

NO.	TITLE		
1.	Subject	Introduction to Finance	
2.	Subject Code	DHRM 504	
3.	Status	Major	
4.	Credit Hours	3	
5.	Semester	Semester 5, Year 2	
6.	Objectives	To enable students to gain an understanding of the basic principles related to finance. To ensure that students get to familiarise with the roles and functions of financial institutions, government agencies and other bodies, which are regulated by the government of Malaysia. At the end of the course, the student should be able to appreciate how finance and its management helps businesses to prosper in Malaysia	
7.	Learning Outcome	At the end of the course, the student should be able to: <ul style="list-style-type: none"> - understand the concepts related to the various aspects of financial management; - apply both the concepts and the basic techniques of preparing financial management analysis. 	
8.	Synopsis	The candidate should be able to appreciate as to why the subject plays an important role in a business environment and how it can play a vital role in decision-making.	
9.	Syllabus and Contact Hours	Syllabus	Contact Hours
		1. Scope and Nature of Finance <ul style="list-style-type: none"> - Role of finance in business - Goals of an organisation - Financial decisions and its implications. 	4
		2. Financial Analysis and Interpretation <ul style="list-style-type: none"> - Ratio analysis and its interpretation - Uses and limitations - Ratio focusing on profitability, liquidity, efficiency, gearing and investment. 	6
		3. Financial Institutions <ul style="list-style-type: none"> - Banking system, financial intermediaries - Money and capital markets - Role of Securities Commission and Stock Exchange. 	8
		4. Sources of Finance <ul style="list-style-type: none"> - Short and long-term bank overdraft, factoring, invoice discounting, equity financing - Issue of shares (both ordinary and preference), debentures, leases and hire-purchase. 	6
		5. Working Capital Management <ul style="list-style-type: none"> - Why is the management of working capital important? 	6

		<ul style="list-style-type: none"> - The management of stock, debtors and creditors, for example, EOQ, credit and collection policies and reasons for holding cash. 	
		<p>6. Capital Investment Appraisal-Long Term</p> <ul style="list-style-type: none"> - Importance of Capital Investment in the long run. Methods of investment appraisal. - Accounting Rate & Return (ARR), Payback, DCF (simple interest, NPV and IRR) 	8
		7. Revision	4
		TOTAL	42
10.	Main Reference	<p>McLaney, E. J. (2005). <i>Business Finance: Theory and Practice</i> (7th ed.). London: FT Prentice Hall.</p> <p>Van Horne, J. C., & Wachowicz, J. M. (2004). <i>Fundamental of Financial Management</i> (12th ed.). London: FT Prentice Hall.</p>	
11.	Additional Reference	Business Magazines	