

Finance Management & Planning

Sources of Finance

Assignment Review

Running order next week

1.00pm to 1.20pm	Nick
1.20pm to 1.40pm	Benson
1.40pm to 2.00pm	Bruno
2.00pm to 2.20pm	Ashley
2.20pm to 2.40pm	Rikki
2.40pm to 3.00pm	Andrew

Group Discussion

- Any questions on current assignment ?
- Any clarification on appraisal models ?
- Any concerns for next weeks ?
- Any questions on expectations ?

Why do businesses need finance ?

Start up a business

Working Capital gap

Expanding a business

[Sources of Finance - Mr Rawat – YouTube](#)

Questions to consider

Short Term to Long Term Finance ?

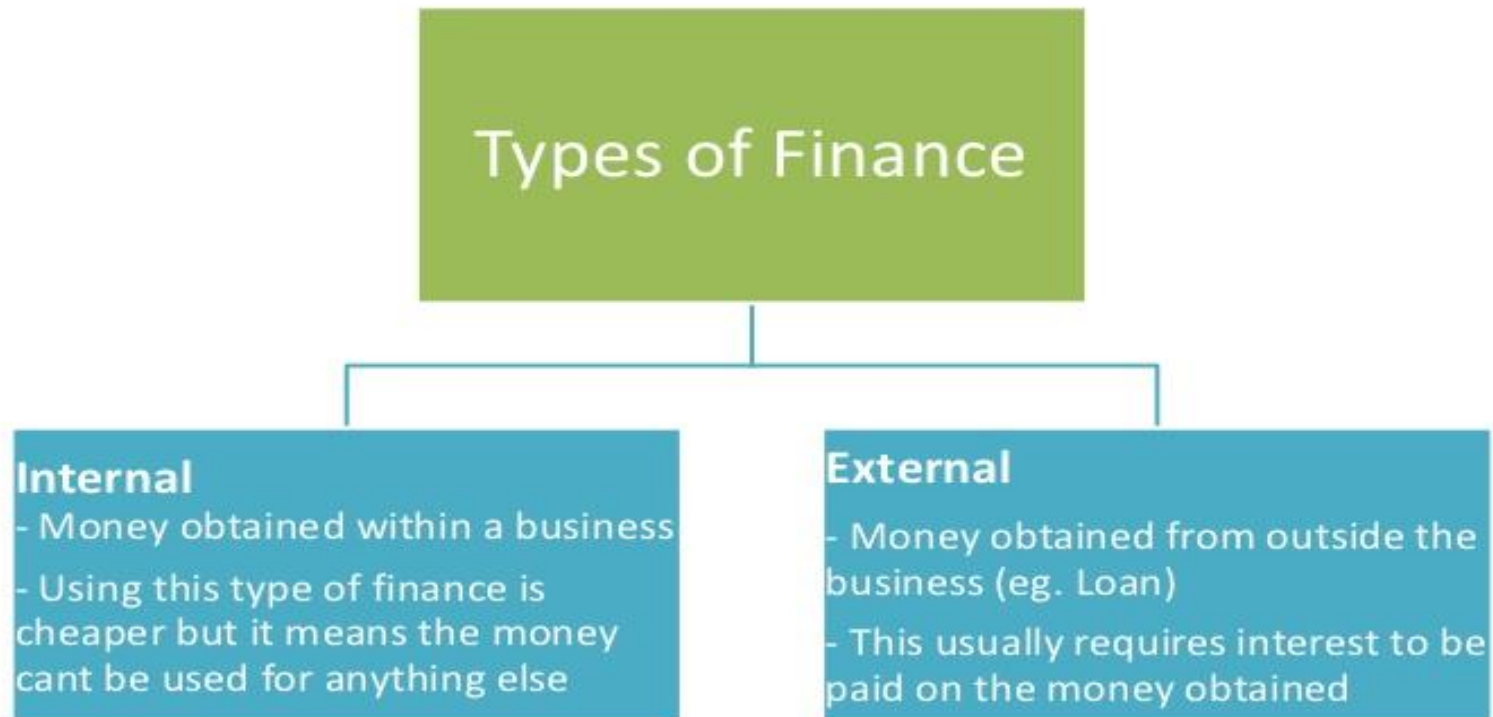
Difference between internal and external sources of Finance ?

Cost of Finance ?

