

# Capital University of Economics and Business

## Overseas Chinese College

### Course Syllabus

<b><u>Year and Semester</u></b>	2023 Spring
<b><u>Course Name</u></b>	Financial Management
<b><u>Course Code</u></b>	ACCAF9
<b><u>Course Type</u></b>	<input type="checkbox"/> General Education (Required) <input type="checkbox"/> General Education (Elective) <input type="checkbox"/> Professional Course (Required) <input checked="" type="checkbox"/> Professional Course (Elective) <input type="checkbox"/> Basic Disciplinary Course
<b><u>Course Credits</u></b>	4
<b><u>Course Hours</u></b>	64
<b><u>Prerequisites</u></b>	Finance
<b><u>Instructor</u></b>	Manqiu Wei
<b><u>Contact Information</u></b>	Office: C203 Tele: (010) 8395 1085 Email: eunicewei2013@163.com
<b><u>Office Hour</u></b>	T 15:25-17:00, W 11:35-12:20, F 9:55-12:20
<b><u>Learning Centre</u></b>	M 13:30—15:05, W 18-20
<b><u>Grade/Section</u></b>	2021ACCA/Y01&Y02
<b><u>Course Time/Place</u></b>	Y01: M 15:25-17:00 / BX206,    WF 8:0-9:35 / BX206 Y02: TF 13:30—15:05 / BX208    W 9:55-11:30 / BX208

#### **Textbook**

ACCA Financial Management, BPP Learning Media, 2023, ISBN 978-1-5097-4409-1

#### **Reference Books**

1. Stephen A. Ross. *Corporate Finance, 11th Edition*, China Machine Press, Beijing, ISBN: 978-7-111-58856-6

#### **Course Description**

This course aims to prepare students with fundamental knowledge and skills expected of a finance manager in relation to investment, financing and dividend policy decisions. This course is a middle level paper in the ACCA qualification structure. Students will be required to carry out calculations, to interpret data, to explain management accounting techniques, to discuss whether they are appropriate for a particular organization, and to apply your skills in a practical context. Core areas include working capital management, investment appraisal, business financing and valuations, dividend policy decisions, management of interest rate risk and exchange rate risk.

#### **Student Learning Objectives**

After learning this course, the students will be able to:

##### Knowledge:

- ◆ Discuss the role and purpose of the financial management function
- ◆ Assess and discuss the impact of the economic environment on financial management

- ◆ Discuss and apply working capital management techniques
- ◆ Explain and apply various investment appraisal methods
- ◆ Identify and evaluate alternative sources of business finance
- ◆ Discuss and apply principles of business and asset valuations
- ◆ Explain and apply risk management techniques in hedging interest rate risk and currency risk

#### Capability

- ◆ apply the business valuation with clear workings and a logical structure
- ◆ analyze the effects of investing and financing decisions
- ◆ demonstrate effective risk management skills

#### Mindset

- ◆ establish the integrity and objectivity in accounting workplace
- ◆ be logical, ethical, methodical, consistent and accurate
- ◆ apply critical thinking in the process of decision making

#### Website Source

- 1 <https://www.accaglobal.com>
2. <http://www.sse.com.cn/>

#### Teaching Methods

This course contains lectures, class discussions, homework, quizzes, presentation and exams. Textbook content will be introduced first. Then practice questions will be delivered to students as a way to test their understanding of the knowledge. This will require individual or group assignment in or after class.

#### Grade Criterion

Component	Weight	Description
Final Test	40%	A cumulative final examination will be given based on all of the contents of the class. The exam paper may be composed of multiple-choice questions, short answer questions, essay questions, problems. Students should rely primarily on homework assignments to give them a sense of what they may see for material on exams.
Mid-Term Test	0%	N/A
Homework	15%	Most of the assigned homework is taken from the Exercises in the textbook. Assignments will be collected at the clearly stated date. Late assignments will not be accepted. The graded assignments will be kept by the tutor for reference and won't be returned to students.
Quizzes	15%	There will be at least 2 quizzes during the semester. Quizzes may or may not be announced in advance. It may also be used as a way to check the attendance. Quizzes will test your knowledge of both concepts and the application of those concepts.
Presentation	10%	The students will be divided into several groups to prepare a presentation. Each student is required to be involved in the presentation. The topics can be selected from the textbook or lectures or course related materials. Each group needs to finish a PPT related to the topic

		which is given and hand in the related resources to the teacher before the presentation.
Participation	10%	Individuals will be asked to participate individually in a question and answer at least 5 times during the semester. The performances should be counted in their participation.
Attendance	10%	Refer to attendance policy listed below
<b>Total</b>	100%	

