

# **FIN304 Decision Making for Financial Managers**

**Level:** 3

**Credit Units:** 5 Credit Units

**Language:** ENGLISH

**Presentation Pattern:** EVERY JULY

## **Synopsis:**

FIN304 Decision Making for Financial Managers introduces important concepts in finance such as time value of money and risk, and it requires students to apply these concepts to make sound business finance decisions. These decisions include how a firm decides on its capital expenditures, sources of financing, and how it chooses from amongst alternatives as well as how it manages its short-term cash flows and hedge risk.

## **Topics:**

- Time value of money
- Notion of risk and return
- Notion of cost of capital
- Project evaluation methods
- Project cash flow estimation
- Sources and methods of financing
- IPOs and rights offerings
- Venture capital and crowd funding
- Operating and financial leverage
- Working capital management
- Options in financial decisions
- Hedging using options

## **Textbooks:**

: Fundamental of Corporate Finance 2ed Asian global Edition 2 MCGRAW  
ISBN-13: 9789814821360

**Learning Outcome:**

- Calculate and discuss values of stocks and bonds using time value concepts
- Analyse risk and appraise firm and project costs of capital
- Compare different project evaluation techniques
- Distinguish different sources of financing and compare different methods of financing
- Discuss the firm's working capital management
- Examine how options are valued and used to hedge risk
- Analyse the attractiveness of business investment opportunities
- Appraise financing needs and recommend funding strategies

**Assessment Strategies (Daytime Class):**

<b>Components</b>	<b>Description</b>	<b>Weightage Allocation (%)</b>
Overall Continuous Assessment	CLASS TEST 1	20
	GROUP BASED ASSIGNMENT 1	15
	PARTICIPATION 1	15
Overall Examinable Components	Written Exam	50
<b>Total</b>		<b>100</b>