

Identification	Subject (Code, title, credits)	FIN 310 Fundamentals of Financial Management 3KU/6ECTS
	Department	Economics and Management
	Program type	Undergraduate
	Term	Fall, 2023
	Instructor	Afandi Aliyev
	E-mail:	afandi.aliyev@khazar.org
	Classroom	Tuesday 307 NB, 18:30 – 21:00
	Office hours	By appointment
Prerequisites	ACC 310 Financial Accounting	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	<p>Main Textbooks: Richard A. Brealey, Stewart C. Myers, Franklin Allen, “Principles of Corporate Finance”, 13th Edition McGraw-Hill Education, 2019.</p> <p>Additional book: Ross, Westerfield & Jordan, “Fundamentals of Corporate Finance”, 12th edition, McGraw-Hill Education, 2018.</p>	
Course outline	<p>This course mainly targets various types of valuation procedures and tools used in the evaluation and decision-making process in the business environment and financial management of corporations. Furthermore, both theoretical and practical concepts regarding financial management will be covered throughout the course, while providing basic financial theory and practice. What’s more, common problems encountered by business decision-makers and the fundamental analytical skills to deal with various financial issues will be highlighted. Topical coverage will include fundamental concepts of financial management and corporate finance such as time value of money, cost of capital, financial evaluation methodologies, and other relevant theories.</p>	
Course objectives	<p>During the course, students will receive a comprehensive introduction to financial management, covering key topics like financial statement analysis, the time value of money, and decision-making with a focus on risk assessment and cost of capital. Net Present Value (NPV) is introduced for project analysis. Working capital management and valuing stocks and bonds will also be explored, which will enable students to be better equipped for future courses, such as Corporate Finance, Investment Management etc. By course completion, students will have a robust foundation in financial management, enabling them to rigorously analyze investment and financing projects and make sound judgments in personal and professional financial decision-making.</p>	
Learning outcomes	<p>Main learning outcomes of the course include:</p> <ul style="list-style-type: none"> Analyzing financial statements - Evaluating and interpreting financial statements to assess a company's financial health and performance. Applying time value of money concepts - Utilizing time value of money principles to make informed investment decisions, considering the impact of time on the value of money. Assessing risk and cost of capital - Analyzing and managing financial risk and understanding the cost of capital to determine optimal funding strategies. Calculating and interpreting Net Present Value (NPV) - Proficiently computing NPV for various projects and investments and interpreting the results to assess their 	

	<div>profitability.</div> <ul style="list-style-type: none">• Conducting comprehensive project analysis - Evaluating the viability and feasibility of projects through rigorous analysis techniques.• Efficiently managing working capital - Implementing effective working capital management strategies to ensure smooth day-to-day operations within a company.• Valuing common stocks - Applying various methods to value common stocks and make informed decisions in the stock market.• Valuing bonds - Employing bond valuation techniques to assess the attractiveness of fixed-income securities within an investment portfolio.• Making sound financial decisions - Equipping students with a comprehensive foundation for sound financial decision-making in both corporate and personal contexts.		
Teaching methods	Lecture		✓
	Group discussion		✓
	Practices		✓
	Case analysis		✓
Evaluation	Methods	Date/deadlines	Percentage (%)
	Midterm Exam	To be announced	30
	Activity		5
	Class Attendance		5
	Quizzes	Week 5 and14	10
	Group Practice	During the semester	10
	Final Exam	To be announced	40
	Total		100
Policy	Activity & Class Attendance evaluation criteria Students are required to attend all classes to follow all lectures. Participation in class discussions plays the main role in assessing students’ activity rates. Thus, the assessment process will be based on how active students are in the class discussions by answering the instructor’s questions and initiating asking questions, which are relevant to the subject, and providing their views and insights on related matters.		
	Quizzes During the course, 2 quizzes will be held to evaluate the knowledge of students related to the covered topics. The main purpose of carrying out quizzes is to find out how the students understood the covered classes, provide students with an experience of solving practice questions and enforce them to study for both theoretical and numerical questions.		
	Group Practices Students will be allocated in small groups to assess investment projects for a given company by applying various project valuation methods. The evaluation process of group assignments will be based on students' group work skills and their logical problem-solving approach while implementing various project valuation methods for the company.		
	Case Studies During the day, several case studies will be discussed to better understand how theoretical knowledge gained from previous lectures applied in real-life examples. Case studies will not be evaluated, however will be taken into consideration for activity grades.		
Tentative schedule is subject to changes			
Week	Date/Day (tentative)	Topics	Textbook/Assignments

1	19.09.23	Introduction to Financial Management	Ch. 1 (Myers et al.)
2	26.09.23	Financial Statements	Ch. 28 (Myers et al.)
3	03.10.23	Time Value of Money	Ch. 2 (Myers et al.)
4	10.10.23	Making Investment Decisions	Ch. 5 (Myers et al.)
5	17.10.23	Practice Session / Quiz 1	
6	24.10.23	Cost of Capital	Ch.9 (Myers et al.)
7	31.10.23	Net Present Value (NPV)	Ch. 6 (Myers et al.)
8	07.11.23	Case Studies	
9	14.11.23	Midterm Exam	
10	21.11.23	Project Analysis	Ch. 10 (Myers et al.)
11	28.11.23	Working Capital Management	Ch. 30 (Myers et al.)
12	05.12.23	Valuing Common Stocks	Ch. 4 (Myers et al.)
13	12.12.23	Valuing Bonds	Ch.3 (Myers et al.)
14	19.12.23	Practice Session / Quiz 2	
15	26.12.23	Revision Lecture	
16		Final Exam	