The purpose of finance

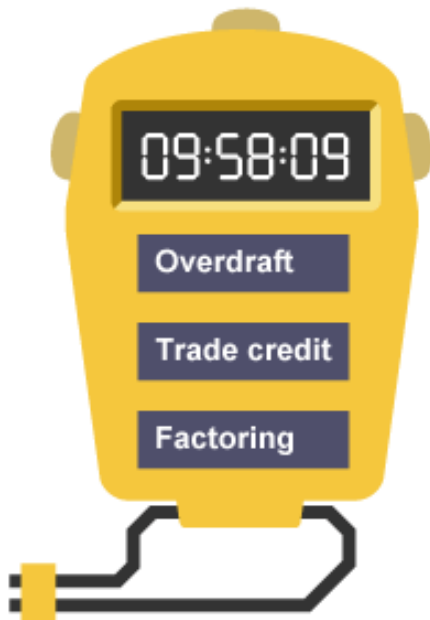
“Different sources of finance have different implications for a business, so it is important that the most appropriate method of finance is chosen for the purpose that the business has in mind”

Different Types of Finance

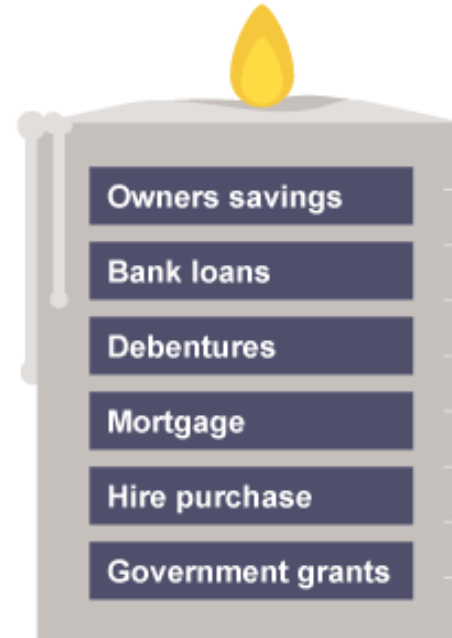


Sources of Finance

Short term sources of finance



Long term sources of finance



TYPES OF BUSINESS FINANCE



DEBT FINANCE

- Start up loan
- Overdraft
- Bank loan / bond
- Peer-to-peer lending
- Asset-based finance
- Leasing / hire purchase
- Export / trade finance
- Growth finance



EQUITY FINANCE

- Seed finance
- Angel Finance
- Equity Crowdfunding
- Venture Capitalist
- Corporate Venture Capital
- Private Equity
- IPO / Public Offering



