

THE EDUCATION UNIVERSITY OF HONG KONG

Course Outline

Part I

Programme Title:	Bachelor of Education (Honours) (Five-year Full-time); All undergraduate Programmes
Programme QF Level :	5
Course Title :	Business Finance
Course Code :	BUS3023
Department :	Social Sciences and Policy Studies
Credit Points :	3
Contact Hours :	39
Pre-requisite(s) :	Financial Accounting
Medium of Instruction:	English
Course Level :	3

Part II

The University's Graduate Attributes and seven Generic Intended Learning Outcomes (GILOs) represent the attributes of ideal EdUHK graduates and their expected qualities respectively. Learning outcomes work coherently at the University (GILOs), programme (Programme Intended Learning Outcomes) and course (Course Intended Learning Outcomes) levels to achieve the goal of nurturing students with important graduate attributes.

In gist, the Graduate Attributes for Sub-degree, Undergraduate, Taught Postgraduate, Professional Doctorate and Research Postgraduate students consist of the following three domains (i.e. in short "PEER & I"):

- Professional Excellence;
- Ethical Responsibility; &
- Innovation.

The descriptors under these three domains are different for the three groups of students in order to reflect the respective level of Graduate Attributes.

The seven GILOs are:

1. Problem Solving Skills
2. Critical Thinking Skills
3. Creative Thinking Skills
- 4a. Oral Communication Skills
- 4b. Written Communication Skills
5. Social Interaction Skills
6. Ethical Decision Making
7. Global Perspectives

1. Course Synopsis

This course provides opportunities for participants to explore the fundamental concepts and techniques of business finance. It enables students to understand the importance of business finance to business. Various types of source of business financing and their implications are discussed in this course. Some basic theories and techniques for financial decisions are introduced which include risk and return relationship, basic accounting ratios interpretation, equity and debt valuation, determination of corporate capital structure, cost of capital and dividend policy of authentic organisations.

2. Course Intended Learning Outcomes (CILOs)

Upon completion of this course, students will be able to:

CILO₁: Recognise the importance of financial management concepts and applications for business.

CILO₂: Understand various types of source of business financing of organisations.

CILO₃: Explain and apply basic theories and techniques for financial decision making in organisations.

CILO₄: Evaluate financial strategies and policies of authentic organisations.

3. Content, CILOs and Teaching & Learning Activities

Course Content	CILOs	Suggested Teaching & Learning Activities
Explore the key functions and roles of financial management and their importance for business operations	CILO ₁	Lecture, guest talks and case studies
Distinguish various types of business source of financing which include: <ul style="list-style-type: none">● Equity Finance vs Debt Finance● Long -term Finance vs Short-term Finance● Internal Finance vs External Finance	CILO _{1,2}	Lecture, web search and role plays
Discuss the relationship between risk and rates of return on investment	CILO _{2,3}	Lecture, hand-on practice, discussion and project
Analyse the basic financial ratios to the performance and financial position of business	CILO _{2,3,4}	Lecture, hand-on practice, web search, calculation, discussion and project
Compute the valuation of stock and bond and calculate the weighted average cost of capital and their implications to business financing decisions	CILO _{2,3,4}	Lecture, web search, calculation, hand-on practice and business forums
Determine the suitable capital structure and leverage of authentic organisations, as well as the selection	CILO _{2,3,4}	Lecture, web search, calculation, hand-on practice and business

of dividend policy		forums
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4. Assessment

Assessment Tasks	Weighting (%)	CILO
(a) A proposal of financing the construction of an infrastructure. (group project) (2000 – 2500 words)	40%	CILO _{1,2,3,4}
(b) A 1-2 hour quiz will be conducted after the completion of all topics discussed in class.	30%	CILO _{1,2,3,4}
(c) Students will be given individual assignment(s) on various topics covered in the course.	30%	CILO _{1,2,3,4}

5. Required Text(s)

Zutter, C.J. & Smart, S.B. (2018). *Principles of managerial finance* (15th ed.). Boston: Pearson.

6. Recommended Readings

- Higgins, R. (2018). *Analysis of financial management*. (12th ed.). New York: McGraw Hill.
- Holden, C.W. (2014). *Excel modeling in corporate finance* (5th ed.). Edinburgh Gate, Harlow: Pearson.
- Parrino, R., Kidwell, D.S. & Bates, T. (2013). *Essentials of corporate finance*. New Jersey: Wiley.
- Pasewark, W. (2009). *Understanding corporate annual reports* (7th ed.). New York: McGraw Hill.
- Ross, S., Westerfield, R. & Jordan, B. (2018). *Fundamentals of corporate finance* (12th ed.). New York: McGraw Hill.
- Schoenebeck, K.P. & Holtzman, M.P. (2012). *Interpreting and analysing financial statements*. (6th ed.). Boston: Pearson.
- Slater, J. & Wittry, S. (2014). *Math for business and finance: An algebraic approach*. (1st ed.). New York: McGraw Hill.
- Slater, J. & Wittry, S. (2017). *Practical business math procedures with business math handbook*. (12th ed.). New York: McGraw Hill.
- Vernimmen, P., Quiry, P., Fur, Y.L. & Salvi, A. (2014). *Corporate finance: Theory and practice* (4th ed.). Chichester, West Sussex: Wiley.
- 游紹永 (2012) :《會計通識 101》, 香港, 香港聯合書刊物流。
- 朗文香港教育 (2013) :《新高中企業、會計與財務概論》(第二版), 香港, 朗文香港教育。

7. Related Web Resources

- Journal of Business Finance and Accounting <https://onlinelibrary.wiley.com/loi/14685957>
- The American Finance Association <http://www.afajof.org/>
- The Australian Financial Review <http://www.afr.com.au/>

Bloomberg.com	http://www.bloomberg.com/
Business Finance Magazine	http://www.businessfinancemag.com/
The Association of Corporate Treasurers (ACT)	http://www.treasurers.org/
CFA Institute Research Foundation	http://www.cfainstitute.org/learning/foundation
Business Review Weekly	http://www.brw.com.au
Wall Street Journal	http://www.wsj.com
Business Week	http://www.businessweek.com
CNN Financial Network	http://www.cnnfn.com
The Financial Times	http://www.ft.com

8. Related Journals

Aplus (HKICPA)
Intheblack (CPA Australia)
Journal of Finance
Review of Financial Studies
The Wall Street Journal
Journal of Banking & Finance

9. Academic Honesty

The University upholds the principles of honesty in all areas of academic work. We expect our students to carry out all academic activities honestly and in good faith. Please refer to the Policy on Academic Honesty, Responsibility and Integrity (<https://www.eduhk.hk/re/uploads/docs/00000000016336798924548BbN5>). Students should familiarize themselves with the Policy.

10. Others

Nil

Aug 2023