

# FUNDAMENTALS OF FINANCE

## Introduction to Finance

by

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# Chapter Description

- **Synopsis**

This chapter is an introduction chapter to finance course.

- **Expected Outcomes**

Students should be able to:

1. Understand the importance of finance knowledge.
2. Explain the role of finance manager in a business.



# Content Outline

- What is Finance?
- Role of Finance Manager
- Goal of a firm



# What is finance?

Cash

Liquid

Equity

Debt

Capital

Investment

Asset

Financing

Liability



# Role of finance manager

Forecasting & Planning

Financing Decision

Investment Decision

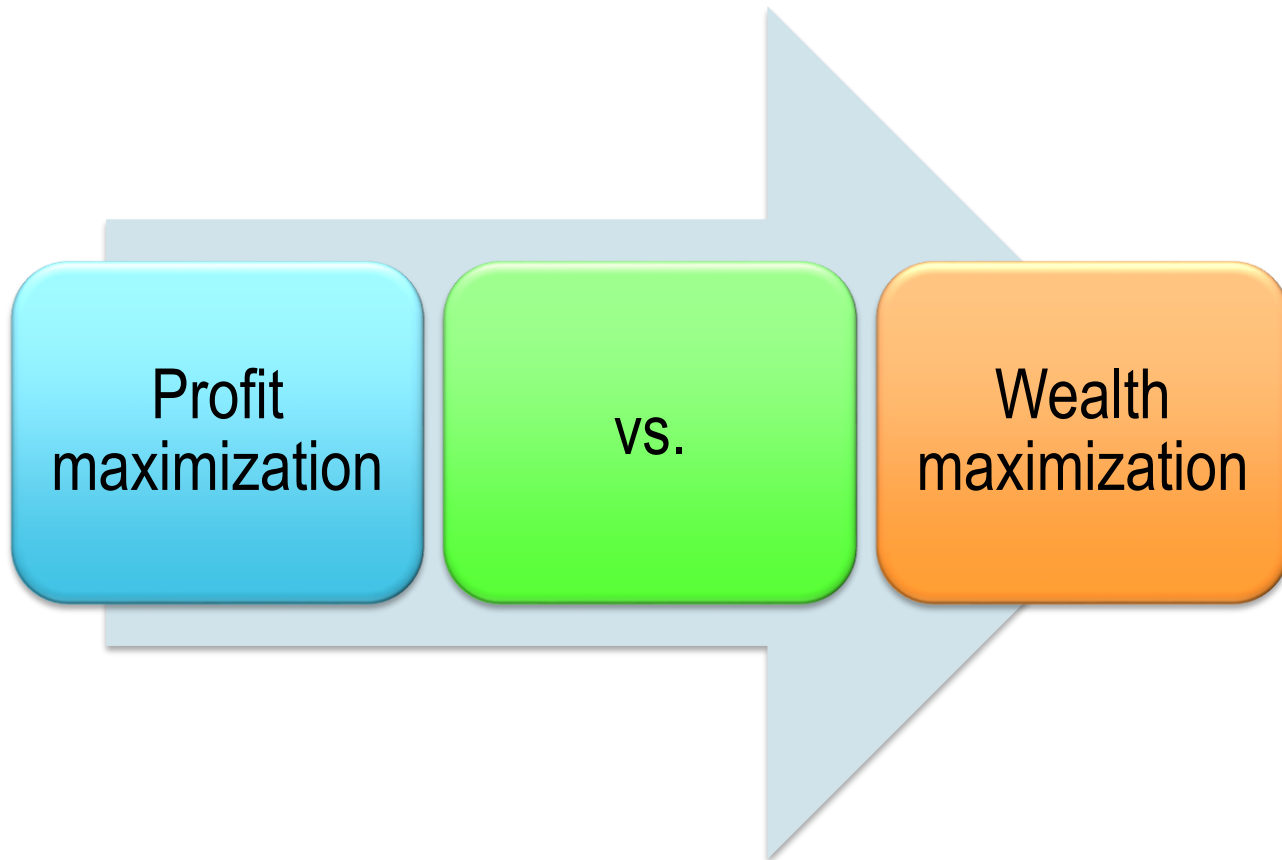
Dealing with  
Financial  
Markets

Dividend  
Policy

Allocation



# Goal of a firm



# Conclusion of The Chapter

- Conclusion
  - Financial management is significant to all business.
  - A business should not aim for profit maximization, but should focus on wealth maximization.



Disclaimer: The material prepared is for learning purpose only.

