

**MN5424 – Corporate Finance and Accounting in a Global Context****MODULE TYPE/SEMESTER:** Core (20 credits), Semester 2**MODULE CO-ORDINATOR:** Professor Lorna Stevenson**LECTURERS:** Professor Lorna Stevenson & Dr Mao Zhang**CONTACT DETAILS:** Professor Lorna Stevenson: [las27@st-andrews.ac.uk](mailto:las27@st-andrews.ac.uk)  
Dr Mao Zhang: [mz71@st-andrews.ac.uk](mailto:mz71@st-andrews.ac.uk)**AIM:**

The module will introduce students to the fundamental concepts of accounting and finance, and will enable them to understand the different functions they provide within the global business world.

**OBJECTIVES:**

As prospective business managers, students should appreciate that accounting and finance will be a significant part of the management function and this module will give them an insight into the language used by accounting and finance professionals and the ability to express the accounting and finance support they may require as managers. The course will provide an informative introduction to the most important accounting statements, the roles of the accountant and financial analyst in the organisation, as well as the functions of accounting and financial management of the corporation.

**METHOD OF TEACHING AND LEARNING:**

One two-hour lecture each week, plus one-hour tutorial each week.

**LEARNING OUTCOMES:**

By the end of the module, students should be able to:

- Understand the role of accounting and finance in the organisation.
- Recognise and use basic accounting statements.
- Use accounting ratios for investment and management decisions.
- Understand the time value of money and Discounted Cash Flow Valuation
- Evaluate investment decisions using Net Present Value and other investment rules.
- Appreciate the relationship between risk and return.
- Calculate the firm's cost of capital, and understand what it means to the firm and its investors.
- Understand investment and financing decisions in an international context.

**INDICATIVE TOPIC OUTLINE:**

- Introduction to Accounting
- The Balance Sheet
- The Income Statement and Cash Flow
- Financial Statement Analysis
- Introduction to Corporate Finance
- Time value of money and Discounted Cash Flow Valuation
- Net Present Value and other investment rules
- The Capital Asset Pricing Model
- The Cost of Capital
- International Corporate Finance

**ASSESSMENT:**

- **Coursework 1:** Class test on accounting (25%)
- **Coursework 2:** Class test on corporate finance (25%)
- **Coursework 3:** final individual coursework (50%)

**READING LIST:****Accounting:**

- Gowthorpe, C. (2021) *Business Accounting & Finance*, 5<sup>th</sup> edition, Cengage.

**Finance:**

- Hillier, D., Ross, S., Westerfield, R., Jaffe, J., and Jordan, B. (2020). *Corporate Finance*. 4<sup>th</sup> European Edition, McGraw-Hill.

***Details of readings from the above text plus other associated reading will be provided as required.***

*Organisation of courses may be subject to change without notice.*