisation strategies which are consistent with management policies and preferences.
- S3.** Calculate alternative growth scenarios and formulate the relationship between risk and return.
- S4.** Apply the theory of capital markets.

Application of knowledge and skills:

- A1.** Apply appropriate finance knowledge and skills in diverse business environments.
- A2.** Apply critical thinking and sound judgment to aid in the financial decision-making process.

Unit Content:

Topics may include:

- The role of finance and financial environment
- Time value of money
- Sources and types of finance
- The valuation of marketable instruments
- Capital budgeting techniques
- Cost of capital
- Risk analysis
- Capital structure decisions
- Working capital management
- Dividend policy
- Portfolio theory and the Capital Asset Pricing Model (CAPM)

- Security market line

Learning Task and Assessment:

Learning Outcomes Assessed	Assessment Tasks	Assessment Type	Weighting
K1, K2, K3, K6 S1 A1, A2	Review of selected topics, based on class activities, reading, and preparation of responses to set questions.	Test	10%-20%
K2, K4, K5 S1, S2, S3, S4 A1, A2,	Group case study and/or task	Assignment	30%-40%
K1, K2, K3, K4, K6 S1, S3 A1, A2	Comprehensive review of all topics, based on class activities, reading, and preparation of responses to set questions.	Invigilated Final Summative Assessment	40%-50%

Adopted Reference Style:

APA

Refer to the [library website](#) for more information

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