

Liverpool John Moores University

Title: FINANCIAL & RISK ANALYSIS
Status: Definitive
Code: **6002KFLAF** (118028)
Version Start Date: 01-08-2013

Owning School/Faculty: Liverpool Business School
Teaching School/Faculty: Kaplan Financial London

Team	Leader
Karl Roberts	
Tony Hall	

Academic Level: FHEQ6 **Credit Value:** 24.00 **Total Delivered Hours:** 55.00
Total Learning Hours: 240 **Private Study:** 185

Delivery Options

Course typically offered: Standard Year Long

Component	Contact Hours
Lecture	26.000
Tutorial	26.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Unseen, closed book, exam	67.0	3.00
Report	AS2	Individual assignment allowing a practical evaluation of a firm's financing, dividend and working capital management policies.	33.0	

Aims

To provide an in-depth analysis of a firm's financing, distribution and risk management decisions.

Learning Outcomes

After completing the module the student should be able to:

- 1 Evaluate corporate long-term financing decisions.
- 2 Appraise the corporate management of working capital decisions.
- 3 Analyse corporate owner return and control decisions.
- 4 Apply equity risk management instruments to corporate investment.
- 5 Differentiate the various forms of corporate foreign currency risk management.
- 6 Distinguish between the range of corporate interest rate risk management instruments.

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

Unseen exam	1	2	3	4	5	6
Written assignment	1	2	3			

Outline Syllabus

Financial Analysis:

Corporate financing valuation.

Corporate leasing.

Adjusted present value corporate applications.

Corporate gearing and optimal capital structure.

Accounts receivable, inventory and cash management corporate policies.

Dividend policy.

Mergers, acquisitions and restructuring.

Risk Analysis:

Equity option valuation using Black-Scholes.

Option corporate applications.

Corporate warrants and convertibles.

Managing corporate foreign currency risk.

Hedging corporate interest rate risk.

Learning Activities

Workshops involving a lecture and tutorial component.

References

Course Material	Book
Author	Brealey R.A., Myers S.C & Allen F.
Publishing Year	2011
Title	Principles of Corporate Finance

Subtitle	
Edition	10th edition
Publisher	Thompson Business Press
ISBN	0071314172

Course Material	Book
Author	Hillier,D., Ross, S.A., Westerfield, R.W. & Jaffe, J.
Publishing Year	2010
Title	Corporate Finance
Subtitle	
Edition	1st European Edition
Publisher	McGraw Hill
ISBN	

Course Material	Book
Author	Pike, R. & Neale, B.
Publishing Year	2012
Title	Corporate Finance and Investment
Subtitle	
Edition	7th edition
Publisher	Prentice Hall
ISBN	0273763466

Notes

The module evaluates financial and risk management decisions within a corporate environment.

The assignment allows a practical evaluation of a selected firm's financing, dividend and working capital management decisions and provides formative feedback and evidence of graduate skills development.

The examination is the terminal summative assessment.