

**MODULE SPECIFICATION**

<b>Part 1: Information</b>			
Module Title	Corporate Finance: Practice and Research		
Module Code	UMADNA-30-2	Level	2
For implementation from	September 2018		
UWE Credit Rating	30	ECTS Credit Rating	15
Faculty	Business and Law	Field	Accounting and Finance
Department	Accounting, Economics and Finance		
Contributes towards	BA Hons Accounting and Finance		
Module type:	Standard		
Pre-requisites	Fundamentals of Accounting 2 (UMAD4Y-30-1)		
Excluded Combinations	None		
Co- requisites	None		
Module Entry requirements	None		

**Part 2: Description**

This module will introduce you to the key elements of Corporate Finance. You will learn the tools and techniques employed by a financial manager while making decisions in maximising shareholder value. These key decisions involve the investment, financing and working capital decisions. In this module, you will learn investment appraisal techniques, the sources of finance, working capital management, and shareholder value analysis. You will further have the opportunity to explore the various research methods (quantitative and qualitative) employed in finance literature, learn the strengths and weaknesses of these research methods, be able to critically evaluate academic and non-academic information sources.

**Part 3: Assessment**


The assessment will facilitate a detailed coverage of the module content and allow students to apply corporate finance theory. The assessment methods are chosen to provide summative feedback and to enable the students to demonstrate that they have achieved the learning outcomes of the module. Formative feedback will be provided continuously during tutorials and workshops.

Component A – Closed book examination under controlled condition (70%)

This component will have two elements. Element A1 will be a one-hour closed-book multiple choice examination under controlled conditions. This element will make up 20% of the module mark. Element A2 will be a two-hour closed book examination under controlled assessment conditions. This will be 50% of the total module mark. While the multiple-choice exam will give the students the opportunity study the concepts early on during the

semester, the year-end examination will test the whole syllabus content.		
Component B – Individual research project (2,000 words)		
Component B will make up 30% of the overall weighting of assessment. This report will assess the students' abilities to critically evaluate research articles in corporate finance area.		
Identify final timetabled piece of assessment (component and element)	Component B	
% weighting between components A and B (Standard modules only)	<b>A:</b>	<b>B:</b>
	<b>70%</b>	<b>30%</b>
<b>First Sit</b>		
<b>Component A</b> (controlled conditions) <b>Description of each element</b>	<b>Element weighting</b> (as % of component)	
1. Multiple choice exam (1 hour)	29%	
2. Final examination (2 hours)	71%	
<b>Component B</b> <b>Description of each element</b>	<b>Element weighting</b> (as % of component)	
1. Individual research project (2,000 words)	100%	
<b>Resit (further attendance at taught classes is not required)</b>		
<b>Component A</b> (controlled conditions) <b>Description of each element</b>	<b>Element weighting</b> (as % of component)	
1. Multiple choice exam (1 hour)	29%	
2. Final examination (2 hours)	71%	
<b>Component B</b> <b>Description of each element</b>	<b>Element weighting</b> (as % of component)	
1. Individual research project (2000 words)	100%	
<b>Part 4: Teaching and Learning</b>		
Syllabus Outlines & Learning Outcomes	<p>On successful completion of the module the students will be able to:</p> <ul style="list-style-type: none"> <li>• Explain the fundamental objective of corporate finance and the role of the financial manager and the treasury department. (A)</li> <li>• Evaluate the purpose of the business, how corporate finance support business operations (A)</li> <li>• Apply investment appraisal techniques and discuss how these techniques are used in corporate decision-making (A)</li> <li>• Distinguish between different long-term sources of finance and explain their characteristics, especially in relation to risk and return. (A)</li> <li>• Describe, compare and contrast sources of short and medium term finance and demonstrate an understanding of the importance of working capital and its constituent parts (e.g. accounts receivable, accounts payable, inventory and cash) in corporate financing operations. (A)</li> <li>• Understand the concept of shareholder value and use a range of different methods to accurately measure it. (A)</li> <li>• Locate, extract and analyse data and information from a variety of different sources (B)</li> </ul>	

