



BACHELOR DEGREE IN BUSINESS ADMINISTRATION AND MANAGEMENT

SUBJECT FINANCIAL MANAGEMENT

NUMBER OF CREDITS (ECTS)	6 ECTS
YEAR/SEMESTER	4th/1 st
LEARNING OUTCOMES	<ol style="list-style-type: none"> 1. To know the agents and institutions involved in the Spanish financial system 2. To be able to analyse the information from the Spanish Public and Private Institutions about financial markets 3. To be familiar with the functioning of financial markets and their indicators 4. To be able to analyse the optimal financial structure of the company 5. To be able to identify and select among the different sources of funding that might be employed by the company in the short and long term. 6. To be able to link all previous knowledge with the events of the economy today <p><u>Relevance and interest of this course:</u></p> <ol style="list-style-type: none"> 1. As a future graduate in Business Administration and Management, you will develop the technical and conceptual skills required for positions at national and international organizations, such as financial institutions, insurance companies, pension plan managers, investment fund managers, brokers, CFOs, consulting firms, Appraisal Societies, and venture capital. 2. As an individual, this course will be useful for your personal business, such as investment & finance of cars, real estate, other type of assets, starting a business, etc.
SYLLABUS	<ol style="list-style-type: none"> 1. THE FINANCIAL SYSTEM. Structure of the financial system Financial intermediaries Financial Assets

2. **MARKETS**
 Financial markets
 Primary and Secondary markets
 Cash and capital markets
3. **FINANCIAL STRUCTURE OF THE COMPANY**
 Financial and operative leverage
 Economic and financial risk
 Dividend Policy
 Financial Structure theories: Traditional theories and Modigliani-Miller theories
 Integration process of the traditional Tesis and Modigliani-Miller theories.
4. **SOURCES OF FINANCE**
 Increase of equity, subscription rights, common stocks, preferred stocks
 Cost of the stocks: Gordon Model and CAPM
5. **LONG TERM EXTERNAL SOURCES OF FINANCE**
 Debenture
 Cost of the bond issuance
 Unit 6. Long Term external Sources of finance
 Loans, leasing
 Cost of the loans, leasing
6. **SHORT TERM EXTERNAL SOURCES OF FINANCE**
 Banking finance, providers, promissory notes, factoring, etc.
 Cost of the short term sources of finance
7. **SELF-FINANCING**
 Internal Sources of finance: Depreciation, retained earnings, advantages and disadvantages
 Cost of the retained earnings. Weighted average cost of capital

ASSESSMENT

Final grades will be obtained from:

Continuous Assessment (45% of the final grade):

1. Lab sessions (20% of the final grade): There will be five lab sessions using the information provided by different Web pages and Excel spreadsheet. These will be assessed at the end of the session by multiple-choice questions applying PoliformaT and with the help of the notes. You may not attend ONLY to one of the five sessions.
 Therefore, students who are absent or have less than a 4 in two lab sessions will not have a grade at the continuous evaluation (lab sessions, periodic tests and participation in class), although they may take the final exam (max

score 55%). The lab sessions grade will be the arithmetic mean of the four best marks obtained.

2. Multiple Choice Tests (15 % of the final grade):
3 cumulative tests of the contents of the course.
(October 4th, November 8th and December 5th)

3. Class participation (10%), students are encouraged to participate in class by answering the multiple-choice questions and/or solving cases on the board. To be eligible for Class Honors is necessary to get a 0.8 of 1 on the class participation system. [The max value (1) will be determined by the max number of times a student participates in class].

Exam (55% of the final grade): An exam performed in the evaluation week January 8th embracing all contents of the course. The student must achieve at least a 4 (of 10) to consider their grade at the continuous evaluation system.

Alternative assessment

A. Students applying and obtaining exemption from attendance to class provided by the Faculty of Business Administration and Spanish ERASMUS students enrolled in the course, they have 2 options:

1st option:

Attend at least 4 of the 5 lab sessions, and get a minimum score of 4 in each session (20%),
Take the final exam of January 8th (80%) final grade

2nd option:

-Not perform at least 4 of the 5 lab sessions or not to reach a minimum score of 4 in each lab session. Then, they must take the final exam of January 8th as their only evaluation system (100% of their final grade but at most their grade in the course will be 5.5 points.

Special circumstances:

-Students who take the labs, but fail the course: eligible for performing lab sessions next year or keep their grades of the previous year.

-Students applying special assessment to the Faculty, because they have pending a small number of courses

to overcome: an exam scoring 100% final grade. This event will be held in April and at the last week of July.