

Syllabus brief

Overview

Programme: Master of Business Administration – International Business pathway

Module Name: Financial Management

Module code: LCMB7002

Teaching team

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Learning outcomes

Upon the successful completion of this module, the student should be able to demonstrate the ability to:

1. LO1: apply and assess a range of financial evaluation techniques through a case study;
2. LO2: evaluate and critically discuss various issues and theoretical frameworks utilised in the management and control of financial resources.

Indicative contents

Over the course of this module students will undertake the study of financial management through the analysis of case studies and current practice. Students will be encouraged to deal with complex systemic issues and relate their learning to relevant industry/business environments. Students will study the following:

- financial statements as a means of communication; users of financial information; ratio analysis; trend analysis; interlinking of ratio results; comparison with similar sized businesses and industry sector norms; recommendations and conclusions; follow up analysis and interpretation;

corporate failure prediction models; critical appraisal of techniques; application to international companies;

- objectives of working capital management; methods of financing working capital (short- and long-term financing requirements); management and control of trade credit and trade debt; cash management, cash operating cycle, management of stocks; application of controls to international companies, evaluation of conflicting aims;
- project appraisal including payback, APR, NPV, IRR; decision to make, buy or lease; effects of capital rationing, taxation and inflation; project appraisal; post completion audit and critical appraisal of the techniques applied; requirements of international companies and global projects;
- corporate re-organisation, including mergers, takeovers, buyouts, demergers and corporate failure;
- financing quality systems initiatives; financial metrics for QA processes.

Weekly schedule

Week	Session 1	Session 2	Independent Study Task
Week 1: Introduction and Overview of Financial Management	Key topics: Relationship between finance and the firm; role of finance in business; multinational finance. Key theories & frameworks: Agency Theory, Stakeholder Theory, Shareholder Wealth Maximisation. Activities: Develop group ground rules.	Key topics: Five principles of finance; overview of term structure and assignment. Activities: Group discussion. Diagnostic test. Individual task introduction: How to select a real public company for analysis.	Identify and select one real international public company – download latest annual report (10-K or annual financial statements).

Week 2: Income Statement	Key topics: Revenue, COGS, gross profit, operating expenses, net income; accrual accounting basics. Key frameworks: Accrual vs. Cash Basis. Activities: Case study 1 – simple income statement construction.	Key topics: Creating a 5-year summary income statement. Activities: Group activity – comparative income statement analysis. Individual task review: Check company selection (Q&A).	Extract 5-year income statement from your chosen company (Excel format).
Week 3: Balance Sheet	Key topics: Current/non-current assets; asset valuation; order of liquidity. Activities: Assessment brief breakdown; online quiz (assets side).	Key topics: Liabilities (current/non-current) and shareholders' equity; retained earnings. Activities: Online quiz (liabilities & equity); group activity. Assessment Clinic 1 Individual task review: Feedback on income statement data.	Build balance sheet dataset – 5 years of assets, liabilities, equity.
Week 4: Cash Flow Statement	Key topics: Accrual vs. cash basis; depreciation as non-cash expense; impact on income vs. cash flow. Activities: Quiz (accrual vs. cash adjustments).	Key topics: Operating, investing, financing cash flows; indirect method. Activities: Group activity – convert income statement to cash flow. Individual task	Construct cash flow statement (indirect method) using your company's data.

		review: Check balance sheet data completeness.	
Week 5: Financial Ratios (Part 1)	Key topics: Creating 5-year balance sheet summary; profitability ratios (ROE, ROA, gross/net margin). Activities: Individual reading – ratio formulas.	Key topics: Liquidity ratios (current, quick); efficiency ratios (asset turnover, inventory days). Activities: Group activity – calculate ratios from case data. Individual task introduction: Begin ratio analysis.	Full ratio analysis draft – profitability, liquidity, efficiency (5-year trend).
Week 6: Financial Ratios (Part 2) & Working Capital Management	Key topics: Leverage (gearing) ratios; investment ratios (EPS, P/E); limitations of ratio analysis. Activities: Case study – critique of ratio analysis.	Key topics: Working capital management (trade credit, debtors, cash operating cycle); stock management. Activities: Individual activity – compute operating cycle. Assessment Clinic 2 Individual task review: Feedback on ratio draft.	Industry benchmark comparison – compare your company's ratios with 2–3 competitors or industry averages.

Week 7: Time Value of Money	Key topics: Compound interest; future value (FV) of single sum. Key theories & frameworks: Discounted Cash Flow (DCF) principle. Activities: Individual practice – FV problems.	Key topics: Present value (PV); annuities (ordinary and due); perpetuities. Activities: Individual practice – PV and annuity problems. Individual task review: Check working capital section.	Working capital cycle calculation – cash conversion cycle (days inventory + days receivables – days payables).
Week 8: Capital Budgeting (Part 1)	Key topics: Payback period (PBP); Accounting Rate of Return (ARR). Activities: Individual practice – PBP/ARR calculations.	Key topics: Net Present Value (NPV) – theory, calculation, decision rule. Activities: Group activity – compare PBP vs. NPV for a case. Individual task introduction: Start investment appraisal (Excel).	Investment appraisal (Excel) – Set up NPV, IRR, PBP for a hypothetical project.
Week 9: Capital Budgeting (Part 2)	Key topics: Profitability Index (PI); Internal Rate of Return (IRR) – calculation and problems. Activities: Individual practice – IRR (trial & error).	Key topics: Modified IRR (MIRR); capital rationing (soft vs. hard); taxation & inflation in appraisal. Activities: Group activity – choose between mutually exclusive projects. Assessment Clinic 2 Individual task review: Excel model feedback.	Complete investment appraisal – Include sensitivity analysis (e.g., change in discount rate).

Week 10	Revision & Formative Feedback	Draft AI reflection – 300–500 words on how AI tools (e.g., ChatGPT, Excel AI features) were used in financial analysis.
Week 11	Assessment Period (Assignment Submission/Exam)	
Week 12	Assessment Period (Assignment Submission/Exam)	