

Program	ADVANCED DIPLOMA IN ACCOUNTING AND BUSINESS
Course Description	FINANCIAL MANAGEMENT
Course Code	FM
Component	COURSE OUTLINE

- A. Financial management function
 1. The nature and purpose of financial management
 2. Financial objectives and relationship with corporate strategy
 3. Stakeholders and impact on corporate objectives
 4. Financial and other objectives in not-for-profit organisations
- B. Financial management environment
 1. The economic environment for business
 2. The nature and role of financial markets and institutions
 3. The nature and role of money markets
- C. Working capital management
 1. The nature, elements and importance of working capital
 2. Management of inventories, accounts receivable, accounts payable and cash
 3. Determining working capital needs and funding strategies
- D. Investment appraisal
 1. Investment appraisal techniques
 2. Allowing for inflation and taxation in DCF
 3. Adjusting for risk and uncertainty in investment appraisal
 4. Specific investment decisions (lease or buy, asset replacement, capital rationing)
- E. Business finance
 1. Sources of, and raising, business finance
 2. Estimating the cost of capital
 3. Sources of finance and their relative costs
 4. Capital structure theories and practical considerations
 5. Finance for small- and medium-sized entities (SMEs)
- F. Business valuations
 1. Nature and purpose of the valuation of business and financial assets
 2. Models for the valuation of shares
 3. The valuation of debt and other financial assets
 4. Efficient market hypothesis (EMH) and practical considerations in the valuation of shares
- G. Risk management
 1. The nature and types of risk and approaches to risk management
 2. Causes of exchange rate differences and interest rate fluctuations
 3. Hedging techniques for foreign currency risk
 4. Hedging techniques for interest rate risk
- H. Employability and technology skills
 1. Use computer technology to efficiently access and manipulate relevant information
 2. Work on relevant response options, using available functions and technology, as would be required in the workplace
 3. Navigate windows and computer screens to create and amend responses to exam requirements, using the appropriate tools
 4. Present data and information effectively, using the appropriate tools