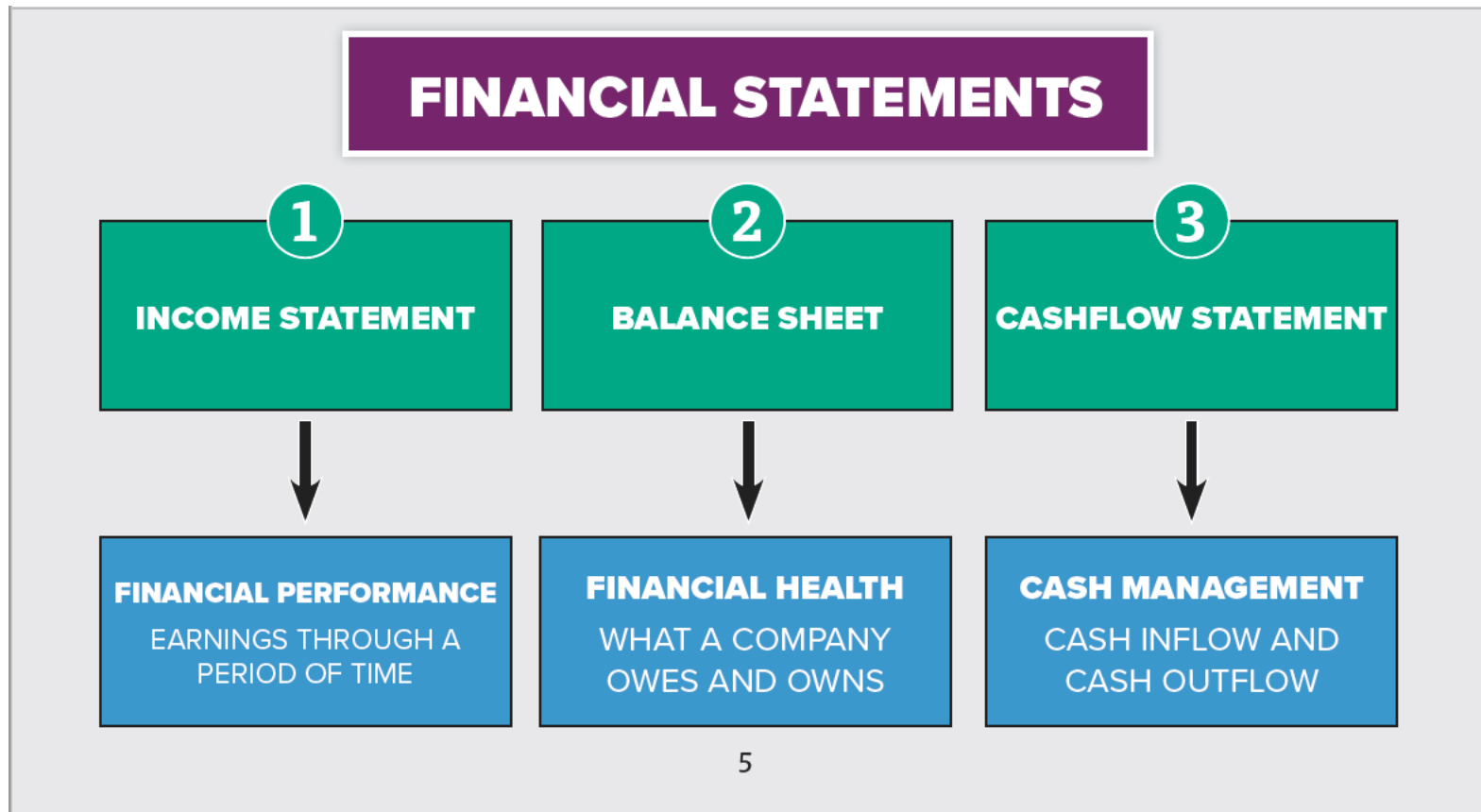
GRANTS

- Business start-up grant scheme
- Childcare business grants
- Enterprise Europe Network
- Food Enterprise Advisory Support Team (FEAST)

