

6.3 Module 3: Managerial Finance

6.3.1 Headline information about the module

Module title	Managerial Finance
Module NFQ level (only if an NFQ level can be demonstrated)	9
Module number/reference	MIBL-MF
Parent programme(s) the plural arises if there are embedded programmes to be validated.	MSc in International Business Management
Stage of parent programme	1
Semester (semester1/semester2 if applicable)	1 (core)
Module credit units (FET/HET/ECTS)	ECTS
Module credit number of units	5
List the teaching and learning modes	Full-time, part-time
Entry requirements (statement of knowledge, skill and competence)	Learners should normally hold an approved honours degree in business, law or related discipline or equivalent qualification from an approved tertiary/or professional institution
Pre-requisite module titles	None
Co-requisite module titles	None
Is this a capstone module? (Yes or No)	No
Specification of the qualifications (academic, pedagogical and professional/occupational) and experience required of staff (staff includes workplace personnel who are responsible for learners such as apprentices, trainees and learners in clinical placements)	Lecturer(s) should be qualified to at least masters level, preferably with a third level teaching qualification (e.g. Certificate in Training and Education).
Maximum number of learners per centre (or instance of the module)	60
Duration of the module	12 weeks
Average (over the duration of the module) of the contact hours per week (see * below)	3
Module-specific physical resources and support required per centre (or instance of the module)	Normal lecture room with internet access and good-quality audio-visual equipment

Analysis of required learning effort		
*Effort while in contact with staff	Minimum ratio teacher / learner	Hours
Classroom and demonstrations	1:60	18
Monitoring and small-group teaching	1:30	18
Other (specify)		
Independent Learning		
Directed e-learning (hours)		
Independent Learning (hours)		40
Other hours (group project)		49
Work-based learning hours of learning effort		
Total Effort (hours)		125

Allocation of marks (within the module)					
	Continuous assessment	Supervised project	Proctored practical examination	Proctored written examination	Total
Percentage contribution	50			50	100%

6.3.2 Module aims and objectives

The aim of this module is for the learner to develop a practical understanding of the role and goals of financial accounting, management accounting and financial management and be able to apply them to business situations. Within the delivery of the module, the lecturer will provide learners with the analytical tools necessary for determining the financial implications of business activities and decisions in an entrepreneurial context. Learners develop skills in the use of a variety of accounting techniques, with particular emphasis on the interpretation of, and use of accounting information for decision-making within the organisational context.

6.3.3 Minimum intended module learning outcomes

On successful completion of this module learners are able to:

- (i) strategically assess the role of financial management within an organisation and its interaction with other key business functions
- (ii) critically evaluate financial models used in practice, understanding and appreciating their limitations, and how models are used in business situations to influence decisions made by managers
- (iii) analyse financial statements and identify the key financial data which are required to assist management in the decision-making process in an organisation
- (iv) evaluate and select techniques used to investigate financial issues and be in a position to critically analyse the financial situation of an organisation
- (v) critically evaluate projects to determine how they contribute to the goals of the organisation and apply alternative approaches to risk appraisal in the decision-making process.

6.3.4 Rationale for inclusion of the module in the programme and its contribution to the overall MIPLOs

Within the management sector, it is a given that a practical understanding of the role and goals of financial accounting, management accounting and financial management is required. The knowledge, know-how and competence involved within the design of this module, are thought to provide the learner with a well-rounded financial understanding on completion of this module. The module also aims to provide learners with the analytical tools necessary for determining the financial implications of business activities and decisions in an entrepreneurial context.

6.3.5 Information provided to learners about the module

This module consists of lectures and workshops where learners are provided with practical questions so that they can develop the analytical tools necessary to determine the financial implications of the activities conducted by business and enhance their ability to make sound decisions in an entrepreneurial context.

Lectures will be delivered in a classroom environment with tutorials being delivered on a more interactive level. Learners are supported with resources to offer structure and guidance which will include a set of lecture notes and reading materials as well as a detailed module curriculum which includes the module learning outcomes, a class schedule, the necessary reading material and the assignment strategy. Participants also have access to Moodle, the college's virtual learning environment (VLE).

