FIN 5001 14102 2, 2002 EXT 1.00 TWMBA

Academic Group: FOBUS
Academic Org: FOB009
HECS Band: 2
ASCED Code: 081101

SYNOPSIS

Financial management is one of the major functional areas within a corporation. Sound financial management is crucial to a corporation's solvency and long-term profitability. This course aims to introduce students to the basic responsibilities of a corporate financial manager. Coverage includes evaluation of investment and financing alternatives, working capital management, and determination of capital structure and dividend policy. Emphasis is placed on the analytical aspects of the decision making process to enable students to form their own judgment in the dynamic business world.

OBJECTIVES

Successful completion of this course should enable students to:

- identify appropriate organisational goals and grasp their implications for the financial management function;
- understand the concept of time value and the use of relevant techniques;
- comprehend the interrelationship between return and risk as it relates to portfolio theory;
- comprehend the CAPM and its implications for the evaluation of investment proposals;
- analyse complex investment alternatives;
- determine the optimum investment in current assets and how these should be financed;
- comprehend the workings of capital markets;
- advise management as to the appropriate sources and uses of short-term and long-term financing;
- analyse capital structure decisions;
- evaluate and advise on alternative dividend policies;
- develop a cash budget.
## TOPICS

<table>
<thead>
<tr>
<th>Description</th>
<th>Weighting (%)</th>
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</thead>
<tbody>
<tr>
<td>1. Objectives and Roles of Financial Managers</td>
<td>15.00</td>
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<tr>
<td>2. Financial Mathematics</td>
<td>10.00</td>
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<tr>
<td>3. Risk and Return</td>
<td>10.00</td>
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<tr>
<td>4. Investment Evaluation Techniques</td>
<td>15.00</td>
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<td>5. Current Asset Management</td>
<td>10.00</td>
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<tr>
<td>6. The Capital Markets and Sources of Financing</td>
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<tr>
<td>7. Capital Structure and Cost of Capital</td>
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<tr>
<td>8. Dividends and Internal Financing</td>
<td>10.00</td>
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<tr>
<td>9. Financial Analysis and Forecasting</td>
<td>10.00</td>
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</tbody>
</table>

## TEXT and MATERIALS required to be PURCHASED or ACCESSED:

Books can be ordered by fax or telephone. For costs and further details use the 'Book Search' facility at http://bookshop.usq.edu.au by entering the author or title of the text.


## REFERENCE MATERIALS

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

It is not necessary to obtain the titles listed however, if available they will provide useful supplementary material to the set text.


ASSESSMENT DETAILS

<table>
<thead>
<tr>
<th>Description</th>
<th>Marks Out of</th>
<th>Wtg(%)</th>
<th>Required</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXAMINATION (2 HOURS)</td>
<td>70.00</td>
<td>100.00</td>
<td>Y</td>
<td>END S2</td>
</tr>
</tbody>
</table>

(see note 1)

NOTES:

1. Students will be advised of the official examination date after the timetable has been finalised.

OTHER REQUIREMENTS

1. Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper.
2. Mechanised erasers, mobile telephones and other electronic media are not permitted in exam venues.
3. The examination will be restricted. Students will be allowed to bring only a quiet, battery-operated non-programmable calculator into the examination. Dictionaries are NOT to be used in the examination. Students are NOT permitted to write during perusal time. Students are NOT permitted to retain the blue examination paper.
4. To be assured of a passing grade in this course, students must attempt the examination and achieve at least 50% of the available marks for the course. Final grades for the course will be determined by the student's performance in the examination. To be assured of a B grade, students will be required to obtain an overall mark of 65%. To be assured of an A grade, students will be required to obtain an overall mark of 75%. To be assured of an HD grade, students will be required to obtain an overall mark of 85%.