

University of Pretoria Yearbook 2021

Financial management 705 (FBS 705)

Qualification	Postgraduate
Faculty	Faculty of Economic and Management Sciences
Module credits	40.00
NQF Level	08
Programmes	PGDip Accounting Sciences
Language of tuition	Separate classes for Afrikaans and English
Department	Financial Management
Period of presentation	Year

Module content

This module covers two subject areas – financial management and management accounting.

Financial management learning areas

Analysis and interpretation of the annual report and sustainability report of an entity; working capital management; financing covering the sources of financing including the capital, debt and money markets, export financing, off-balance-sheet financing structures, and an evaluation of the feasibility of the different financing instruments; cost of capital incorporating the calculation of the weighted average and weighted marginal cost of financing; capital structure theory; dividend theory; valuations incorporating the valuation of preference shares, debentures or bonds, selected financial instruments on a cash flow basis (swaps, options and forward rate agreements), the valuation of equity instruments (using the following models: intrinsic, dividend yield and dividend growth models, earnings yield and price-earnings, free cash flow or discounted cash flow) and the valuation of intellectual capital; mergers and acquisitions; and risk management, in particular managing currency and interest rate risk.

Management accounting learning areas

Costing in both manufacturing and service environments; decision making incorporating short-term decisions (incorporating cost-volume-profit analysis, relevant costing issues and linear programming), long-term decisions (incorporating different techniques for evaluating long-term decisions) and risk and uncertainty into the decision-making process; transfer pricing; performance measurement and management; planning incorporating budgeting, forecasting techniques, learning curves and human behavioural aspects of planning; standard costing and variance analysis; and trends in management accounting (developments in the subject area).

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