

Field: IT
Module title: Business finance (ME.7)
Preliminary conditions: fundamentals of economics
Education aims: The main goal of the lecture is the introduction students into the basic problems of finance. This course should provide the students to a formal framework that enables them to run a small enterprises. In a free marketplace the manager uses variants on the same procedures to accomplish the main goals. This course learns how a manager must operate with equal regard to balancing risk and returns to planning cash flows and reach the profit.
Education outcomes: Students has a knowledge about basic problems of finance concerning small enterprise management. Can evaluate financial performance, financial ratios, liquidity ratios, activity ratios, profitability ratios, debt ratios.
Module type and contents: Financial environment, financial markets, rate of interest. Time value of money, value and time, present value, future value, calculating of interest, the perpetuity. Financial statements, the income statement, the balance sheet, the founds flows. Evaluating financial performance, financial ratios, liquidity ratios, activity ratios, profitability ratios, debt ratios. Financial analysis, shaping the financial structure, shaping the asset structure. The nature of risk, analyzing risk, probability calculations, the portfolio approach, portfolio diversification, The Capital Asset Pricing Model (CAPM). The management of debt, the management of current assets. Capital cost and capital structure, cost of common stock, cost of bonded, the concept of leverage, capital structure and leverage, the analysis of EBIT/EPS. The sources of capital, corporate bonds, common stock, liabilities. Budgeting capital, payback period length, the NPV method, the IRR method. The value of partnership, MVA and EVA methods, the management of value.
Educational methods: Multimedia presentations, classes.
Assessment methods: Paper work
ECTS credits: 4
Students workload (hs.): 100
Form Number of hours: 15
Author of a module: Siudak Przemysław, PhD
Module language: English