

BUS1007 Finance

Unit Description

This unit provides students with a foundation in finance. It is problem-oriented and thus requires students to learn and apply various financial concepts and methods for making decisions by business enterprises. Topics covered include basic principles of finance, time value of money, risk and return, interest rates, cost of capital and capital budgeting. Students will develop a high level of financial skills that enable them to investigate, analyse and synthesise reasonably complex financial information.

Credit Points	6 credit points
Duration	12 weeks (10 teaching weeks and 2 revision and assessment weeks)

Unit Learning Outcomes

On successful completion of this unit, students will be able to:

1. Explain the principles of finance and the role of financial institutions, markets and regulators that interact with contemporary businesses.
2. Apply time value of money and related concepts to solve practical, real-world financial problems.
3. Demonstrate understanding of the characteristics of debt (bonds) and equity (shares) investments and assess the associated risks and potential returns from the investor perspective.
4. Measure the expected cashflows and realised rates of return generated by different investments and interpret outcomes for financial decision-making.
5. Recognise the influence of investment risk, underlying principles of diversification and investor behaviour in portfolio construction.
6. Evaluate a company's cost of capital, budgeting, cashflow and profitability status to solve a business' financial leverage problems and opportunities.