[Title]

[Name of the Writer]

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**Financial Management**

I wished to learn the concept of Financial Management because I thought it would assist me in my personal life as well as in professional life. And by having a grip on Financial Management, I would be able to make informed management decisions for the organization where I would be doing job (e.g. Finance Manager).

I got the above concern of me answered. I got it answered through learning number of things abour corporate finance such as how corporations are run and managed, investments is made by investors, and risk and financial management.

**Financial Decision Making**

The most critical and crucial part of finance is Financial Decision Making. I was preferring to learn it because I am a student. Every organization looks for candidates who have the abilities to make productive financial decisions (Lynda, 2019). Hence, learning this area of finance will stand me out for the job of Financial Analyst.

By this course, I got the question answered because I learnt in the course that how financial decisions are made like what corporate structure should be decided (equity and debt) etc. So, I would be able to make better decisions than I was making.

The two questions that sI would like to work on in future in the Finance area are;

1. How and what are the actual basis on which the firms debt and equity (corporate structure) decision is made in case the firm is in financial trouble.
2. How the financial analysis are done for the purpose of where to invest, why to invest, how to invest, and how much to invest while predicting the possible risk level.

**Chapter No 18**

Page, 641 Paragraph, 3

*We begin by introducing the three main methods for capital budgeting with leverage and market imperfections: the weighted average cost of capital (WACC) method, the adjusted present value (APV) method, and the flow-to-equity (FTE) method*

In the chapter, the above-listed sentence has been found as the most significant one. The sentence has been picked as the most vital because it assists me with the thing I was not cleared about in the past. I was not clear that what are the methods for capital budgeting but the sentence listed thatmethods for capital budgeting are WACC, APV, and FTE (Berk, & DeMarzo, 2017).

Page, 642 Paragraph, 3

*The WACC method takes the interest tax shield into account by using the after-tax cost of capital as the discount rate*

The above sentence has been picked form Chapter 18 of the book as a significant one because it clearly and briefly states that WACC method mainly takestax shield of interest tax as discount rate.

**Chapter No 19**

Page, 707 Paragraph, 3

*To determine an appropriate cost of capital, we must first determine the appropriate measure of risk.*

The aforementioned (listed) sentence is one of the most crucial and significant sentences of the chapter. This is significant because it helps the reader to know that we should examine relevant measure of rsiks for determination of appropriate cost of capital (Berk, & DeMarzo, 2017). While it is an important thing to learn.

Page, 710 Paragraph, 3

*In most settings, the EBITDA multiple is more reliable than sales or earnings multiples because it accounts for the firm’s operating efficiency and is not affected by leverage differences between firms.*

The sentence is a significant one because it helps that we should be clear that we can get better and more relevant information from EBITDA instead of overall earnings which might mislead us as well.

**References**

Berk, J. B., & DeMarzo, P. M. (2017). Corporate Finance: The Core, 4/e. Boston: Pearson Education. ISBN 9780134083278.

Lynda. (2019). Become a Corporate Financial Planning Analyst - Learning Path. Lynda.com - from LinkedIn. Retrieved 22 October 2019, from <https://www.lynda.com/learning-paths/Business/become-a-corporate-financial-planning-analyst>