



Short Program of Course:

Academic Year: 2021 – 2022

FINANCIAL MANAGEMENT

**"Bachelor" in "Agribusiness Management"
First Cycle Study Program (180 ECTS)**

Type of activity	hours
Lectures:	39
Seminars:	26
Exercises:	
Laboratory:	
Fieldwork practice:	
Clinical practice:	
Sportive practice:	

Credits:	5
Discipline:	B

Total workload	5 x 25 = 125
Class workload:	65
Individual workload:	60

Code:	AGR-A-18B
--------------	------------------

Description of Course

	The Role of Financial Management Financial management role;
1	Evolution of financial management; Linking financial management in other areas of the economy; Financial management responsibilities; Financial and non-financial objectives of financial management. The company and its operating environment.
2	Forms of business organization in Albania and other countries change; The impact of a final form of business organization to financial management; Company's financial relations with third parties; Financial environment where the company operates. Seminars: Questions and exercises.
3	Financial planning and forecasting financial statements. Methods of financial forecasting Method percentage on sale. Seminars: Questions and exercises.
4	Financial statements and ratio analysis. Analysis of financial reports: the advantages and disadvantages; Different types of financial reports and how to use them to assess the economic fund and a society; Seminars: Questions and exercises.
5	Profit planning. 5.1 Analysis of the equilibrium point, nonlinear. 5.2 Statements of resources and use of funds ;. Seminars: Questions and exercises.
6	Time value of money 5.1. Present value, future value 5.2. Net present value and its uses 5.3. Loan amortization schedule. Seminars: Questions and exercises.

7	<p>Basic concepts on risk; Risk Measurement of a security; Portfolio risk measurement; Minimize the risk of the portfolio; Risk assessment models and returns Digital evaluation capital market assets (CAPM)</p>
8	<p>7.1. Bond evaluating 7.2. Required rate of return and the expected return of bonds; 7.3. Assessment of ordinary shares with constant growth; 7.4. Assessment of ordinary shares with non-constant growth; 7.5. The value of common shares and making decisions. Seminars: Questions and exercises.</p>
9	<p>Capital budgeting steps; Classification projects; Determination of cash flow, the initial investment; Determination of operating cash in-flow; Determination of cash flows at the end of life of the project that is budgeted. Seminars: Questions and exercises.</p>
10	<p>Capital budgeting techniques The importance of capital budgeting; The net present value method of capital budgeting; The method of internal rate of return; The profitability index method; The payback period method; The cost of capital</p>
11	<p>11.1. Cost of long-term borrowing; 11.2. Cost of preferred shares; 11.3. Cost of common shares; 11.4. Cost of retained earnings; 11.5. The weighted average cost of capital (WACC);</p>
12	<p>Financial and operational leverages/ The capital structures Operating leverage and financial leverage; Their influence in decision-making process. The Capital type; Relationship between personal debt and equity; Optimal capital structure:</p>
13	<p>Dividend policy Dividend discount model in terms of dividend policy; Alpha's coefficient; Types of payout policy; Theory of remain dividends; Factors affecting the payout policy.</p>
14	
15	