### **Grading Policy**

A+ 97-100	A 93-96	A- 90-92	B+ 87-89	B 83-86	B- 80-82
C+ 75-79	C 70-74	C- 67-69	D+ 63-66	D 62-60	F 0- 59

### **Exam Schedule**

Final Test: June 9, 2023 (Global Exam)

### **Assessment of Student Performance**

#### ***☞ Self-Study and Reading ability Practice***

Instructor will give out the chapters or the reference books to read and use class hours to have discussion; students should be able to show a proactive attitude and ability for self-study and reading. Knowledge and oral English will be elements of homework or presentation score.

#### ***☞ Homework***

Students should finish their homework by themselves. Copying from others will be treated as cheating and the homework scores will be lowered. Students should hand in all assignments on time. Late assignments will be accepted at the discretion of the instructor (i.e., when the student was ill or had an excused absence). Late assignments without reasonable proof will be reduced in score by 50%.

#### ***☞ Attendance***

Because the course covers a great deal of material, attending every class session is very important for performing well.

- ◆ Being late for 15 minutes or more is considered an absence.
- ◆ Five hours or above of unexcused absences will result in the lower level of the final grade by one grade band (e.g. from C – to D +). Any excused absence must be discussed directly with the teacher.
- ◆ Absence which is more than 1/3 of the total teaching hours will cause an F (a failing grade) directly. But students are welcome to continue attending classes.
- ◆ An incomplete grade (I) will be considered in case of medical or family emergencies.

#### ***☞ Participation***

- ◆ Students should participate in classes actively. Half of participation grade is determined by their presentation in class. They are encouraged to ask questions relevant to the subject and express their own opinions. Every student should respect the ideas, opinions, and questions of their classmates.
- ◆ Students should also use office hours to ask questions or talk with the instructor for good

communication and effective learning.

- ♦ Frequent visiting the instructor and chatting in English during office hours is highly recommended.
- ♦ Any misbehavior and non-class related activities in class will result in the lower level of the participation grade, including ringing cell phones.
- ♦ All above behaviors will be solely evaluated by the instructor for scoring.

#### ☞ *Textbook*

Students must bring the textbook to class.

### Topical Course Outline

Week	Topics	Homework
1	<ul style="list-style-type: none"> <li>● Syllabus</li> <li>● <b>Chapter 1 Financial management and financial objectives</b> <ul style="list-style-type: none"> <li>1 The nature and purpose of financial management</li> <li>2 Financial objectives and the relationship with corporate strategy</li> <li>3 Stakeholders and impact on corporate objectives</li> <li>4 Financial and other objectives for not-for-profit organizations</li> </ul> </li> <li>● <b>Chapter 2 Financial management environment</b> <ul style="list-style-type: none"> <li>1 The economic environment for business</li> <li>2 The nature and role of financial markets and institutions</li> </ul> </li> <li>Cont. 2 The nature and role of financial markets and institutions</li> <li>3 The nature and role of money markets</li> </ul>	Practice and Revision kit Questions
2		
3		
4	<ul style="list-style-type: none"> <li>● <b>Chapter 3 Working capital Investment</b> <ul style="list-style-type: none"> <li>1 The nature, elements and importance of working capital</li> <li>2 Managing inventories</li> <li>3 Managing accounts receivable</li> </ul> </li> </ul>	
5	<ul style="list-style-type: none"> <li>4 Managing accounts payable</li> <li>● <b>Chapter 4 Cash management and working capital finance</b> <ul style="list-style-type: none"> <li>1 Cash management</li> <li>2 Mathematical model</li> <li>3 Working capital finance strategies</li> </ul> </li> <li>● <b>Chapter 5 Investment decisions</b> <ul style="list-style-type: none"> <li>1 The net present value method</li> <li>2 The internal rate of return method</li> <li>3 Compare and contrast NPV and IRR</li> </ul> </li> </ul>	
6	<ul style="list-style-type: none"> <li>● <b>Chapter 6 Allowing for tax, working capital and inflation</b> <ul style="list-style-type: none"> <li>1 Allowing for inflation: real terms and nominal terms</li> <li>2 Allowing for tax: the effect of tax on cash flows</li> <li>3 NPV layout</li> </ul> </li> <li>● <b>Chapter 7 Project appraisal and risk</b> <ul style="list-style-type: none"> <li>1 Risk and uncertainty</li> <li>2 Sensitivity analysis</li> <li>3 Probability analysis</li> <li>4 Other risk adjustment techniques</li> </ul> </li> </ul>	
7	<ul style="list-style-type: none"> <li>● <b>Chapter 8 Specific investment decisions</b> <ul style="list-style-type: none"> <li>1 Lease or buy decisions</li> </ul> </li> </ul>	