Course Overview

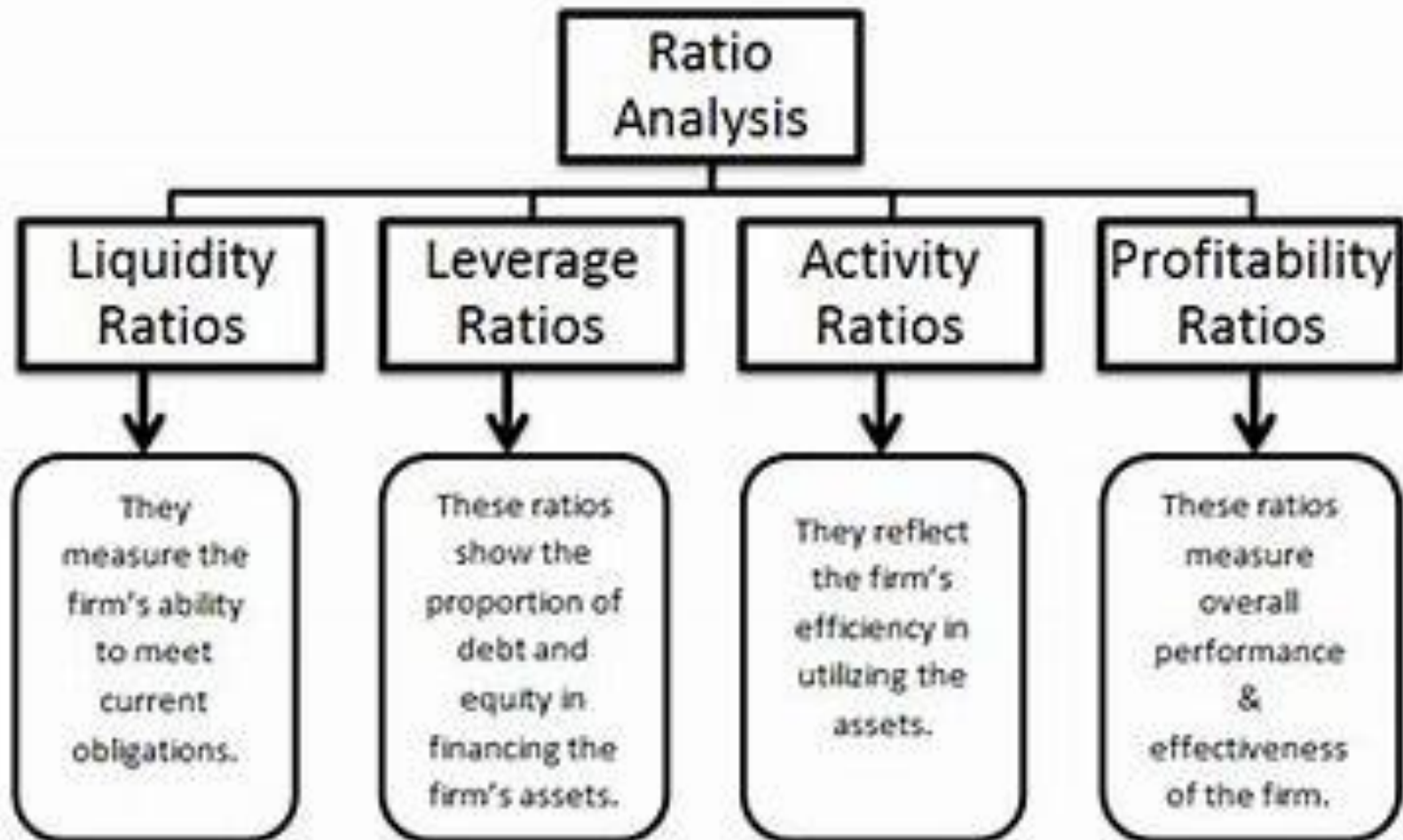
1. Introduction to Finance
2. Costing Methodologies
3. Overview of Finance Statements
4. Overview of Financial Ratios
5. Finance Statements - P&L
6. Finance Statements - Balance Sheet
7. Finance Statements - Cashflow
8. Reviewing the financial position of a business using ratios
9. R&D Tax Credits
10. Project Appraisal Models
11. Sources of Finance
12. Analysis of Financial Information
13. Reviewing the financial position of a business using ratios
14. Collaborative Funding of Projects – 18/12

