MN5444 – Advanced Corporate Finance

Module Type/Semester: Core (20 credits), Semester 2

Module Co-ordinator/Lecturer: Dr Louis Nguyen

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Aim: Advanced Corporate Finance is a continuation of MN5442 Corporate Financial Management. The module is designed to equip students with knowledge about the advanced topics in the area of corporate finance and their applications in the real world. It also aims to introduce the latest empirical and theoretical research on the topics studied.

Method of Teaching and Learning:
Teaching Format
One two-hour lecture each week plus one-hour tutorial.

Indicative Topic Outline:
Teaching Schedule
Week 1: Financial Statement Analysis I
Week 2: Financial Statement Analysis II
Week 3: Forecasting
Week 4: Equity Valuation I
Week 5: Equity Valuation II
Week 6: Financing decision I
Week 7: Financing decision II

Spring Vacation

Week 8: Payout polices
Week 9: Law and Finance
Week 10: Mergers and Acquisitions
Week 11: Revision
Week 12/13: No Classes
Weeks 14/15/16: Semester 2 Examination Diet
LEARNING OUTCOMES:
By the end of the module, students should be able to:
- Analyse financial statements to perform financial ratio analysis
- Identify the source of problems using ratio analysis
- Understand the limitations of ratio analysis
- Describe and apply process of forecasting pro-forma financial statements.
- Value a firm using dividend discount, P/E, and free cash flow models
- Understand long-term financing and the process of capital raising
- Understand the benefits and costs of borrowing from the bank
- Understand issues surrounding dividend and alternative payouts
- Understand the role of corporate governance
- Understand issues surrounding corporate mergers and acquisitions

ASSESSMENT:
Coursework 1: Class test - One hour examination format.
Coursework 2: Industry Report - A 3,000 words report analysing the corporate financial practices of the major companies within the industry of student’s choice.

Examination
Two hour examination in the semester two examination period.

READING LIST:
