



**FINANCIAL MANAGEMENT**

<b>Credit points</b>	5 CP		
<b>Duration of the course</b>	7 sem.		
<b>Study course annotation</b>	<p>Financial management is a type of activity that is aimed at achieving the goals of companies by effectively applying the entire system of financial resources, which forms the financial mechanism of the company's operations in a market economy.</p> <p>The main objective of the course is to teach students to manage a complex of financial relations at the company level. Financial management methods allow you to assess the level of risk and return on investment. It is especially important that financial management covers all areas of capital management: capital movements, its efficiency, structural dynamics.</p>		
<b>Aim of the study course</b>	The aim of the course is to develop students' skills in choosing methods for more efficient use of resources and making financial management decisions in the company's management system..		
<b>Study course results</b>	<b>Knowledge</b>	<b>Skills</b>	<b>Competences</b>
	<ul style="list-style-type: none"> <li>• Concepts and regularities of financial markets;</li> <li>• Concept of financial market instruments;</li> <li>• Capital structure;</li> <li>• Sources of financing.</li> <li>•</li> <li>• At application level:</li> <li>• Information selection and analysis methods;</li> <li>• Evaluation of the possibilities of using the obtained information;</li> <li>• Knowledge of financial literacy;</li> <li>• Principles of corporate social responsibility;</li> <li>• Analysis of plan deviations;</li> <li>• Methods and techniques of financial analysis;</li> <li>• Justification of the need to adjust the financial perspective;</li> <li>• Methods of adjusting the financial perspective;</li> <li>• Capital structure analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Collect currency, securities and borrowed capital market data;</li> <li>• Work with currency, securities and borrowed capital market data;</li> <li>• Analyse the obtained information;</li> <li>• Draw conclusions about the trends of the currency, securities and borrowed capital markets;</li> <li>• Identify the organisation's goals and their impact on the financial environment and public interest;</li> <li>• Analyse the execution of the financial plan; Evaluate the deviations of the financial plan;</li> <li>• Develop a proposal to adjust the financial perspective.</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to summarise the results of financial analysis in decision making</li> <li>• Ability to assess the financial condition of the organization</li> <li>• Ability to evaluate the factors influencing the financial situation of the organisation</li> <li>• Ability to make proposals for attracting financial resources</li> <li>• Ability to make proposals for relevant financial decisions</li> <li>• Ability to prepare financial information for solving various professional tasks (information for the bank, clients, State Revenue Service, etc.)</li> </ul>
<b>Study course content</b>	<b>Subject</b>		
	1	Content and tasks of financial management.	
	2	Financial markets, financial institutions and interest rates. Financial markets. Classification of financial markets.	
	3	Value for money. Discounting.	
	4	Future assessment. Compounding. Annuity.	
	5	Financial reports, financial analysis and financial forecasting. Financial risks.	
6	Value of shares and bonds.		



7	Decision-making methods depending on the efficiency of capital investments. Project classification.
8	Estimation of cash flows in capital investment analysis.
9	Capital value, its essence, types and formation sequence.
10	Dividend policy. Financial administration in the short term. Factors influencing dividend policy.
11	Working capital management, its financing strategies. Net working capital. Fixed and variable capital.

<b>Form of assessment:</b>	Exam
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<b>Obligatory literature:</b>
<ol style="list-style-type: none"><li>1. <a href="#">Glen Arnold</a>, Deborah Lewis, Corporate Financial Management, 6th Edition, Pearson education, 2019, 1128,p</li><li>2. Brigham E. Financial Management: Theory and Practice, 2nd Ed. / Ehrhardt Brigham. – Andover UK: Cengage Learning, 2018. - 638 [14] p.</li></ol>

<b>Study course additional literature:</b>
<ol style="list-style-type: none"><li>1. Houston. - 10th ed. - THOMSON, 2004.</li><li>2. Fox R., Madura J. International Financial Management, 4th Ed. / Jeff Madura, Roland Fox. - Andover UK: Cengage Learning, 2016. - 679 [19] p.</li><li>3. James C.Van Horne. Fundamentals of Financial management. New Yersey Prentice Hall, 1989.</li><li>4. Michael C. Ehrhardt, Eugene F. Brigham. Corporate Finance. Thomson, 2003.</li><li>5. E-finance. Log in to the Future! / Vasant C. Joshi. - Response Books, 2004. - 220, [12] p</li></ol>

<b>Other sources of information:</b>
<ul style="list-style-type: none"><li>• iFinances – žurnāls par nodokļiem, grāmatvedību, darba un komercietībām. Available at: <a href="http://ifinances.lv">http://ifinances.lv</a></li><li>• Financial Times <a href="http://www.ft.com">www.ft.com</a></li><li>• Databases of enterprises of the Republic of Latvia <a href="https://www.lursoft.lv/">https://www.lursoft.lv/</a></li><li>• Central Statistical Bureau of the Republic of Latvia <a href="http://www.csb.gov.lv">www.csb.gov.lv</a></li><li>• Eurostat <a href="http://ec.europa.eu/eurostat">http://ec.europa.eu/eurostat</a></li><li>• BIA library databases: EBSCO, Scopus</li></ul>

Changes and additions to the program and literature list are possible during the study process