

Syrian Arab Republic	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
Ministry of Higher Education		وزارة التعليم العالي
Syrian Virtual University		الجامعة الافتراضية السورية

## Course Description: Principles of Financial Management

### 1- Basic Information:

Course Name	Principles of Financial Management
Course ID	BFB401
Contact Hours (Registered Sessions)	24
Contact Hours (Synchronized Sessions)	24
Mid Term Exam	-
Exam	75 min
Registered Sessions Work Load	48
Synchronized Session Work Load	18
Credit Hours	5
Course Level	4

### 2- Pre-Requisites:

Course	ID
Fundamentals of Management	BMN401
Accounting Principles (2)	BAC402

### 3- Course General Objectives:

The purpose of this course is to provide students with concepts and knowledge to help them understand the financial problems faced by businesses in various forms, and to expand their understanding of the CFO's work and the concept of financial management and its evolution over time, as well as perceive the relationship between financial management and other departments of the organization and its external environment. The course also aims to provide students with the skills necessary to analyze the financial situation of the organization and identify sources of funding in various forms: Short, medium and long term. The purpose also includes the skills necessary to evaluate short-term investments (current assets), long-term investments (capital assets), trade-off and selecting the best, as well as the use of quantitative models to predict the financial failure.

### 4- Intended Learning Outcomes (ILO):

Syrian Arab Republic	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
Ministry of Higher Education		وزارة التعليم العالي
Syrian Virtual University		الجامعة الافتراضية السورية

Code	Intended Learning Outcomes
ILO1	Remember the concept of financial management and its historical evolution, define its objectives and location in the organizational structure of the organization, describe its relationship with environment and other sciences and determine the legal forms of organizations.
ILO2	Remember the basic concepts and terminologies used in the field of financial analysis and financial reading of accounting data, analysis of different financial statements and determining organization's financial position.
ILO3	Describe financial forecasting and distinguish between financial planning and financial forecasting, determine relationship between sales and income statement and financial position statement, and apply forecasting methods to the organization's financial needs.
ILO4	List different forms of working capital, clarify difference between them, apply their standards, explain policies and changes in working capital and determine the optimal level of investment in working capital and financial balance.
ILO5	Describe the process through which the organization manages its cash, analyze the cash conversion cycle and its measures, apply quantitative models to determine the optimal level of cash, and evaluate the efficiency of cash management.
ILO6	Remember the concept of accounts receivable (credit), list policies and criteria for granting credit, describe factors affecting credit policy, determine the optimal level of accounts receivable and evaluate credit management.
ILO7	Remember inventory concept, list the motivations to holding inventory and its types, explain inventory control, determine the optimal level of inventory and its cost, and evaluate inventory management.
ILO8	Describe the short-term funding, list the different types of short-term funding, distinguish between them and determining the cost of each short-term funding source.
ILO9	Explain the concept of time value of money and distinguish between future value and present value whether for single payment, equal payments or unequal payments, and applying the concept of time value of money.
ILO10	Distinguish between investments in fixed assets and investments in current assets, evaluate investment projects according to different criteria and make investment decisions based on scientific principles.
ILO11	Describe long-term funding, list the different types of long-term funding, and distinguish between them and determining the cost of each long-term funding source.
ILO12	Remember basic concepts and terminologies used in the field of financial failure, list the steps of financial failure and its causes, and apply financial forecasting models to the financial data' derivative financial statements.

5- **Course Syllabus** (24 hours of total Recorded Sessions, 24 hours of total synchronized sessions)

- **RS:** Recorded Sessions; **SS:** Synchronized Sessions;

ILO	Course Syllabus	RS	SS	Type	Additional Notes
-----	-----------------	----	----	------	------------------

<b>Syrian Arab Republic</b>	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
<b>Ministry of Higher Education</b>		وزارة التعليم العالي
<b>Syrian Virtual University</b>		الجامعة الافتراضية السورية

ILO1	<b>Introduction to Financial Management</b> <ul style="list-style-type: none"> <li>• Definition of financial management</li> <li>• Objectives of financial management</li> <li>• Location of financial management in the organizational structure</li> <li>• The evolution of financial management over time</li> <li>• Relationship of financial management to other sciences</li> <li>• Legal forms of business</li> <li>• Agency problem and financial management</li> </ul>	2	2	<input type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	See organizational structures for organizations and location of financial management.
ILO2	<b>Financial Analysis</b> <ul style="list-style-type: none"> <li>• Definition of financial analysis</li> <li>• Objectives of financial analysis</li> <li>• Sources of financial analysis data</li> <li>• Users of financial analysis</li> <li>• Financial ratios analysis</li> <li>• DuPont analysis</li> <li>• Trend analysis</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO3	<b>Forecasting Financial Needs</b> <ul style="list-style-type: none"> <li>• The concept of forecasting financial needs</li> <li>• Relationship of sales to income statement</li> <li>• Relationship of sales to financial position statement</li> <li>• Percentage of sales method</li> <li>• Simple linear regression method</li> <li>• Break Even Analysis</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO4	<b>Working Capital Management</b> <ul style="list-style-type: none"> <li>• Definition of working capital</li> <li>• The importance of working capital</li> <li>• Working capital types</li> <li>• Working capital policies</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.

