**Financial Management**

**Program MBA**

**Course Code- FIN501 Course Tittle- Financial Management**

**Course Teacher / Instructor: Professor Dr. Mostafa Kamal**

**Syllabus**

**Financial Management**

This is the introductory course in finance and covers the basic tools and techniques of making financial decisions. Major topics include financial market and securities, financial statements and their analysis using financial ratios, time value of money, long-term investment analysis---capital budgeting, cash flow estimation, project evaluation techniques under implicit and explicit risk conditions, basics of valuation and cost of capital; capital structure decisions, and optimal capital budget. (3 credits)
Prerequisites: ACT 201

**Course Outlines**

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| # | Learning outcome | Graduate profile capability\* |
| LO1 | Identify the objective of the firm, the role of managerial finance and outline the implications of the separationof ownership and control. | 1. Disciplinary knowledge and practice |
| LO2 | Demonstrate the importance of cash-flows to financial planning and apply a variety of time-value-of-money formulae and techniques. | 1. Disciplinary knowledge and practice |
| LO3 | Discuss the relationship between risk and return and demonstrate how risk is measured through Capital Asset Pricing Model (CAPM). | 1. Disciplinary knowledge and practice
2. Critical thinking
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| LO4 | Explain the general concept of valuing financial assets and calculate the value of debt and equity securities. | 1. Disciplinary knowledge and practice |
| LO5 | Evaluate long-term investment decisions by applying a variety of capital budgeting techniques andappraising risk and refinements in capital budgeting. | 3. Solution seeking4c. Engagement (Collaboration) |
| LO6 | Evaluate short-term financial decisions and explain the costs and benefits of different working capital management financing strategies. | 3. Solution seeking |
| LO7 | Evaluate long-term financial decisions and describe the factors that influence a firm’s optimal capital structure and payout policies | 3. Solution seeking |
| LO8 | Explain the importance of international managerial finance and risk management using simple hedging strategies | 3. Solution seeking4b. Communication (Written) |

**Course Description:**

This is an introductory course in financial management, with an emphasis on the major decisions made by the financial executive of an organization. The student studies topics in the financial management of profit-seeking organizations. A major objective is the development of analytical and decision-making skills in finance through the use of theory questions and practical problems.

**Learning Outcomes:**

Upon successful completion of this course, students will have reliably demonstrated the ability to:

1. Explain the goals and functions of financial management.

2. Describe and evaluate the basic features of financial markets
3. Prepare and present Cash Flow statements.
4. Analyze financial statements and describe the economic health of a company.
5. Explain the benefits of financial forecasting and prepare proforma financial statements.
6. Calculate and explain operating and financial leverage.
7. Decide the form and amount of short term financing that best suits a given corporate need, based on historical and projected analysis.
8. Recommend techniques for managing working capital effectively.

**Course Content:**

1. **An Overview of Financial Management and the Financial Environment**
2. **CVP Analysis**
3. **Valuation of Long Term Securities**
4. **Financial Analysis / Ratio Analysis**
5. **Capital Budgeting**
6. **Financial Leverage & Capital Structure**
7. **Working Capital Management**
8. **Risk & Return**
9. **Cost of capital and capital investments**

**Student Learning Outcomes (From following Link)**

<https://www.courses.business.auckland.ac.nz/CoursePdfs/FINANCE251.pdf>

**Text Book: Required Course Materials:**

Fundamentals of Corporate Finance – Stephan A. Ross, Randolph W. Westerfield, Bradford D. Jordan, Gordon S. Roberts McGraw Hill Ryerson

Reference Book

1. Brealey, Richard A. Myers, Stewart C. Allen, Franklin (2008). Principles of Corporate Finance .
2. Gitman, Lawrence J. (2018). Principles of Managerial Finance. San Diego: Pearson

Case Studies

Articles

web link