

## Liverpool John Moores University

Title: CORPORATE FINANCE ENVIRONMENT  
Status: Definitive  
Code: **7505FTKAG** (106445)  
Version Start Date: 01-08-2011

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

Team	Leader
Karl Roberts	Y

**Academic Level:** FHEQ7  
**Credit Value:** 15.00  
**Total Delivered Hours:** 38.00  
**Total Learning Hours:** 150  
**Private Study:** 112

### Delivery Options

Course typically offered: Runs Twice - S1 & S2

Component	Contact Hours
Lecture	24.000
Tutorial	12.000

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Essay	AS1	Mini Case Study	50.0	
Exam	AS2	Examination	50.0	2.00

### Aims

*To provide coverage of the corporate finance environment in which business operates, including decision management functions, project and investment appraisal, funding techniques and topical issues.*

### Learning Outcomes

After completing the module the student should be able to:

- 1 Interpret and appraise the financial policy objectives of an organisation e.g. the shareholder value generation, investment policy, short and long-term financing.
- 2 Quantitatively evaluate, analyse and appreciate the main corporate finance divisions of a company e.g. its capital budgeting, short-term working capital management, capital structure and dividend decisions.
- 3 Critically appraise the use of company and market financial information to assess and evaluate financial performance in the corporate sector and in the markets, e.g. using risk-return models, ratio analysis and portfolio theory.
- 4 Critically apply financial tools, models and theories of corporate finance when dealing with real world practical applications.

### Learning Outcomes of Assessments

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

CASE STUDY	1	2	3	4
EXAM	1	2	3	4

### Outline Syllabus

*Corporate Value.  
Risk and Return.  
Capital Budgeting.  
Financing Decisions.  
Capital structure.  
Risk Management.  
Short term Financial planning.  
Mergers & acquisitions - doing the deal.  
International Trade.*

### Learning Activities

Lectures and workshops  
Tutorial including use of case studies and role plays  
Group work towards assessed coursework centring around a realistic business scenario.

### References

<b>Course Material</b>	Book
<b>Author</b>	Arnold, G
<b>Publishing Year</b>	2005
<b>Title</b>	Corporate Financial Management
<b>Subtitle</b>	

<b>Edition</b>	3rd edition
<b>Publisher</b>	FT Prentice Hall
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Brealey, R and Myers, S
<b>Publishing Year</b>	2003
<b>Title</b>	Principles of Corporate Finance
<b>Subtitle</b>	
<b>Edition</b>	7th edition
<b>Publisher</b>	McGraw Hill
<b>ISBN</b>	0-07-115144-3

<b>Course Material</b>	Book
<b>Author</b>	Grinblatt, M and Titman, S
<b>Publishing Year</b>	2001
<b>Title</b>	Financial Markets and Corporate Strategy
<b>Subtitle</b>	
<b>Edition</b>	2nd edition
<b>Publisher</b>	McGraw Hill
<b>ISBN</b>	0-07-112341-5

<b>Course Material</b>	Book
<b>Author</b>	Pike, R and Neale, B
<b>Publishing Year</b>	2006
<b>Title</b>	Corporate Finance and Investment
<b>Subtitle</b>	
<b>Edition</b>	5th edition
<b>Publisher</b>	Prentice Hall
<b>ISBN</b>	10-0273695665

<b>Course Material</b>	Book
<b>Author</b>	British Venture Capital Organisation
<b>Publishing Year</b>	0
<b>Title</b>	www.bvca.co.uk
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	
<b>ISBN</b>	

<b>Course Material</b>	Book
<b>Author</b>	Journal of Applied Corporate Finance
<b>Publishing Year</b>	0
<b>Title</b>	
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	

<b>ISBN</b>	
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<b>Course Material</b>	Book
<b>Author</b>	Financial Analysts Journal
<b>Publishing Year</b>	0
<b>Title</b>	
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	
<b>ISBN</b>	

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## Notes

To provide students with a theoretical and practical overview of the issues faced by businesses in making investments, evaluating risk and structuring funding requirements. This includes an appraisal of how such decisions are actually made in the real world by reference to guiding principles.

Formative assessment and feedback will be given in tutorials to enable the student to prepare for the summative case study and examination.