<b>Syrian Arab Republic</b>	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
<b>Ministry of Higher Education</b>		وزارة التعليم العالي
<b>Syrian Virtual University</b>		الجامعة الافتراضية السورية

	<ul style="list-style-type: none"> <li>Working capital changes</li> <li>Factors affecting working capital</li> <li>The optimal level of working capital investment</li> <li>Working capital needs and financial balance</li> </ul>				
ILO5	<b>Cash management</b> <ul style="list-style-type: none"> <li>Definition of cash management</li> <li>The motives for holding cash</li> <li>Factors affecting cash management</li> <li>Cash management strategies</li> <li>Operational cycle and cash conversion cycle</li> <li>Determining optimum level of cash</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO6	<b>Accounts Receivable Management (Credit Management)</b> <ul style="list-style-type: none"> <li>Definition of accounts receivable (credit)</li> <li>Credit policies</li> <li>Credit granting criteria</li> <li>Credit Control</li> <li>Factors affecting credit policy</li> <li>Determining the optimal level of accounts receivable accounts</li> <li>Evaluation of credit management</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO7	<b>Inventory Management</b> <ul style="list-style-type: none"> <li>Definition of inventory</li> <li>Importance of inventory management</li> <li>The motives for holding inventory</li> <li>Inventory control</li> <li>Cost of inventory</li> <li>Inventory types</li> <li>Determining the optimal level of inventory</li> <li>Evaluation of inventory management</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.

<b>Syrian Arab Republic</b>	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
<b>Ministry of Higher Education</b>		وزارة التعليم العالي
<b>Syrian Virtual University</b>		الجامعة الافتراضية السورية

ILO8	<b>Short-term funding</b> <ul style="list-style-type: none"> <li>• Definition of short-term funding</li> <li>• The importance of short-term funding</li> <li>• Sources of short-term funding and their cost           <ul style="list-style-type: none"> <li>✓ Commercial credit and its cost</li> <li>✓ Short-term loans and their cost</li> <li>✓ Commercial papers and their cost</li> <li>✓ Accruals and their cost</li> </ul> </li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO9	<b>Time Value of Money</b> <ul style="list-style-type: none"> <li>• The concept of time value of money</li> <li>• The importance of time value of money</li> <li>• Future value of money           <ul style="list-style-type: none"> <li>✓ Future value of a single payment</li> <li>✓ Future value of equal payments</li> <li>✓ Future value of unequal payments</li> </ul> </li> <li>• Present value of money           <ul style="list-style-type: none"> <li>✓ Present value of a single payment</li> <li>✓ Present value of equal payments</li> <li>✓ Present value of unequal payments</li> </ul> </li> <li>• Applications of the time value of money</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO10	<b>Capital Investments Valuation</b> <ul style="list-style-type: none"> <li>• The concept of capital investments</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects	Review exercises before the session.

<b>Syrian Arab Republic</b>	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
<b>Ministry of Higher Education</b>		وزارة التعليم العالي
<b>Syrian Virtual University</b>		الجامعة الافتراضية السورية

	<ul style="list-style-type: none"> <li>• The importance of capital investments</li> <li>• Types of capital investment</li> <li>• Factors influencing capital investment decisions</li> <li>• Methods of capital investment valuation           <ul style="list-style-type: none"> <li>✓ Payback Period</li> <li>✓ Accounting Rate of Return</li> <li>✓ Net Present Value</li> <li>✓ Internal Rate of Return</li> <li>✓ Profitability Index</li> <li>✓ Adjusted Pay-back Period</li> </ul> </li> </ul>			<input type="checkbox"/> Practices <input type="checkbox"/> Others	
ILO11	<b>Long-term funding</b> <ul style="list-style-type: none"> <li>• Definition of long-term funding</li> <li>• The importance of long-term funding</li> <li>• Sources of long-term funding and their cost           <ul style="list-style-type: none"> <li>✓ Long-term loans and their cost</li> <li>✓ Bonds and their cost</li> <li>✓ Preferred stocks and their cost</li> <li>✓ Common stocks and their cost</li> <li>✓ Retained earnings and its cost</li> </ul> </li> <li>• Weighted average cost of capital</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.
ILO12	<b>Financial Failure</b> <ul style="list-style-type: none"> <li>• Definition of financial failure</li> <li>• Stages of financial failure</li> <li>• Causes of financial failure</li> <li>• Elements of the success of predicting financial failure</li> <li>• Determinants of financial failure</li> <li>• Models for predicting financial failure</li> </ul>	2	2	<input checked="" type="checkbox"/> Exercises <input checked="" type="checkbox"/> Assignments <input type="checkbox"/> Seminars <input type="checkbox"/> Projects <input type="checkbox"/> Practices <input type="checkbox"/> Others	Review exercises before the session.

