



**FIN342 Applied Corporate
Finance**



Subject outline

FIN342 Applied Corporate Finance

Section 1 — General information

1.1 Administrative details

Duration	Credit points	Level
One study period (12 weeks)	6	AQF9

1.2 Core or elective subject

This is a core subject for the Graduate Certificate in Corporate Finance and elective subject for the Graduate Certificate in Applied Finance, Graduate Diploma of Applied Finance and Master of Applied Finance.

1.3 Delivery mode

This subject is delivered online.

1.4 Assumed knowledge

Kaplan assumes that students have completed FIN203 Fundamentals of Equity Markets, FIN204 Fundamentals of Financial Risk and FIN205 Business Valuation or understand the content covered in those subjects, prior to undertaking FIN342 Applied Corporate Finance.

1.5 Course transition subject equivalence

Students may not be required to complete this subject if they have transitioned from a SIA/Finsia/Kaplan course and have completed the following subjects:

- *M42 Corporate Financial Management*

1.6 Work integrated learning

There are no placements, internships or work experience requirements associated with undertaking this subject.



1.7 Other resource requirements

Students do not require access to specialist facilities and/or equipment to undertake this subject.

Section 2 — Academic details

2.1 Subject overview

This subject focuses on the activities that should be undertaken within a company to implement effective financial management, and also the financial issues it may be face. It considers the range of funding options facing firms and provides a theoretical framework upon which to make these decisions. The subject also discusses the role of the finance manager managing working capital and long-term assets. Practical application is achieved through analysis of both real Australian companies and scenarios (including liquidation) and hypothetical scenarios.

2.2 Subject learning outcomes

On successful completion of this subject, students should be able to:

1. Critically assess the objectives and processes of corporate financial management.
2. Analyse the roles of the key stakeholders and decision makers in a corporation's financial management.
3. Evaluate corporate financial management strategies such as working capital management and capital budgeting.
4. Integrate the key theories which inform the fundraising and capital structure management process.
5. Apply corporate finance principles in a practical setting.

2.3 Topic learning outcomes

Topic 1: Corporate finance and financial management

On successful completion of this topic, students should be able to:

- describe the role of the financial manager
- explain key concepts regarding business finance
- identify and describe the forms that business organisations may take
- explain the ultimate goal of financial management and its implications
- discuss the challenges of agency problems in terms of the control of a corporation.

Topic 2: Corporate governance and financial risk management

On successful completion of this topic, students should be able to:

- explain the principles behind corporate governance as it is practised within organisations
- explain the importance of applying financial risk management across an organisation
- identify the different types of risk and risk management tools and techniques available to a financial manager within an organisation.

Topic 3: Working capital management

On successful completion of this topic, students should be able to:

- argue the importance of cash flows from both a short-term financial planning and a working capital management perspective
- discuss the significance of working capital management to all organisations, including those in financial stress.

Topic 4: Capital budgeting fundamentals

On successful completion of this topic, students should be able to:

- discuss the significance of capital budgeting as it relates to all organisations
- explain the financial and mathematical principles that support the capital budgeting decision making process
- determine the attractiveness of new investments, projects or assets with reference to payback periods, net present values and internal rates of return.

Topic 5: Applications in capital budgeting

On successful completion of this topic, students should be able to:

- estimate and forecast future cash flows
- estimate appropriate discount rates for different projects
- explain issues in project evaluation.

Topic 6: Financing fundamentals

On successful completion of this topic, students should be able to:

- identify and describe the issues relating to how Australian companies optimise their capital structure
- explain the impact of tax, market trading activity and shareholders' circumstances on capital management strategies and shareholder distributions
- evaluate the decisions a financial manager must make in relation to the use of debt, equity and hybrid securities.

Topic 7: Applications in financing

On successful completion of this topic, students should be able to:

- evaluate three models used by financial managers to create shareholder value through capital structure
- describe the capital structures used by at least one significant Australian organisation
- describe the advantages and disadvantages of leveraged buyouts
- evaluate strategies used to reduce agency costs.

Topic 8: Mergers and Acquisitions: Corporate finance applications

On successful completion of this topic, students should be able to:

- critically evaluate the reasons for undertaking an acquisition
- describe the key factors for successful acquisitions and the mistakes to avoid
- discuss the significant issues in valuation and funding of acquisitions
- explain the importance of the post-acquisition phase
- assess the principal factors in successfully implementing acquisitions.

2.4 Assessment schedule

Assessment	Description	Week	Topics	Weighting	Subject learning outcomes assessed
Assignment 1	Case study: Short answer questions	Week 4	1 - 2	20%	LO1, LO2
Assignment 2	Case study: Application of financial management strategies	Week 7	3–5	40%	LO3, LO5
Assignment 3	Case study: Decision making and recommendation	Week 12	6–8	40%	LO3–LO5

Please refer to our website <www.kaplanprofessional.edu.au> to review student policies relating to your assessment, including the *Kaplan Assessment Policy* and *Academic Integrity and Conduct Policy*.

2.5 Prescribed text

There is no prescribed text for this subject. Individuals are provided with key readings and access to Kaplan’s online databases. Individuals are encouraged to research and read widely on the topic.

2.6 Study plan

Week(s)	Topic name	Study load in hours
1	Topic 1: Corporate finance and financial management	12
2	Topic 2: Corporate governance and financial risk management	12
3	Topic 3: Working capital management	12
4	Assignment 1 (Weighting 20%)	5
5	Topic 4: Capital budgeting fundamentals	12
6	Topic 5: Applications in capital budgeting	12
7	Assignment 2 (Weighting 40%)	5
8	Topic 6: Financing fundamentals	12
9	Topic 7: Applications in financing	10
10	Topic 8: Mergers and acquisitions: Corporate finance applications	10
11	Assignment 3 preparation	13
12	Assignment 3 (Weighting 40%)	5
Total minimum study load		120 hours

Additional study hours (if required), dependent on knowledge and personal commitments	70 hours
Total study load, including additional study hours	190 hours