



UNIVERSITI TEKNOLOGI MARA

ADM658: CORPORATE FINANCE

Course Name (English)	CORPORATE FINANCE APPROVED
Course Code	ADM658
MQF Credit	3
Course Description	This course focuses on topics of finance, which is necessary for corporate administrators to identify the goals of the business organizations and the means of attaining them. It also dealing with the sources of funding and the capital structure of corporation and the action that managers take to increase the value of firm to the shareholders. The course also covers the relevant knowledge and understanding of corporate financial issues applicable for corporate administrators.
Transferable Skills	1. Demonstrate ability to identify and articulate self skills, knowledge and understanding confidently and in a variety of contexts. 2. Demonstrate ability to analyse issues/problems from multiple angles and make suggestions. 3. Demonstrate ability to communicate clearly and confidently, and listen critically.
Teaching Methodologies	Lectures, Tutorial
CLO	CLO1 Analyse various financial techniques and principles in making investment decision. CLO2 Demonstrate information management skills in retrieving information from financial report by using financial techniques and principles in making investment decision. CLO3 Demonstrate managerial skills in analysing the financial report by using financial techniques and principles in making investment decision.
Pre-Requisite Courses	No course recommendations
Topics	
1. Financial Objectives and Requirements 1.1) The relationship between financial and non-financial objectives of corporations. 1.2) The role of the corporate financial manager. 1.3) Agency theory and agency problem. 1.4) Determination of financial requirement.	
2. Sources of Finance 2.1) The role of financial market. 2.2) The operating institution on the market. 2.3) State funding, corporate donations, sponsorship, grants, subscription, fund raising resources.	
3. Share and Loan Capital 3.1) Authorized and issued capital. 3.2) Dividend Policy. 3.3) Financial and loan capital	
4. Islamic Finance 4.1) Introduction of Islamic Finance. 4.2) Principles used in Islamic Finance. 4.3) Ethical aspect in Islamic Finance.	

<p>5. Working Capital Management</p> <p>5.1) The importance of working capital. 5.2) The operating cycle and cash flow. 5.3) The management of debtors. 5.4) The management of creditors and short-term. 5.5) The management of stocks. 5.6) Overtrading and overcapitalization.</p>
<p>6. Financial Statement Analysis</p> <p>6.1) Understanding financial statements. 6.2) Financial ratio analysis. 6.3) Limitation of financial ratio analysis.</p>
<p>7. Capital Investment and Decision</p> <p>7.1) Methods of investment appraisal. 7.2) Capital rationing. 7.3) Capital budgeting under uncertainty. 7.4) Lease or buy decisions. 7.5) Impication of taxation and inflation.</p>
<p>8. Capital Structure</p> <p>8.1) Cost of individual types of finance. 8.2) Weighted Average Cost of Capital (WACC). 8.3) Portfolio and the Capital Asset Pricing Model. 8.4) Capital Leverage / Gearing. 8.5) Capital Structure Theory.</p>
<p>9. Business Restructuring</p> <p>9.1) Business expansion and financial growth. 9.2) Restructuring strategies: bids, acquisition and mergers. 9.3) Business failure and rescue packages.</p>
<p>10. International Aspects</p> <p>10.1) Multi-national operations. 10.2) Managing exchange risk. 10.3) The foreign investment decision. 10.4) Financing overseas investment.</p>

Assessment Breakdown	%
Continuous Assessment	50.00%
Final Assessment	50.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Group Project	Financial Statement Analysis	20%	CLO3
	Presentation	Presentation	10%	CLO2
	Test	Test 2	10%	CLO1
	Test	Test 1	10%	CLO1

Reading List	Recommended Text	<ul style="list-style-type: none"> Ross, S. A., Westerfield, W. R., Jaffe, J., & Jordan, B. D. 2017, <i>Corporate Finance: Core Principles and Applications</i>, 5th Ed., McGraw-Hill [ISBN: 978-125928990]
	Reference Book Resources	<ul style="list-style-type: none"> Ross, S. A., Westerfield, R. W., Jaffe, J., & Jordan, B. J. 2016, <i>Corporate Finance</i>, 11th Ed., McGraw-Hill [ISBN: 978-00778617] Kok, N.K., Weina, Z., Marimuthu, M., & Bhattacharya, S. 2017, <i>Financial Management</i>, Third Ed., Oxford University Press [ISBN: 9789834721138] Brealey, R., Myers, S., & Allen, F. 2013, <i>Principles of Corporate Finance</i>, 11th Ed., McGraw-Hill [ISBN: 978-007803476] Ross, S. A., Westerfield, R. W., Jordan, B. D., Lim, J., & Tan, R. 2015, <i>Fundamentals of Corporate Finance (Asia Global Edition)</i> 2nd Ed., McGraw-Hill [ISBN: 9789814595049]

Article/Paper List	This Course does not have any article/paper resources
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Other References	This Course does not have any other resources
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