



FAKULTI PENGURUSAN & INDUSTRI HALAL

PROGRAM	Diploma in Accountancy
COURSE NAME	FUNDAMENTALS OF FINANCIAL MANAGEMENT
COURSE CODE	MAF253
CREDIT HOUR	3
SYNOPSIS	Basic financial management that covers the areas of financial manager's role, evaluation of financial performance, working capital management, risk and return, time value of money, investment appraisal and finance for Small & Medium sized Entities.
COURSE STRUCTURE	
CHAPTER	TOPICS
1	Introduction to Financial Management 1.1 What is finance? 1.2 Importance of finance 1.3 Components of financial environment 1.4 Financial management functions 1.5 Roles of the financial manager 1.6 Goal of the firm
2	Evaluation of financial performance 2.1 The needs of financial statements 2.2 Understand the financial ratio 2.3 Trend analysis 2.4 Cross-sectional analysis, common-size analysis 2.5 DuPont analysis 2.6 Limitation to ratio analysis
3	Working Capital Management 3.1 Introduction to working capital management 3.2 Risk-return trade-off 3.3 Strategies in working capital management 3.4 Cash Conversion Cycle 3.5 Management of current assets 3.6 Management of current liabilities (short-term financing)



<p>4</p>	<p>Time Value of Money</p> <p>4.1 Concept of Time Value of money 4.2 Simple interest and compound interest 4.3 Future Value and Present Value 4.4 Future value and Present value of even cash flows 4.5 Future value and Present Value of uneven cash flows 4.6 Compound interest with non-annual period 4.7 Loan amortization</p>
<p>5</p>	<p>Risk and Return</p> <p>5.1 Definition and measurement of return 5.2 Definition and measurement of risk 5.3 Types of risk 5.4 Relationship between risk and return 5.5 Risk and diversification</p>
<p>6</p>	<p>Investment appraisal</p> <p>6.1 Introduction to investment appraisal 6.2 Guidelines for investment appraisal 6.3 Measuring a project's benefits and costs (relevant cash flows) 6.4 Investment appraisal techniques</p> <p>6.5 Adjusting for risk and uncertainty in investment appraisal 6.5.1 Sensitivity analysis 6.5.2 Probability analysis</p> <p>6.6 Investment decision under capital rationing 6.6.1 Hard capital rationing and soft capital rationing 6.6.2 The profitability index (PI) and divisible projects 6.6.3 Indivisible projects 6.6.4 Mutually – exclusive projects</p>
<p>7</p>	<p>Finance for Small & Medium Sized Entities (SMEs)</p> <p>7.1 Financing needs of small businesses 7.2 Financing problems 7.3 Measures to ease financing 7.4 Sources of financing</p>
<p>References:</p>	<p>Mohd Nizal Haniff , Rodziah Abd Samad, Shelia Christabel and Mohd Nizal Haniff (2021), <i>Financial Management for Beginners</i>, 5th Edition, McGraw Hill. ISBN :9789670761466</p>