

Subject Description Form

Subject Code	BRE463
Subject Title	Business Valuation and Accounts
Credit Value	3
Level	4
Pre-requisite	BRE337 & BRE397
Objectives	To provide students a review on the business valuation concepts; To develop knowledge in the financial and legal aspect of mergers and acquisition; and To familiarize participants with a broad spectrum of appraisal approaches and to integrate them in comprehensive project appraisals.
Intended Learning Outcomes	Upon completion of the subject, students will be able to: a. calculate values of organizations b. identify and calculate the value of intangible assets c. identify and evaluate the financial and strategic implications of proposals for mergers, acquisitions, demergers and divestments; d. discuss and illustrate the impact of law and regulations on business merger and acquisition;
Subject Synopsis/ Indicative Syllabus	☐ Introduction of Investing and Valuation ☐ Cash Accounting, Accrual Accounting, and Discounted Cash Flow Valuation ☐ Accrual Accounting and Valuation: Pricing Book Values / Pricing Earnings ☐ The Analysis of the Cash Flow Statement, Balance Sheet and Income Statement ☐ The Analysis of Profitability and Sustainable Earnings ☐ The Value of Operations and the Evaluation of Enterprise ☐ Full-Information Forecasting, Valuation, and Business Strategy Analysis ☐ Listing rules and related laws
Teaching/Learning Methodology	In the first part of the subject, lectures and directed reading will be used to outline the techniques and approaches determined by international standards and practice. Visiting speakers from relevant areas will be invited to share their practical experience with the students. Coursework will be used to test understanding and application of the relevant methodologies and ability to undertake a critical appraisal of each method.

Assessment Methods in Alignment with Intended Learning Outcomes	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)					
			a	b	c	d		
	1. Coursework	50 %	√	√	√	√		
	2. Final examination	50 %	√	√	√	√		
	Total	100 %						
*Students must pass both coursework and examination to pass the subject Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes: Coursework includes group presentations and individual assignments. The final examination assesses students’ ability in solving and rationalizing problems gained from the subject.								
Student Study Effort Required	Class contact:							
	▪ Lecture					26 Hrs.		
	▪ Tutorial					13 Hrs.		
	Other student study effort:							
	▪ Student centered self-study					120 Hrs.		
	Total student study effort					159 Hrs.		
Reading List and References	Financial Statement Analysis and Security Valuation, By Stephen Penman, Third Edition, McGraw-Hill, Irwin							
	Investment Valuation: Tools & Techniques for Determining the Value of Any Asset, By Aswath Damodaran, Second Edition, John Wiley & Sons, Inc							
	Valuation: Measuring and Managing the Value of Companies, By Tim Koller, Marc Goedhart, and David Wessells (McKinsey & Company Inc), 4th Edition, John Wiley & Sons, Inc							