Financial Statements

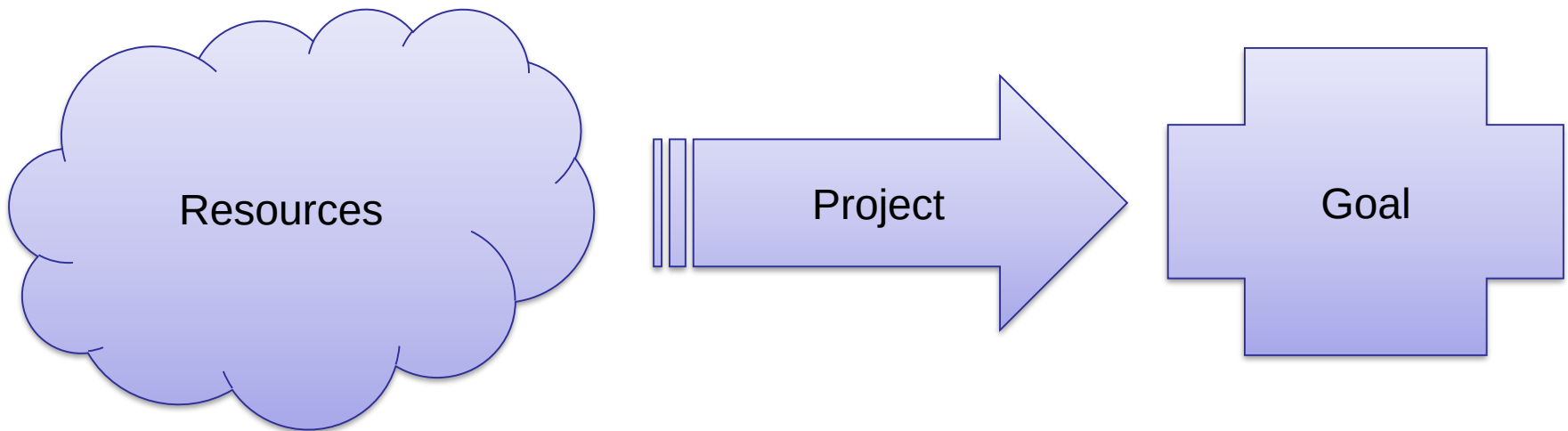


Financial Statements

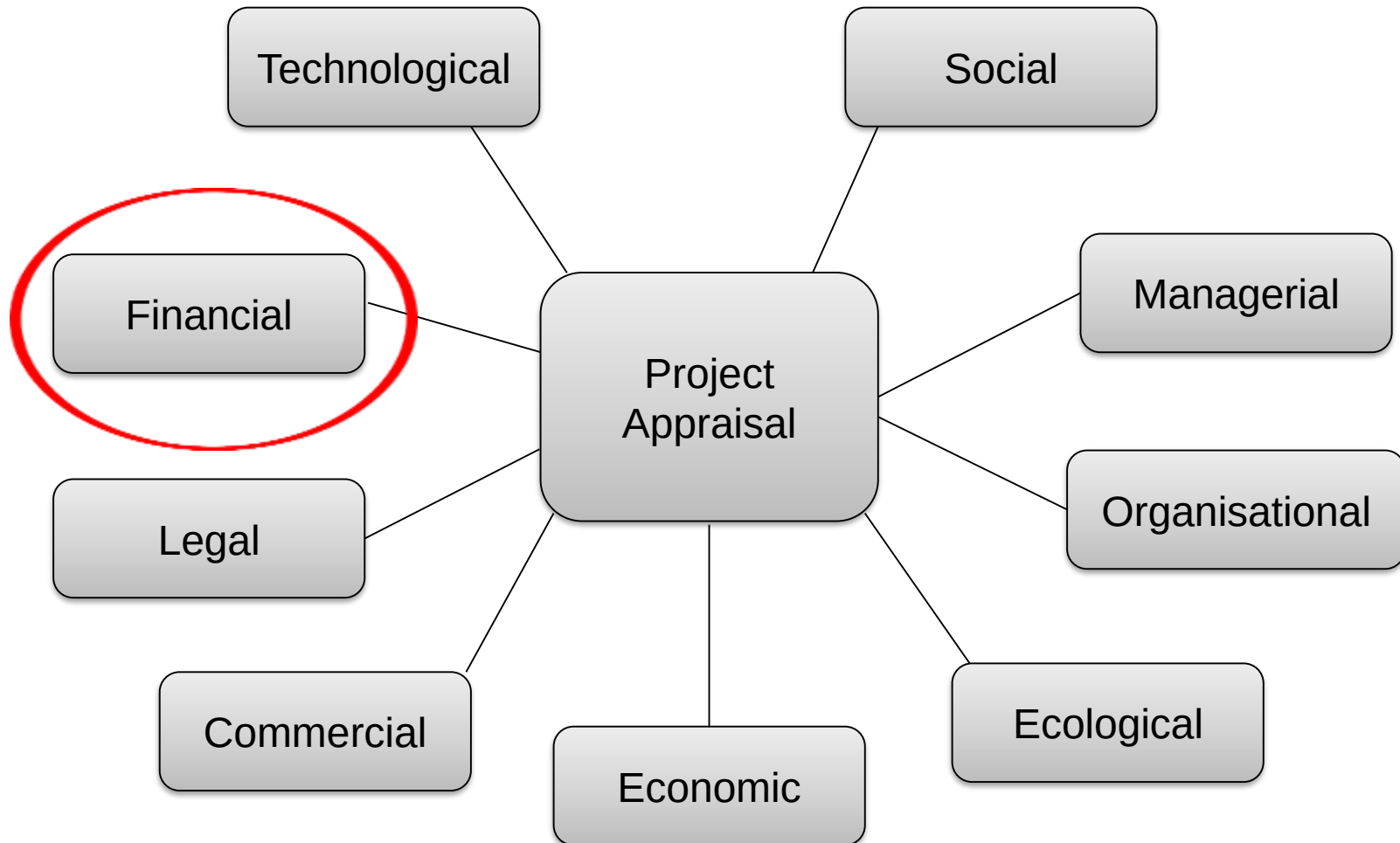
- Overview of a businesses performance through a specified period
- P&L
 - Business Performance
 - Revenue Levels
 - Cost of Good Sold
 - Gross margin
 - Overheads
 - Net Margin (EBITDA)
 - Usually compared to prior year
 - Internally compared to a forecast or budget
- Balance Sheet
 - Value of Assets and Liabilities within a business
- Cash-flow
 - How a businesses cash has flowed through the business.



