



NATIONAL UNIVERSITY OF ENGINEERING
COLLEGE OF INDUSTRIAL AND SYSTEMS ENGINEERING

SYSTEMS ENGINEERING PROGRAM

GP235 – FINANCIAL MANAGEMENT

I. GENERAL INFORMATION

CODE	: GP235 Financial Management
SEMESTER	: 8
CREDITS	: 03
HOURS PER WEEK	: 04 (Theory – Practice)
PREREQUISITES	: GP223 Cost Accounting and Budgets
CONDITION	: Mandatory

II. COURSE DESCRIPTION

It is a subject of practical theoretical nature and is presented as an instrument capable of providing a clear focus on the separation between the functional activities of a company and its financial framework.

This course provides a solid basis for entering the analysis of the financial problem by studying the financial statements and their implication in the results. It gives a practical and interrelated approach to decision making regarding investment, financing and dividends.

III. COURSE OUTCOMES

At the end of the course the students will:

- Understand the processes and understand the basic vocabulary associated with Finance.
- Analyze and prepare the financial situation reports as part of the company's Strategic Planning process, with ethics and responsibility.
- Understand the financial behavior of companies from their main financial statements.
- Prepare financing strategies applying techniques for the analysis of the results and projections of liquidity, profitability and solvency, using prudence and forecast criteria.
- Evaluate the feasibility of long-term investments, applying the techniques of the value of money over time allowing better decision making, with ethical criteria and responsibility.
- Apply Financial forecasting criteria, especially in determining the amount of funds that the company will need, its origins and its applications, with an analytical and responsible attitude
- Have strong training and sufficient skills to support executives who make financial decisions.

IV. LEARNING UNITS

1. INTRODUCTION TO FINANCIAL MANAGEMENT

General introduction of financial management. / Objectives of the Financial Management course. / Objective of the Financial and Tax System./ The Financial Function./ Investment, financing, profitability and risk problems.

2. BASIC FINANCIAL STATEMENTS

Financial Accounting. / Definition and structure of the financial institutions: Balance Sheet and Income Statement. / Retained earnings and costs.

3. INTERPRETATION OF FINANCIAL STATEMENTS

Cycle: Money - Production and Money. / Movement of Funds. / Sources and uses of funds. / Relationship between financial statements.

4. FINANCIAL ANALYSIS

Analysis by Cash Flow. / Analysis by reasons or indices (Ratios). / Duppont Method. / EVA Analysis (Economic Value Added), economic value added. / Balance Point Analysis.

5. FINANCIAL PLANNING

Profit Planning. / Capital Needs. / Determination Method.

6. INDUSTRIAL BUDGETS

Approach, Formulation, Sales of Industrial Budget Prices. / Production Plan and Materials of Industrial Budget Prices. / Purchases, General Expenses and Investments of Industrial Budget Prices. / Financial Budget. / Financial Statements. Results Analysis and Control.

7. CURRENT MANAGEMENT

Working Capital. / Cash Management, Securities, Credit and Collection. / Inventories, Payments and Short-Term Financing. / Foreign Trade.

8. CAPITAL BUDGET

Value of money over time. / Investment Project Analysis, Methods / Financial Risk and Measures. / Risk in Investment Analysis. / Capital Cost. / Applications.

9. CAPITAL STRUCTURE.

Operation Leverage / Indebtedness Policy / Decisions in financing structure / Scenario Analysis.

10. BUSINESS FINANCING

Long-term loans. / Leasing, Warrants. / Common and Preferred Shares. / Options and futures./ Bonds and funds.

11. CAPITAL MARKET

Operation of the Capital Market / Stock Market Analysis / Fundamental and Technical School / Stock Market / Commodities / Bonds / Investment Fund.

12. INFORMATION SYSTEMS [ON FINANCIAL

Integrated financial management systems (SIAF). / Balance Score Card in finance. / Financial models./ DSS, ERP, SAP Financial, business simulation.

V. METHODOLOGY

The course is developed in sessions of theory, practice and monographs. In the theory sessions, the teacher presents the concepts. Each student group must prepare and present a project related to the financial models in a company, creating debates. In all sessions the active participation of the student is promoted.

VI. EVALUATION FORMULA

The learning will be evaluated through the "F" system.

- Partial Exam (PE): Weight 1
- Final Exam (FE): Weight 2
- Average of Practices (P): Weight 1.
- The Average of Practices (P), is obtained by averaging the 03 highest grades of the 04 qualified practices plus the 02 monographic works.

$$FA = \frac{PE + 2 * FE + P}{4}$$

VII. BIBLIOGRAPHY

- WESTON, John Fred. Financial Administration Pearson- Addison Wesley. 2012.
- JAMES, Van Horne. Fundamentals of Financial Administration. Pearson-Addison Wesley. 2012.
- GITMAN, Laurence. Principles Financial Administration. Pearson- Addison Wesley.
- ANTHONY, Robert. Accounting Administration. Editorial Mc. Graw Hill. 2012.