	2 Asset replacement decisions	
	3 Capital rationing	
8	<b>● Chapter 9 Sources of finance</b> 1 Short-term sources of finance 2 Debt finance 3 Venture capital 4 Equity finance and preference shares 5 Islamic finance Qing Ming Festival Spring sports	
9	<b>● Chapter 10 Dividend policy</b> 1 Internal sources of finance 2 Dividend policy <b>● Chapter 11 The cost of capital</b> 1 Cost of capital 2 Dividend growth model 3 Capital asset pricing model (CAPM) 4 Cost of debt	
10	5 Weighted average cost of capital (WACC) <b>● Chapter 12 Capital structure</b> 1 Practical issues about debt 2 Capital structure theories 3 Marginal cost of capital 4 Finance for small and medium-sized entities <b>● Chapter 13 Business valuations</b> 1 Reasons for business valuations 2 Assets basis 3 Income-based valuation 4 Cash flow based valuation models	
11	5 Valuation of debt and preference shares 6 Market efficiency <b>● Chapter 14 Foreign currency risk</b> 1 Types of foreign currency risk 2 The causes of exchange rate fluctuations 4 Hedging techniques for foreign currency risk	
12	5 Foreign currency derivatives Labor Day Holiday <b>● Chapter 15 Interest rate risk</b> 1 Types of interest rates risk 2 Interest rate derivatives	
16	3 The yield curve	

*Note: Some chapters or sections may leave for self-study, this is the students' duty to learn and understand, they may also be included in the quizzes or exams.*

*A review in Chinese may be held during L.C. and O.H. in the semester.*

### **Teacher's Office Hour**

- ◆ The instructor's office hour is shown in the front of the office door.
- ◆ Students are suggested to use the instructor's office hour and learning center to ask questions or talk with the instructor once at least per week for good communication and effective learning, which is

recorded in the students' participation.

- ♦ The time can be scheduled by instructors or students, or both.

### **Cheating and Plagiarism**

Cheating is not tolerated. Any student caught cheating on a quiz; test or exam will be given a mark of zero (0) for the particular work. At the beginning of the semester the definition of plagiarism will be carefully explained, when any thoughts or writings of another person are used, they must be clearly identified (usually one uses quotation marks) and the source notes. **If any student is caught cheating on any homework assignment, the highest score the student can earn in that course is a "C".**

### **Important Dates**

<b>Spring Semester, 2023</b>	
Feb. 11-12	Registration
Feb. 13	Classes Begin
Apr.5	Qing Ming Festival
April 7	Spring Sports
May 1	Labor Day
June 22	Dragon-Boat Festival

*Note: This syllabus is tentative and may be changed or modified throughout the semester. All students will be notified and a new syllabus will be given.*

**Instructor:** Eunice Wei

**Department Head:** \_\_\_\_\_

