



جامعة دبي
UNIVERSITY of DUBAI

COLLEGE OF BUSINESS ADMINISTRATION

Pre-MBA Course Syllabus

Semester:

Course code & No.: PMBA 530

Course Title: Principles of Finance

Prerequisites: PMBA 520

Faculty Member:

Contact Details: Email:; Phone:

Class Hours: Time: Days: Room:

Office Hours: Time: Days: Room:

Brief Course Description: (As in UD Catalog)

The course focuses on theory & practice of business finance with emphasis on time value of money (TVM), the relationship between risk & return, capital budgeting and asset valuation.

Course Objective (CO): Upon completion of this course, students should be able to:

1. Understand management of finance within a business organization in UAE/MENA region.
2. Evaluate relationship between risk & return in relation to asset valuation in UAE/MENA region.

Course Learning Outcomes (CLO):

Upon completion of this course, students should be able to demonstrate the following outcomes:

1. **Interpret** financial ratios of selected UAE/MENA firms
2. **Compare** measures of TVM principles.
3. **Compute to** explain risk-return trade-offs.
4. **Value** stocks and bonds of UAE/MENA region companies.

This course assesses the following BBA Skill Areas:

Critical, quantitative & analytical skills.

Blooms Taxonomy

(The following levels of Bloom's taxonomy have been used while developing the above CLO)

Bloom's level	1.Knowledge (K)	2. Comprehension (C)	3.Application (AP)
CLO #	1,2	3	4

CLO Mapping: This table maps CLO's to: CO

CLO	Linked to CO
1	1
2	1
3	2
4	2

CLO Assessment Scheme

CLO	Class Work (marks)		Final Exam (marks) 30%
	Case Assignment/ Quiz 35%	Group Project 35%	
1	10	-	7
2	10	-	7
3	-	25	8
4	15	-	8
Presentation	-	10	-
Total	35	35	30

Each MBA course is assessed by a combination of class work (assignments/ quizzes, group work, simulations), and an examination. Class work constitutes 70% of the course grade and one examination at the end constitutes 30% of the course grade. The minimum required cumulative grade point average for MBA is 3.00 out of 4.00. Each course grade is distributed as under:

% Marks	Grade	Quality Points
➤ 95	A	4.0
90-94	A-	3.7
87-89	B+	3.5
83-86	B	3.0
80-82	B-	2.7
75-79	C+	2.5
Below 75	F (Fail)	0

Group Assignment

The instructor will assign a set of 5 cases from different sources with adaptation to the local environment of UAE. These cases will be used as part of group assignments. At least one group assignment will require class presentation. Each individual case will deal with a management problem that is designed to reflect the characteristics of the local environment (UAE/GCC). Each case will require data analysis, interpretation, and recommendations to management. Each student is expected to spend about 105 hours out-of-class time on readings, cases, and problem solving as follows:

Out-of-Class Time

Assignments and Cases	Approximate Out-of-Class Time
Case # 1 (Group assignment)	6 hours
Case # 2 (Group assignment)	6 hours
Case # 3 (Group assignment)	6 hours
Case # 4 (Group assignment)	6 hours
Case # 5 (Group assignment)	6 hours
Problem Solving	25 hours
Preparation for Presentation	10 hours
Readings (textbook, journal articles and supplemental readings)	40 hours

Teaching Methods:

Teaching methods used in this course are Interactive learning, lectures, Case studies, Power Point slides, and Solving Analytical Problems

Use of Modern Instructional Technology

Extensively use financial calculators capable of analyzing uneven cash flow (Texas instrument BA II plus or HP) required, Moodle Learning System.

Principles of Finance Weekly/Daily Teaching Plan							
Day/Week	Day/Week of	Topic	Ch	Contents	Relation to CLO	Assignments	Assessment
1		An overview of Financial Management Financial Statements & Cash Flows	1,2	What is financial management? Functions of financial management. The organization of financial management. Corporate basic financial statements. Basic analysis of financial statements The accounting information versus financial information. What is the statement of cash flows? How is the statement of cash flows prepared? The financial use of the statement of cash flows.	1	Do problems at end of chapter 1, chapter 2	
2		Financial Statement Analysis	3	What is a ratio analysis? The calculation of financial ratios. The interpretation of financial ratios. How are the financial ratios used to analyze corporate financial health?	1	Home works on end of the chapter 3 problems	A1 on UAE/GCC firms
3		Time Value of Money	4	What is money? The value of money. What is money in finance and accounting?	2	Do problems at end of chapter 4	
4		Risk and Return	9, 10	How is the return measured? How is the risk measured? What is the risk-return relationship? How is the risk-return relationship employed by the financial manager? The interpretation of Security Market Line.	3	Home works on end of the chapter 9 and 10 problems	A2 on UAE/GCC firms
5		Risk and Return	11, 12	Arbitrage pricing theory Risk, cost of capital and capital budgeting	3	Home works on end of the chapter 11 and 12 problems	Assign Group project on UAE/GCC firm
6		Net present value and investment rules	6	What is net present value? How is it calculated? How NPV can be used in investment decisions? What are other investment rules?	2	Do problems at end of chapter 6	A3 on UAE/GCC firms
7		Capital investment decision	7	How capital investment decision can be made?	4	Do problems at end of chapter 7	
8		Stock Valuation	5	The characteristics of common stocks. How is common stocks traded? How to value stock? The difference between the market value extrinsic and the real value intrinsic of a stock.	4	Do problems at end of chapter 5	
9		Bond Valuation	5	How to evaluate bonds? The characteristics of bonds. How are bonds traded? The difference between the market value extrinsic and the real value intrinsic of a bond.	4	Do problems at end of chapter 5	
10		Presentation		Group Project			G1
11		Final Exam			1-4		

Educational Resources

Educational Resource	Description
Text Book required	Corporate Finance, 8 th edition, 2008, Ross, Westerfield, Jaffee, McGraw Hill ISBN 0073105902.
References	Engene F Brighsm & Joel F Houston, 2006, Fundamentals of Financial Management, ISBN 0324319800, South Western Publisher
Supporting Reading	Current issues of Wall Street Journal (from Proquest in UD library)