Teaching & Learning	<ul style="list-style-type: none"> <li>• Present, discuss and defend ideas, concepts and views effectively (B)</li> <li>• Synthesize and critically evaluate information from different sources (B)</li> <li>• Critically evaluate prior research studies (quantitative and qualitative) including a knowledge of the strengths and weaknesses of different research settings (B)</li> </ul> <p>Syllabus outline:</p> <ul style="list-style-type: none"> <li>• Theory and practice of corporate finance</li> <li>• Agency theory and related issues</li> <li>• The financial world and financial markets</li> <li>• A brief revision of fundamental elements of finance</li> <li>• Investment appraisal techniques</li> <li>• Investment appraisal including taxation; inflation and working capital</li> <li>• Use of payback, discounted payback, ARR, NPV, IRR, and MIRR for decision making;</li> <li>• Replacement and lease/buy decisions</li> <li>• Capital rationing</li> <li>• Financial markets and the market efficiency</li> <li>• Equity financing</li> <li>• Long-term debt financing</li> <li>• Short- to medium-term financing</li> <li>• The impacts of financing decisions upon financial results and ratios</li> <li>• Working capital management</li> <li>• Inventory control and the use of traditional and modern models</li> <li>• Cash management and the use of optimisation models</li> <li>• Control of receivables and payables in the context of working capital management</li> <li>• Shareholder value</li> <li>• Distribution of shareholder value: the dividend decision</li> <li>• Research resources and skills in accounting and finance</li> </ul> <p>Student-staff contact time will include lectures, lectorials and tutorials. The module will adopt a blended learning approach combining face-to-face with virtual interaction, communication and collaboration. The use of Blackboard and other technologies will be embedded into the module to support students' learning both in advance of, and following, face-to-face sessions.</p> <p>Lectures will provide an overview of new topic areas and lectorials will consider worked examples to support students in their application of knowledge. Tutorials will provide an opportunity for individual or group learning activities, where students can obtain feedback on technical aspects of their work and discuss and explore the topic being covered. Students will be encouraged to reflect on their learning and academic and professional development.</p> <p>Guidance on recommended readings and other resources will be provided. Lecture and tutorial materials, digitised readings and question banks incorporating past examination questions will also be provided electronically on Blackboard to support students' learning.</p>
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Key Information Sets Information (KIS)	<b>Key Information Set - Module data</b>				
Contact Hours	<i>Number of credits for this module</i>				30
	Hours to be allocated	Scheduled learning and teaching study hours	Independent study hours	Placement study hours	Allocated Hours
	300	72	228	0	300
					

Total Assessment	<p>The table below indicates as a percentage the total assessment of the module which constitutes a: -</p> <p><b>Written Exam:</b> Unseen multiple choice exam and final examination.  <b>Coursework:</b> Individual research project.</p> <table border="1" data-bbox="632 367 1321 600"> <tr> <td colspan="2">Total assessment of the module:</td> <td></td> <td></td> </tr> <tr> <td>Written exam assessment percentage</td> <td></td> <td>70%</td> <td></td> </tr> <tr> <td>Coursework assessment percentage</td> <td></td> <td>30%</td> <td></td> </tr> <tr> <td>Practical exam assessment percentage</td> <td></td> <td>0%</td> <td></td> </tr> <tr> <td></td> <td></td> <td>100%</td> <td></td> </tr> </table>	Total assessment of the module:				Written exam assessment percentage		70%		Coursework assessment percentage		30%		Practical exam assessment percentage		0%				100%	
Total assessment of the module:																					
Written exam assessment percentage		70%																			
Coursework assessment percentage		30%																			
Practical exam assessment percentage		0%																			
		100%																			
Reading List	<p>All students will be encouraged to make full use of the print and electronic resources available to them through membership of the University. These include a range of electronic journals and a wide variety of resources available through websites and information gateways. The University Library web pages provide access to subject relevant resources and services and to the library catalogue. Many of these resources can be accessed remotely. Students will be presented with opportunities within the curriculum to develop their information retrieval and evaluation skills in order to identify such resources effectively.</p> <p>Students will be directed and expected to undertake essential reading throughout the module. However, depending upon specific topics addressed over the course of the module, students will be expected to undertake additional reading for themselves. A list of indicative textbooks is provided below but students are expected to recognise that these may be starting points only and that they should extend their reading as widely as is necessary to demonstrate a comprehensive knowledge. Students are expected to purchase or have open access to following text as it is considered core to the module:-</p> <p>Arnold, B. (2012) Corporate Financial Management, 5th edition, Harlow: Pearson Education Limited.</p> <p>Students may wish to</p> <p>Further reading:</p> <ul style="list-style-type: none"> <li>• Maclaney, E. (2011) Business Finance: Theory and Practice, 9th Edition, Pearson Education Limited.</li> <li>• Megginson, W., Smart, S. and Lucey, B. (2008) Introduction to Corporate Finance, London: Cengage Learning</li> <li>• Pike, R. and Neale, B. (2009) Corporate Finance and Investment: Decision and Strategies, 6th edition, Harlow: FT Prentice Hall.</li> <li>• Watson, D. and Head, A. (2010) Corporate Finance: Principles and Practice, 5th edition, London: FT Prentice Hall.</li> <li>• Saunders, M., Lewis, P., Thornhill, A. (2015) Research Methods for Business Students</li> </ul> <p><i>Please create a reading list on <a href="http://readinglists.uwe.ac.uk">http://readinglists.uwe.ac.uk</a>, and include a link to your list in this section.</i></p> <p><i>The list will be public and a living document, and can be further developed for teaching delivery at any time. This persistent link can be used for various other channels, e.g. module handbooks, Blackboard, external examiners. Information on how to <a href="#">create reading lists for new modules</a> is available on the staff intranet.</i></p>																				

*Reading lists should follow the [Best Practice Guidance](#) developed by the library in collaboration with academic staff and students. This involves including a rationale to make it clear by when and for what purpose you are expecting students to read specific items or purchase texts, clear presentation and structure, ensuring accessibility by linking to digital content wherever possible, and updating and revising your list regularly.*

*Further information and guidance on reading lists and digitisation are available at <https://intranet.uwe.ac.uk/tasks-guides/Collection/using-readinglists>*

## FOR OFFICE USE ONLY

First CAP Approval Date	15 December 2016 version 1 <a href="#">link to RIA</a>			
Revision CAP Approval Date <i>Update this row each time a change goes to CAP</i>		Version		<i>Link to RIA</i>
Revision CAP Approval Date		Version		
Revision CAP Approval Date		Version		