

# FIN203 Essentials of Financial Management

**Level:** 2

**Credit Units:** 5 Credit Units

**Language:** ENGLISH

**Presentation Pattern:** EVERY SEMESTER

## Synopsis:

A business graduate needs to understand the essentials of finance so that he/she will be able to interact effectively with the finance and other functions in the organisation pertaining to financial matters.

FIN203 Essentials of Financial Management aims to equip business graduates with the requisite knowledge and skills relating to finance concepts and models to understand the implications of the firm's activities on its finances.

A broad range of topics, covering financial statements, cash flows, valuation, time value of money, risk and return, cost of capital, capital structure, investment and financial planning is covered. Such knowledge and skills would be highly useful for those aspiring to start their own business or those who work in smaller firms that do not employ finance specialists.

## Topics:

- Financial statements and cash flow
- Working with financial statements
- Introduction to valuation: time value of money
- Discounted cash flow valuation
- Lessons from capital market history
- Risk and return
- Cost of capital
- Capital structure
- Net present value and other investment criteria
- Making capital investment decisions
- Short-term financial planning
- Working capital management

## Textbooks:

Stephen A.Ross, Randolph W. Westerfield, Bradford D.Jordan, Raymond Wong, Ben Wong: Essentials of Corporate Finance (Asia Global Edition) 1 MCGRAW  
ISBN-13: 9781307268447

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**Learning Outcome:**

- Compute measures of a firm's financial situation
- Analyse the role of time value and its use for valuing assets
- Discuss the measures of risk and return for a security/portfolio and the CAPM
- Determine the cost of capital
- Appraise different capital budgeting methods and their applications
- Examine the working capital needs and financing of the firm
- Use financial calculators, Excel worksheets or other computational platforms to model and solve financial problems effectively.

**Assessment Strategies:**

<b>Continuous Assessment Component</b>	<b>Weightage (%)</b>
PRE-COURSE QUIZ	6
PARTICIPATION	6
TUTOR-MARKED ASSIGNMENT	18
GROUP BASED ASSIGNMENT	20
<b>Sub-Total</b>	<b>50</b>

<b>Examinable Component</b>	<b>Weightage (%)</b>
Written Exam	50
<b>Sub-Total</b>	<b>50</b>

**Weightage Total** **100**