6.3.6 Module content, organisation and structure

The role of accounting and finance in business

- Differences between financial and management accounting
- The nature of accounting information, uses and limitations of financial information
- Objective of financial management

Financial Accounting

- Principles of financial accounting
- The accounting equation explained
- Assets, liabilities, revenues and expenses and their accounting
- Introduction to double entry bookkeeping
- Accruals and prepayments
- Capital and revenue expenditure, depreciation
- Extended trial balance
- Accounting adjustments
- Preparing a statement of comprehensive income and statement of financial position

Financial Statements and Cash Flow

- The statement of financial position – capital structure – debt and equity
- The statement of comprehensive income – accounting standards, principles and conventions
- Accounting profit and cash – Measurement of cash flow
- Preparing the cash flow statement

Analysis of accounting information

- Calculation of ratios (profitability, liquidity, efficiency, gearing)
- Interpretation of ratios and analysis of information provided by the key ratios
- Inter-relationship of ratios

Management and Cost Accounting

- Introduction to management and cost accounting
- Basic concepts of management accounting
- Direct and indirect costs
- Relevant costs
- Cost behaviour and Cost Volume Profit (CVP) Analysis
- Traditional and Activity Based Costing, cost drivers
- Cost-based and market-based pricing
- Marginal and Absorption Costing

Cash forecasting for business planning purposes

- Cash flow forecasts
- Functional budgets
- Variance analysis

Working Capital Management

- The working capital cycle
- Cash management
- Credit management

Investment appraisal

- Time value of money
- Methods of investment appraisal (NPV, IRR, ARR, Payback)
- Capital rationing

Sources of Finance and Financial Markets

- Common Stock – issuing securities – valuing the firm
- Different types of corporate debt, short term, long term, leasing
- features of debt
- Preferred stock

Capital Structure, Dividend Policy and M&A

- Cost of capital and capital structure – Dividend Valuation Model and Capital Asset Pricing Model
- Dividend policy
- Mergers & acquisitions

6.3.7 Module teaching and learning strategy

Programme content will be delivered by means of lectures and workshops with prior preparation. Learners will be required to read and prepare for classes beforehand with the emphasis on interactive discussions, participative group work and learning by doing in class. Practice problems and case study analysis will play a large part in ensuring that learners learn and understand how accounting is employed in decision-making and the role of management accounting within the wider organisational context. There will be one large case study type assignment where learners will learn and apply their interpretative skills.

6.3.8 Work-based learning and practice-placement

Learners are examined by way of assessment and final exam. The assessment involves a compulsory case study and practical questions on their ability to identify the pertinent financial issues which will determine the programme of action to be taken and to come up with a grounded financial basis in order for management to make sound business decisions. As a result, learners will develop an ability to argue their points in a well-thought out manner which are based on sound financial principles. There is no practice-placement element within this module.

6.3.9 E-learning

Moodle, the college VLE, is used to disseminate notes, advice, and online resources to support the learners.

6.3.10 Module physical resource requirements

Normal lecture room with internet access and good-quality audio-visual equipment. All learners have access to an extensive range of 'actual' and 'remote access' library resources. The library monitors and updates its resources on an ongoing basis, in line with the college's Library Acquisition Policy. Lecturers update reading lists for this programme on an annual basis.

6.3.11 Reading lists and other information resources

Primary reading

Clarke, P. (2016) *Managerial Accounting: Costing, Decision-Making and Control*. Dublin: Institute of Chartered Accountants in Ireland.

Secondary reading

Atrill, D. P. and McLaney, E. (2018) *Accounting and Finance for Non-Specialists*. 11th ed. Harlow: Pearson

Rice, A. (2015) *Accounts Demystified: The Astonishingly Simple Guide to Accounting*. 7th ed. Harlow: Pearson Business

Sangster, A. and Wood, F. (2018a) *Frank Wood's Business Accounting Volume 1*. Harlow: Pearson

Sangster, A. and Wood, F. (2018b) *Frank Wood's Business Accounting Volume 2*. Harlow, Pearson.

6.3.12 Specifications for module staffing requirements

Lecturer(s) should be qualified to at least masters level, preferably with a third level teaching qualification (e.g. Certificate in Training and Education).

6.3.13 Module summative assessment strategy

The module is assessed in two parts. Continuous assessment requires learners to work within a group to prepare a statement showing a production plan and detailed Profit & Loss Account for a provided case company. This includes calculation of breakeven and assumptions made. The group are also asked to identify 'opportunity cost' along with a detailed explanation of it and its implications. Final summative assessment comprises an end of semester examination of programme material with an emphasis on applying theory and concepts covered within the term.

No.	Description	MIMLOs	Weighting
1	Group assignment	(i) (iii)	50%
2	End of semester examination	(i) (ii) (iii) (iv) (v)	50%

6.3.14 Sample assessment materials

Please see Sample Assessment Handbook.