Syrian Arab Republic	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
Ministry of Higher Education		وزارة التعليم العالي
Syrian Virtual University		الجامعة الافتراضية السورية

## 6- Assessment Criteria (Related to ILOs)

ISC	Interactive Synchronized Collaboration	Ex	Exams	Rpt	Reports
PF2F	Presentations and Face-to-Face Assessments	PW	Practice Work		

ILO Code	ILO	Intended Results	Assessment Type				
			ISC	PW	Ex	PF2F	Rpt
ILO1	Remember the concept of financial management and its historical evolution, define its objectives and location in the organizational structure of the organization, describe its relationship with the environment and other sciences and determine the legal forms of organizations.	Define relationship between financial management and environment. Give examples of legal forms of business.	X		X		
ILO2	Remember the basic concepts and terminology used in the field of financial analysis and financial reading of accounting data, analysis of different financial statements and determining the financial position of organizations.	Analysis of financial statements and interpretation of results.	X	X	X		X
ILO3	Describe financial forecasting and distinguish between financial planning and financial forecasting, determine the sales relationship to the income statement and the statement of financial position, and apply the forecasting methods to the financial needs of the organization.	Analyze the relationship between sales and sales-related financial statement items.	X	X	X		
ILO4	List the different forms of working capital, clarify the difference between them, apply their standards, explain policies and changes in working capital and determine the optimal level of investment in working capital and the financial balance.	Determine the optimal level of working capital.	X	X	X		

<b>Syrian Arab Republic</b>	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
<b>Ministry of Higher Education</b>		وزارة التعليم العالي
<b>Syrian Virtual University</b>		الجامعة الافتراضية السورية

<b>ILO5</b>	Describe the process through which the organization manages its cash, analyze the cash conversion cycle and its measures, apply quantitative models to determine the optimal level of cash, and evaluate the efficiency of cash management.	Determine the optimal level of cash.	X	X	X		
<b>ILO6</b>	Remember the concept of accounts receivable (credit), list policies and criteria for granting credit, describe factors affecting credit policy, determine the optimal level of accounts receivable and evaluate credit management.	Determine the optimal level of accounts receivable.	X	X	X		
<b>ILO7</b>	Remember inventory concept, list the motivations to holding inventory and its types, explain inventory control, determine the optimal level of inventory and its cost, and evaluate inventory management.	Determine the optimal level of inventory.	X	X	X		
<b>ILO8</b>	Describe the short-term funding, list the different types of short-term funding, distinguish between them and determining the cost of each short-term funding source.	Give examples of short-term funding sources and compare their cost.	X	X	X		
<b>ILO9</b>	Explain the concept of the time value of money and distinguish between future value and present value whether for single payment, equal payments or unequal payments, and applying the concept of time value of money.	Distinguish between the future value and the present value of money.	X	X	X		
<b>ILO10</b>	Distinguish between investments in fixed assets and investments in current assets, evaluate investment projects according to different criteria and make investment decisions based on scientific principles.	Comparison of investment projects.	X	X	X		

Syrian Arab Republic	 الجامعة الافتراضية السورية SYRIAN VIRTUAL UNIVERSITY	الجمهورية العربية السورية
Ministry of Higher Education		وزارة التعليم العالي
Syrian Virtual University		الجامعة الافتراضية السورية

<b>ILO11</b>	Describe long-term funding, list the different types of long-term funding, and distinguish between them and determining the cost of each long-term funding source.	Give examples of long-term funding sources and compare their cost.	X	X	X		
<b>ILO12</b>	Remember the basic concepts and terminology used in the field of financial failure, list the steps of financial failure and its causes, and apply financial forecasting models to the financial data' derivative financial statements.	Application of forecast models of financial failure.	X	X	X		X

## 7- Practice Tools:

Tool Name	Description
-	-

## 8- Main References

1- Van Horne, J.C., & Wachowicz, J.M., (2009), Fundamentals of financial management, 13 <sup>th</sup> edition, Person Education Limited. 2- Titman, S., Keown, A.J., Martin J.D., & Martin, T., (2015), Financial Management: Principles and Applications,(7e), Pearson Australia. 3- Brigham, E.F., & Houston, J.F., (2007), Fundamental of Financial Management, 11th Edition, Florida.
---

## 9- Additional References

1- Aragon, G.A., (1989), Financial Management, London, Alldon and Bacon. 2- Brigham, F.E., & Ehrhardt, M.C., (2013), Financial Management: Theory and Practice, Thomson south-western. 3- Additional articles and references provided to students at the end of each lecture according to the subject of the lecture and the interest of the students
---