



蘇州大學
Soochow University

Soochow University

Dongwu Business School

FIN 106 Financial Management

Winter 2020

Course Information

Module: Financial Management

Field: Finance

Character: Introductory Training

Duration: 4 Weeks

Credit: 4

Course Instructor Information

Office Hours: 58 hours

Student's Attention Timetable: Monday to Friday, 10h - 12h

Teacher: TBA

Brief Description

This is an introductory finance course designed to make students understand the basic financial management concepts, and enable the student to comprehend how corporations make important investment and financing decisions, and how they establish working capital policies. The course covers the whole range of basic finance concepts, economics and financial environment, financial statement analysis, risk analysis, the valuation process, capital budgeting, capital structure and dividend policy. Topics such as financial analytical tools, cash flow management techniques & working capital management, multinational financial management, risk management, mergers and acquisitions are also included.



Previous Requisites

High school math courses and entry-level finance courses.

Competences and Learning Results

1. Cross curricular competences:

- (1) Analysis and synthesis skills;
- (2) Planning and organizational skills;
- (3) Problem solving skills;
- (4) Decision making skills;
- (5) Information management skills;
- (6) Computer science knowledge related to the field of study;
- (7) Capacity for critical thinking;
- (8) Autonomous learning;
- (9) Motivation for quality;
- (10) Reflection ability;

2. Learning results:

Having successfully completed this course, students will be able to:

1. Explain the goals and functions of financial management;
2. Analyze financial statements and describe the economic health of a company;
3. Explain the benefits of financial forecasting and prepare proforma financial statements;
4. Calculate and explain operating and financial leverage;
5. Decide the form and amount of short term financing that best suits a given corporate need, based on historical and projected analysis;
6. Extract information from financial statements for the purpose of valuation or analysis of profitability, solidity, liquidity and financing;
7. Recommend techniques for managing working capital effectively.



3. Specific Competences

1. Develop an understanding of the tools that are used to value investment projects and companies (valuation);
2. Understand the basic issues involved in how firms should raise funds for their real investments (financing);
3. Understand and evaluate financial management related issues from an ethical perspective work effectively in team environments;
4. Analyze and reformulate financial statements to identify a firm's business strategy and value drivers so as to facilitate forecasting and valuation;
5. Estimate the value of derivatives and advise management how to use derivatives in risk management and capital budgeting;
6. Integrate subject matter studied on related modules and to demonstrate the multidisciplinary aspect of practical financial management problems.

Methodology

Methodology	Hours	Hours of work Face-to-face	Hours of work Non Face-to-face
Lectures	40	78 hours (60%)	
Practice teaching	8		
Assessment	30		
Personal study	30	68 hours (40%)	
Tasks	22		
Practical teaching preparation	10		
Bibliographic search	6		
TOTAL	146	78	68

Calculator:

Please bring a calculator to class. Any calculator in which you can compute powers like x^y will be sufficient.



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Required Textbook

Financial Management: Theory And Practice by Satish B. Mathur (Publisher: LAXMI PUBLICATIONS, 2014, ISBN-10: 9351380661)

Contents

Part I FINANCIAL ANALYSIS

Chapter 1. Financial Management And Control: An Overview

Chapter 2. Financial Statements

Chapter 3. Balance Sheet

Chapter 4. Profit And Loss Account

Chapter 5. Evaluation Of Financial Performance Through Ratio Analysis Techniques

Chapter 6. Evaluation Of Financial Performance Through Ratio Analysis Techniques: Case Studies
With Suggested Approaches

Chapter 7. Sources And Application (Uses) Of Funds Statements

Part II WORKING CAPITAL FINANCE BY BANKS

Chapter 8. Working Capital Management And Control: An Overview

Chapter 9. Working Capital Policy

Chapter 10. Working Capital Management And Control: Operating Cycle Approach

Chapter 11. Cash Management

Chapter 12. Credit Management

Chapter 13. Inventory Management

Chapter 14. Financing Of Working Capital Requirements

Part III SOME OTHER

Chapter 15. Working Capital Finance By Banks

Chapter 16. Management Of Credit Risks By Banks



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Chapter 17. Disbursement And Follow-Up Of Working Capital Finance By Banks

Part IV PROFITABILITY AND COST CONTROL

Chapter 18. Letters Of Credit

Chapter 19. Bank Guarantees

Part V PLANNING, BUDGETING AND CONTROL

Chapter 20. Export Finance (Short-Term)

Chapter 21. Short-Term (Working Capital) Financing Of Information Technology (It) And Software Industry

Part VI INVESTMENT ANALYSIS

Chapter 22. Contribution Analysis And Break-Even Point (Bep) Or Cost-Volume-Profit (Cvp) Analysis

Chapter 23. Cost Management And Control - Steps And Strategies

Part VII DIVIDEND POLICY AND DECISION

Chapter 24. Corporate Planning, Budgeting And Control

Part VIII MERGERS, ACQUISITIONS AND RESTRUCTURING

Chapter 25. Time Value Of Money

Chapter 26. Capital Budgeting (Capital Investment Decisions)

Chapter 27. Leasing, Hire-Purchase, And Project Financing

Part IX INTERNATIONAL FINANCIAL MANAGEMENT

Chapter 28. Dividend Policy And Firm Value

Chapter 29. Dividend Decision



Part X: MERGERS, ACQUISITIONS AND RESTRUCTURING

Chapter 30. Mergers, Acquisitions And Restructuring

Part XI: INTERNATIONAL FINANCIAL MANAGEMENT

Chapter 31. International Financial Management

Rating system:

1. Assessment

ASSESSMENT ITEM	PERCENT OF FINAL GRADE
Assignments	30% (10% per assignment)
Cases	20% (10% per case)
Midterm	20%
Final exam	30%

2. Grading Scale

A+ 96-100	A 90-95	A- 85-89
B+ 82-84	B 78-81	B- 75-77
C+ 71-74	C 66-70	C- 62-65
D 60-61	F < 60	

General Expectations:

Students are expected to:

- Attend all classes and be responsible for all materials covered in class and otherwise assigned;
- Complete the daily required reading and assignments before class;
- Review the previous class notes before class and make notes about questions you have about the previous class or the course reading;
- Participate in class discussions and complete required written work on time;



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- Refrain from texting, phoning or engaging in computer activities unrelated to class during the class period;
- While class participation is welcome, even required, you are expected to refrain from private conversations during the class period.

Attending Policy

Regular and prompt attendance is required. Attendance will be taken at the start of the course. Those that miss their name, during roll call, will be counted as absent.

Students can miss up to three classes (including labs) and earn 7% (out of 10%). After the third absence, students will earn a grade of 0% (out of 10%). Arriving late and/or leaving before the end of the class are equivalent to absences.

Policy on “Late Withdrawals”

In accordance with the policy of SCU, appeals for late withdrawal will be approved ONLY in case of medical emergency and similar crises.

Academic Honesty

All students are expected to respect academic honesty policy. Instructors will fail assignments that show any evidence of plagiarism or other forms of cheating and will also report the student's information to the University Administration Office. A student reported to the University for cheating will be placed on the list of disciplinary probation; a student reported twice will be suspended or expelled.

Special Needs or Assistance

Please contact the University Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material.