



Course Syllabus

Course Code	Course Title	ECTS Credits
HFIN-350	Financial Management	10
Prerequisites	Department	Semester
None	Business	Spring
Type of Course	Field	Language of Instruction
Required	Business	English
Level of Course	Lecturer(s)	Year of Study
1 st Cycle	Dr. Svetlana Sapuric	2 nd
Mode of Delivery	Work Placement	Corequisites
Distance Learning	N/A	None

Course Objectives:

The main objectives of the course are to:

- This course aims to develop a knowledge and understanding of financial management techniques suitable for all commercial organisations.
- Provides an understanding of how financial resources are acquired from external capital markets and generated from internal operations.
- Examines the effective utilisation and control of those funds within the organisation.
- Apply various forecasting techniques to evaluate the short- and long-term needs of an organization
- 5. Assess the capital structure of an organization and relate it to its most desirable capital budgeting based on the cost of capital incurred

Learning Outcomes:

After completion of the course students are expected to be able to:

1. explain the role and purpose of financial management;
2. evaluate the overall management of working capital;
3. evaluate and value appropriate sources of finance for particular situations;
4. examine and gauge the capital structure of a firm
5. appraise capital investment through the use of appropriate methods;
6. assess the cost of capital of a firm and the necessary components included
7. examine different dividend policy decisions

8. prepare budgets and use them to control and evaluate organizational performance; and
9. communicate the results of their analysis in an appropriate form to all interested parties.

Course Content:

- Introduction to Financial Management: Understanding, in an organizational context, the term "Financial Management", which hinges on three key decision areas: the investment decision, the financing decision, and the payout or dividend decision.
- Financial Forecasting and Planning: Development of financial plans involving an understanding of three key steps: setting aims and objectives, identifying the options available, and evaluating the options and making a selection.
- Analyzing and Interpreting Financial Statements: Preparing the three key financial statements: income, balance sheet and cash flow statements and demonstrating how financial, or accounting, ratios can help in assessing the financial position and financial performance of an organization.
- Appraising Investment Opportunities: Examine the models used by organizations to make decisions involving investments in new plant, machinery, buildings and similar long-term assets that will maximize the wealth of the owners. Time value of money. Buy or Lease.
- Risk and Rates of Return: Further examination of investment appraisal recognizing the potential impact of inflation, risk and the fast-changing environment in which organizations operate.
- Financing a Business: Identify the main short term, long term, and sources of finance available to an organization, discuss the main features of each source and consider the factors to be taken into account when choosing among them.
- The Capital Structure Decision: Utilize available models to calculate the cost of capital and identify the factors that need to be considered when deciding upon the capital structure of an organization. Operating, Financial Leverage
- Dividend Policy: Examining the alternative dividend policies available to an organization and the possible impact of these on the attitude of shareholders to investing in the organization and the returns they require.
- Equity Market and Valuation: Analyzing the characteristics of different types of stocks available to investors and the various valuation techniques that accompany stocks based on their growth patterns.
- Bond Market and Valuation: Assess the use and applications of bonds, considering their yield to maturity, face values and prices, and demonstrate the ability to value common and zero-coupon bonds.
- Working Capital Policy, Working Capital Management: It examines cash, inventory, credit policy including receivables and payables.

- **Cost of Capital:** Examines the cost of capital incurred, weighted average cost of capital, including cost of equity and cost of debt.

Learning Activities and Teaching Methods:

Online Tutor-led Lecturing, Weekly Exercises, Assignment, Online Interactions (Forums and Chats)

Assessment Methods:

Tests, Mid-Term Exam, Final Exam.

Required Textbooks / Readings:

Title	Author(s)	Publisher	Year	ISBN
Principles of Managerial Finance	Gitman, Lawrence J	Pearson	2014	978-1-292-01820-1

Recommended Textbooks / Readings:

Title	Author(s)	Publisher	Year	ISBN
Investments	Bodie, Z., Kane, A. and Marcus, A.	McGraw-Hill	2014	978-0-0771-6114-9
Financial Management: Theory and Practice	Brigham E. and Ehrhardt M.	South-Western College Publishing	2013	978-1111972202