



QURTUBA UNIVERSITY

Of Science and Information Technology

D.I Khan, Peshawar Khyber Pakhtunkhwa, Pakistan.

Course Name	Financial Management
Course Code	Fin300
Semester	5th/2nd
Credit Hours	03
Total Weeks	16/18
Total Hours	48/54
Total Marks	100
Pre-requisite	FIN 209 / ACC301

Course Objectives

- The course has been designed to explain how financial theories can be applied to solve practical problems. The principal focus is on basic concepts, principles and techniques of financial management.
- In addition, it is a comprehensive coverage of the financial planning, the concepts and analysis of financial statements, working capital management, long-term and short terms financing and dividend policies etc.
- This course will prepare students to recognize relationship b/w finance and other business disciplines, as well as to be able to use synergy of those disciplines in decision making

Grading Criteria

Distribution	Weight
Quizzes, Assignments, and class participation	10
Mid Term	20
Final Term	70
Total	100

Recommended Books

- **Fundamental of Financial Management By F. Brigham, Joel D. Houston 12th edition 2014**
- **Fundamental of Financial Management By James. C Van Horne, 13th edition 2014**

WEEK WISE BREAKDOWN

Week	Description
1	<u>Introduction of Financial Management</u> <ul style="list-style-type: none">• Definition of Financial Mgt• Basic Function of Financial Management• Goal of Firm• Shareholders Wealth Maximization VS Value Creation• Organization of Financial Management
2	<u>Time Value of Money</u> <ul style="list-style-type: none">• Simple Interest• Compound Interest• Present value• Future value• Practical questions for simple and compound interest.
3,4	<u>Annuity</u> <ul style="list-style-type: none">• The Concept of Annuity<ul style="list-style-type: none">○ Ordinary Annuity○ Annuity Due○ Perpetuity○ Amortization table○ Practical Problems on Annuities.○
5	<u>Financial Statements Analysis</u> <ul style="list-style-type: none">• Financial Statements• Ratio Analysis<ul style="list-style-type: none">○ Liquidity Ratio○ Leverage Ratio○ Profitability Ratio○ Efficiency Ratio○ Market Ratio○ P/E Ratio
6	<u>Analysis Cont.....</u> <ul style="list-style-type: none">• DuPont Analysis• Common Size Analysis• Practical Problems.
7,8	<u>Capital Budgeting:</u> <ul style="list-style-type: none">• The concept of capital Budgeting.• Capital Budgeting Techniques<ul style="list-style-type: none">○ NPV

	<ul style="list-style-type: none"> ○ IRR ○ PBP ○ BCR ● Practical Problems 	
	Two Assignments + Two Test+ Presentation	Mid Term
9,10	<p><u>Financing Decision:</u></p> <ul style="list-style-type: none"> ● Need for Financing ● Sources of Financing <ul style="list-style-type: none"> ○ Internal Source ○ External Source ● Debt Financing ● Equity Financing ● Sources of Debt Financing <ul style="list-style-type: none"> ○ Bonds/Debentures ○ Bank Loans ○ Money Market Instruments ● Sources of Equity Financing <ul style="list-style-type: none"> ○ Common stock ● Sources of Hybrid Financing <ul style="list-style-type: none"> ○ Preferred Stock ○ Lease financing ○ Convertibles & warrants 	
11	<p><u>Cost of Capital</u></p> <ul style="list-style-type: none"> ● Cost of Capital ● Weighted average cost of capital (WACC) ● Calculation of Cost of Capital <ul style="list-style-type: none"> ○ Cost of Equity ○ Cost of debts 	
12	<p><u>Working Capital:</u></p> <ul style="list-style-type: none"> ● The Concept of working capital ● Need & importance of WC ● Types of Working Capital ● Issues in Working 	
13,14	<p><u>Cash & Accounts Receivables Management :</u></p> <ul style="list-style-type: none"> ● Motives for holding cash ● Strategies for cash management ● Speed of cash collection ● Slowing down cash disbursement ● Investment in Marketable Securities ● Credit Terms ● Credit and collection policies ● Analyzing the credit applicant ● Practical approach to A/R Mgt 	

15,16	<u>inventory Management & Control</u> <ul style="list-style-type: none"> • Introduction of Inventory • Classification of Inventory • ABC Method of Inventory • Economic order Quantity • Order point • Safety Stock • Just-in-time Inventory
	Two Assignments + Two Test+ Presentation Final Term

Learning Outcomes: Financial Management and functions

- Goals of a firm
- Time value of money
- Financial statement analysis
- DuPont Analysis
- Cost of Capital
- Capital Budgeting
- Working Capital Management