
SYLLABUS

Date/Revision August 19, 2015
Faculty Business and Social Sciences
Approval Dr. Samuel Prasetya/Dr. Tutuko Prajogo

SUBJECT : PRINCIPLES OF FINANCIAL MANAGEMENT 2

1. Identification of Subject:

Name of Subject : Principle of Financial Management 2
Code of Subject : FINA-1010
SKS/ECTS : 2/3
Semester : 2
Study Program : B-MGT/B-IBA
Lecturer : Mr. Wiryawan, M.Ak., Ak., CA., CFP®, AEPP™, QFE™

2. Competency (Learning Outcome)

- At the end of the course students will have an overview of the most important in basic financial management.
- After completing the course, students will be able to describe the core aspects of basic financial management and will be able to illustrate, contrast, and apply the main concepts and theories to business implication.
- Through the successful participation in this course students are able to recognize the basics analysis about financial management.
- Students are also able to discuss critically the role of an financial manager in company.

3. Description of Subject:

The main topics to be covered are:

- The cost of capital
- Capital budgeting
- Capital structure and leverage
- Dividend and share repurchases
- Working capital management
- Financial planning and forecasting

4. Learning Approach

Approach : Combination of Expository - inquiry and colaborative
Method : Discussions, questions/answers, sample problems/cases, group works
Student Task : Home work, presentation
Media : LCD projector

5. Evaluation

Maximum absences	: 25%
Projects (individual & group)	: 20 points
Presentation	: 10 points
Quizzes	: 10 points
Final Examination	: 60 points
Total	: 100 points

6. Contents/Topics of Lecturing

Week	Content/ Topics of Lecturing	Text Book Chapter	Remarks
1	The cost of capital I <ul style="list-style-type: none"> Weighted average cost of capital Cost of debt Cost of preferred stock 	Ch. 11	Group formation Group Topic selections for Group writing project
2	The cost of capital II <ul style="list-style-type: none"> Cost of retained earnings Cost of new common stock 	Ch. 11	
3	The basic of capital budgeting Net present value <ul style="list-style-type: none"> Internal rate of return Reinvestment rate assumption Payback period Decision criteria used in practice 	Ch. 12	Draft I Quiz I
4	Evaluation from previous discussion and chapters		
5	Cash flow estimation and risk analysis I <ul style="list-style-type: none"> Conceptual issues in cash flow estimation Analysis of expansion project 	Ch. 13	
6	Cash flow estimation and risk analysis II <ul style="list-style-type: none"> Replacement analysis Risk analysis in capital budgeting Measuring stand-alone risk 	Ch. 13	Draft II Quiz II
7	Capital structure and leverage I <ul style="list-style-type: none"> Book, market or target weights Business and financial risk 	Ch. 15	
8	Evaluation from previous discussion and chapters		
9	Capital structure and leverage II <ul style="list-style-type: none"> Determining the optimal capital structure Capital structure theory 	Ch. 15	Draft III Quiz III

Week	Content/ Topics of Lecturing	Text Book Chapter	Remarks
10	Distribution to shareholders: dividends and share repurchases <ul style="list-style-type: none"> Dividend versus capital gains Establishing the dividend policy in practice 	Ch. 16	
11	Working capital management <ul style="list-style-type: none"> Current asset financing policies Cash budget Inventories Accounts receivable Account payable 	Ch. 17	Draft IV Quiz IV
12	Evaluation from previous discussion and chapters		
13	Financial planning and forecasting <ul style="list-style-type: none"> Strategic planning Sales forecasting 	Ch6	
14	Review all materials		Final draft
15	Final Examination	Ch.6, Ch. 10-17	

7. Book Reference:

- **Main Textbook:** Brigham, Eugene, Joel F. Houston, Hsu Jun-Ming, Kong Yoon Kee, and A. N. Bany-Arifin (2014), *Essentials of Financial Management*, 3rd Edition, Cengage Learning Asia Pte, Ltd, Singapore. ISBN # 978-981-4441-37-7
- **Additional References:**
 1. Hand-outs
 2. Journal articles