

Office hours: Thursday, 9.45 – 11.15 h
Office: W2.4.15
E-mail: Robert.Nothhelfer@hs-pforzheim.de

Financial Management GMT 2110E

Syllabus Summer Term 2020

Start	March 17, 2020
Date	Tuesday, 15.30 – 17.00 h in W2.2.01 17.15 – 18.45 h in W2.2.01 Thursday, 08.00 – 09.45 h in W2.2.01

Special dates There will be **no lecture** on April 21 and during the excursion week (May 4 – 8).

4 Replacement sessions will be agreed in lecture either Tuesday 08.00 – 9.30 h (4 times) or Saturday 9.45 – 13.00 h (2 times)

ECTS-Credits: 7

Level: 3rd / 4th Semester

Prerequisites: English Language Skills
Lectures on book keeping (Foundations of financial accounting)
Basic knowledge on general business administration

Grading: 100 % on written exam of 90 minutes during the regular exam period.

With preparation and presentation of a voluntary short presentation (see below) up to 3 points can be earned for the exam.

Learning Objectives:

- Know and understand the rules and methods of the German Commercial Code for preparing annual financial statements
- Perform financial analyses of annual financial statements, calculate and interpret key performance indicators
- Distinguish between Investment and Financing
- Know the main types of investment decisions and methods
- Grasp, apply and evaluate the static and dynamic methods of investment appraisal
- Know and evaluate different forms of financing
- Calculate the liquidity and capital needs of a company

Main Course topics:

- Financial Accounting (German Commercial Code)
 - Fundamentals of Annual Financial Statements
 - IFRS and General Accepted Accounting Principles
 - General Recognition and Measurement Rules
 - Accounting for non-current and current assets
 - Accounting for equity and debt
 - Income Statement, Notes and Cash Flow Statement
 - Financial Analysis
- Investments and Financing
 - Financial Planning and Forms of Financing
 - Static Methods of Investment Appraisal (Capital Budgeting)
 - Dynamic Methods of Investment Appraisal (Capital Budgeting)
 - Equity Financing
 - Debt Financing
 - Internal Financing

Teaching and Learning Approach

- Students and their learning progress are at the core of the mission of Pforzheim Business School. Therefore, this is very important to me and I will support it in class as well as by guidance for your individual reading and exercising. In addition we can discuss problems via e-mail or arrange an appointment. The written exam will provide a final feedback on the success of your learning efforts.
- The course follows primarily a lecture-style approach but reworking of the materials and exercises, selected readings and continuing active class participation throughout the term are expected. The teacher does not cover all the subjects but focuses on the main subjects referring to reading assignments. A lot of time in class will be used to apply the knowledge and the methods. In addition real annual financial statements will be analysed and discussed.
- If you miss classes, you miss an important learning opportunity.

Short Presentations

Students can actively contribute to the lecture by preparing and presenting a short presentation:

- To prepare a short presentation is voluntary.
- The presentation should cover a current topic (e. g. based on an article in a newspaper) that is related to the topics of the lecture.
- The presentation should take about 3 minutes (max. 5 minutes) and highlight
 - what has happened/happens,
 - why is that interesting / relevant and
 - how it is linked to the lecture.
- A student can earn up to 3 points for the final exam by preparing and giving a presentation.
- There will be one presentation per week. Students have to sign up for a specific date in the first week.

Course Materials

- Lecture Notes
- Additional Exercises

Course Contribution to bachelor program's common learning goals:

Learning Objective	Contribution	Assessment
Basic knowledge Students show that they have sound basic knowledge in Financial Management	Understanding the rules and methods of financial accounting based on German Commercial Code. Being able to analyze financial statements. Understanding investment decisions and being able to evaluate investment opportunities with several methods. Being able to calculate financial needs and to evaluate different methods of financing to fulfill these needs.	Discussions and exercises in class, written exam.
Use of information technology	X	X
Critical thinking and analytical competence Students are able to apply analytical and critical thinking skills to complex problems	Analysis of real financial statements with calculation of KPIs, interpretation of the KPIs and strategic options to improve the KPIs	Discussions and exercises in class, written exam.
Ethical awareness Students are able to develop business ethics strategies and apply them to typical business decision-making problems	Understanding of short and long term consequences of accounting options; Understanding legal and commercial consequences of incorrect or unethical behavior	Discussion and exercises in class
Communication skills	X	X
Capacity for teamwork	X	X

Literature

- Financial Accounting – Introduction to German GAAP with exercises, Nothhelfer, 1st ed., DeGruyter Oldenbourg, 2017
- Introduction to Financial Accounting, Horngren/Sundem/Elliott/Philbrick, 10th ed., Pearson, 2011
- Financial Accounting – IFRS edition, Weygandt/Kimmel/Kieso, 2nd ed., Wiley, 2013
- Understanding Financial Management: A Practical Guide, Baker et al., Wiley-Blackwell, 2005
- Corporate Finance, Hillier et al., McGraw-Hill Higher Education, 2013
- Applied Corporate Finance, Pyles, Springer, 2014
- A practical guide to corporate finance, Thibierge/Beresford, Palgrave/McMillan, 2015

Time schedule (deviations possible)

	Units of 90 min
Fundamentals of Annual Financial Statements	2
IFRS and General Accepted Accounting Principles	2
General Recognition and Measurement Rules	3
Accounting for non-current and current assets	4
Accounting for equity and debt	4
Income Statement, Notes and Cash Flow Statement	2
Financial Analysis	4
Financial Planning and Forms of Financing	3
Static Methods of Investment Appraisal	3
Dynamic Methods of Investment Appraisal	3
Equity Financing	3
Debt Financing	3
Internal Financing	2
Exam preparation / Additional exercises	2
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