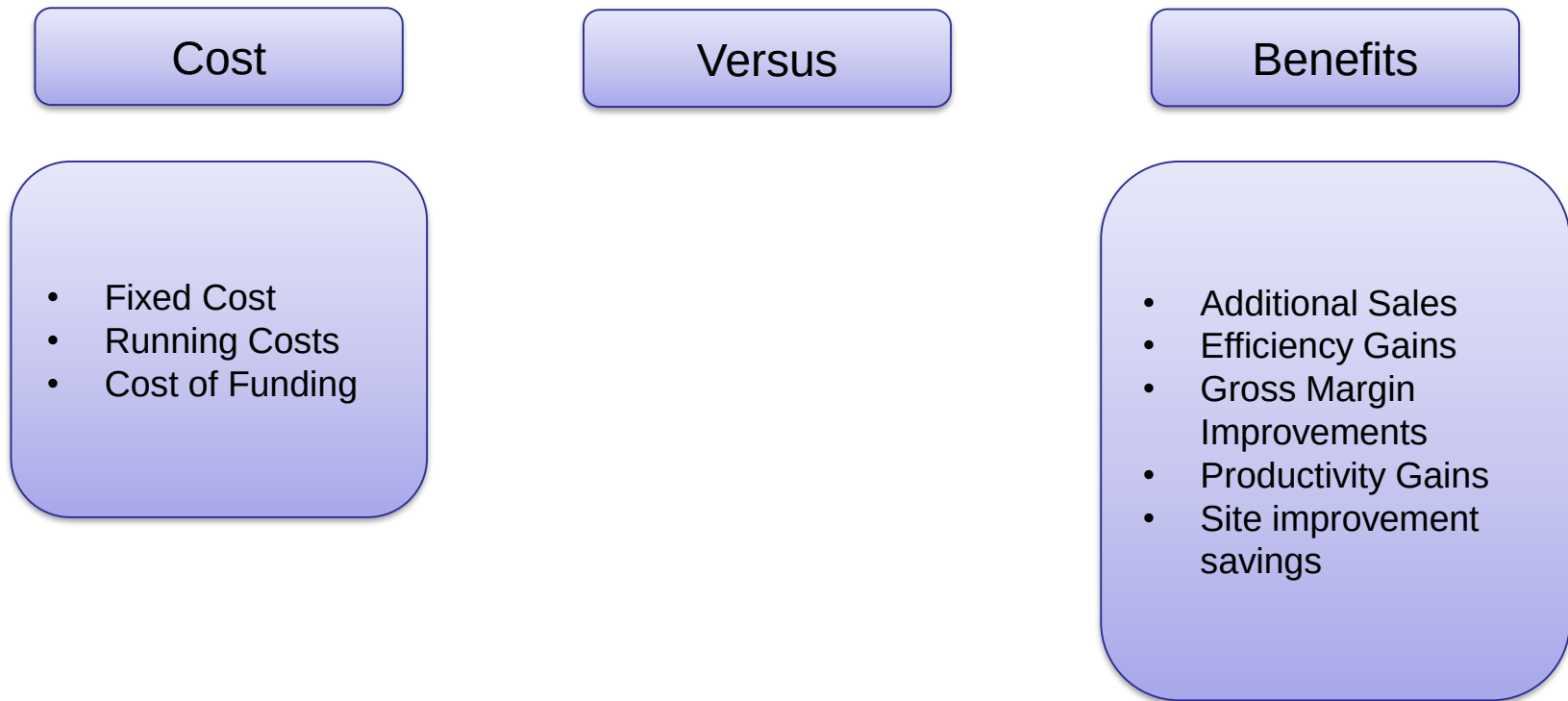
A project is a means to achieve a goal by applying a certain amount of resources.



A **Project appraisal** is a costs and benefits analysis of a proposed project with an objective to adjudicate its feasibility.



Financial Appraisals



Remember your analysis is only as good as the strength of your data

Financial Appraisals Tools



Objectives of the Module

Learning Outcomes

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

- Critically analyse financial and accounting concepts and apply them to prepare detailed business justification for innovation and manufacturing project investment.
- Comprehensively understand financial statement analysis to interpret complex data and prepare reports analysing corporate financial statements.
- Systematically review and analyse the main theories of corporate finance and be able to apply them to investment problems and financing decisions.