

**City University of Hong Kong
Course Syllabus**

**offered by Department of Economics and Finance
with effect from Semester A 2017/18**

Part I Course Overview

Course Title: Corporate Finance

Course Code: EF 4313

Course Duration: 1 Semester

Credit Units: 3

Level: B4

Arts and Humanities

Proposed Area: Study of Societies, Social and Business Organisations
(for GE courses only) Science and Technology

Medium of Instruction: English

Medium of Assessment: English

Prerequisites: CB3410 Financial Management or
(Course Code and Title) FB3410 Financial Management

Precursors: EF3333 Financial Systems Markets & Instruments
(Course Code and Title)

Equivalent Courses: Nil
(Course Code and Title)

Exclusive Courses: Nil
(Course Code and Title)

Part II Course Details

1. Abstract

This course aims to enable students to understand the financial decision making practice of corporations under different circumstances and the advanced techniques required by financial managers. The course also aims to enable students to apply financial principles and theories to understanding issues and solving problems in real-world settings independently.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs [#]	Weighting* (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Use Present Value to evaluate a real investment opportunity, a company or a division of a company in a wide range of situations; Consider the effects of financing methods on valuing business projects or firms.	35%	√	√	
2.	Evaluate the pros and cons of various short-term and long-term financing methods.	30%	√	√	
3.	Analyze the current issues and trends in the financing methods of corporations in major industrial countries as well as Hong Kong and other Asia-Pacific countries using real-world examples.	25%	√	√	
4.	Work and learn independently, plan, conduct and present an independent investigation with limited guidance.	5%		√	√
5.	Communicate effectively in oral, written and electronic formats, using media formats widely found in business such as the preparation and presentation of reports.	5%		√	√
		100%			

* If weighting is assigned to CILOs, they should add up to 100%.

[#] Please specify the alignment of CILOs to the Gateway Education Programme Intended Learning outcomes (PILOs) in Section A of Annex.

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to self-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.					Hours/week (if applicable)
		1	2	3	4	5	
Seminars and in-class discussions	Students are encouraged to think critically and logically in responding to questions and discussing issues of real-world examples.	√	√	√			3-hour seminar per week
Problem sets	Students are required to understand financial concepts and academic theories thoroughly and apply them to find solutions.	√	√		√	√	
Case assignments	Students work on case assignments as a group or independently. Students are required to understand critical issues in the case and conduct an independent analysis to develop their own solutions.			√	√	√	

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.					Weighting*	Remarks
	1	2	3	4	5		
Continuous Assessment: 50%							
Coursework such as case assignments and problem sets	√	√	√	√	√		
Examination: 50% (duration: 2 hours, if applicable)							
Final examination	√	√	√				
						100%	

* The weightings should add up to 100%.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
Final examination	Based on the 2-hour final exam	>=85%	70-85%	55-70%	50-55%	<50%
Case Assignments	Based on in-class discussing, and performance of case studies assignments	Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.	Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.	Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.	Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.	Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.
Problem Sets	Based on performance of take-home problem set assignment	>=85%	70-85%	55-70%	50-55%	<50%

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

- Agency cost
- Capital budgeting
- Cost of capital
- Capital structure decisions
- Financial leverage and financial risk
- Net present value for levered firms
- Dividend policies
- Initial public offering
- Convertibles
- Mergers and acquisitions

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

1.	S. A. Ross, R. W. Westerfield, J. Jaffe, J. Jim, R. Tan, and H. Wong, Corporate Finance, Asia Global Edition, 2015, McGraw-Hill.
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2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)

1.	Cases from Harvard Business School Press (www.hbsp.harvard.edu)
2.	Lecture notes, newspaper clippings, and academic articles