

Liverpool John Moores University

Title: International Corporate Finance
Status: Definitive
Code: **6506IMPBW** (126031)
Version Start Date: 01-08-2021

Owning School/Faculty: Business and Management
Teaching School/Faculty: Imperia College

Team	Leader
Karl Harper	Y

Academic Level: FHEQ6
Credit Value: 20
Total Delivered Hours: 44
Total Learning Hours: 200
Private Study: 156

Delivery Options

Course typically offered: Semester 2

Component	Contact Hours
Lecture	11
Seminar	11
Workshop	22

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Report	RPT	Report	100	

Aims

This module is designed to enable students to make corporate financial decisions in an increasingly volatile international marketplace, in order to increase profitability, maintain liquidity and reduce financial risk.

The module follows the growth of a company from decisions concerning the acquisition of long-term and short-term sources of finance, to the evaluation of capital investment and ultimately the international marketplace as the company

seeks to expand.

Learning Outcomes

After completing the module the student should be able to:

- 1 Identify business problems/risks and recommend strategies to reduce/eliminate the risks identified.
- 2 Identify appropriate long-term and short-term sources of finance and use relevant financial data to calculate the cost of capital using WACC; CAPM & APM.
- 3 Forecast Future Cashflows and conduct "What-If Analysis" by developing Financial Models using Excel.
- 4 Analyse International Capital Investment Decisions using Payback, ARR, NPV & IRR.
- 5 Evaluate possible Mergers & Acquisitions highlighting the risks involved

Learning Outcomes of Assessments

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

REPORT	1	2	3	4	5
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Outline Syllabus

1. *Financial Management & Objectives of the Organisation*
2. *International Cash Flow Forecasts/Financial Modelling incorporating "What-If Analysis" using Excel*
3. *Sources of Long-term & Short-term Finance*
4. *The Cost of Capital – Weighted Average Cost of Capital (WACC); Capital Asset Pricing Model (CAPM) & Arbitrage Pricing Model (APM)*
5. *International Capital Investment Appraisal – Payback, Accounting Rate of Return (ARR), Net Present Value (NPV) and Internal Rate of Return (IRR)*
6. *Capital Rationing*
7. *Asset Replacement Cycles*
8. *Business Valuation*
9. *Mergers & Acquisitions*
10. *Capital Restructure*

Learning Activities

In order to simulate the World of Work students will be actively involved in the analysis and evaluation of a Case Study throughout the semester.

The Case Study, provided to students on the first day of the course, follows the life of a company, from decisions concerning the acquisition of long-term and short-term sources of finance, the evaluation of capital investment, the financing of growth including mergers & acquisitions to ultimately, facing the possibility of liquidation.

Students will also be asked to respond to real-time data such as changes in exchange rates, interest rates, oil prices etc and new information such as prices changes, new quotations etc present by the lecturer throughout the semester

Notes

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