

**1. General information****Course:** FINANCIAL MANAGEMENT**Type:** CORE COURSE**Degree:** 316 - UNDERGRADUATE DEGREE IN ECONOMICS**Center:** 5 - FACULTY OF ECONOMICS AND BUSINESS**Year:** 4**Main language:** Spanish**Use of additional languages:****Web site:****Code:** 53327**ECTS credits:** 6**Academic year:** 2022-23**Group(s):** 10 17**Duration:** First semester**Second language:** English**English Friendly:** Y**Bilingual:** N**Lecturer:** ANA MARIA ESCRIBANO LOPEZ - Group(s): 10

Building/Office	Department	Phone number	Email	Office hours
Facultad de CC Económicas y Empresariales/Despacho 3.07	ANÁLISIS ECONÓMICO Y FINANZAS	926052909	ana.escribano@uclm.es	

Lecturer: FRANCISCO JAREÑO CEBRIAN - Group(s): 10 17

Building/Office	Department	Phone number	Email	Office hours
Facultad de CC Económicas y Empresariales/Despacho 3.07	ANÁLISIS ECONÓMICO Y FINANZAS	926053133	francisco.jareno@uclm.es	

2. Pre-Requisites

Basic knowledge about mathematical and financial concepts, such as calculus and numerical series, progressions, logarithms, derivation and basic integration, interest rates and financial transactions, among others.

3. Justification in the curriculum, relation to other subjects and to the profession**Objective of the course**

The purpose of this compulsory subject is to provide basic knowledge regarding the three classical problems of corporate finance: investment decisions, optimal financing company and the dividend policy.

First, fundamental concepts of Finance are presented, such as "the time value of money" and the concept of interest as well as key elements for further asset valuation and investment analysis: capitalization and discount process of cash flows. Also financial operations such as loans and mortgages are analysed, as well as treasury bonds and notes.

These concepts allow students to make decisions as financial managers of a company.

Relationship with other subjects

This subject is related with many others, because of concepts such as interest rate, financial transactions, loans and valuation of financial assets (directly interrelated with Economic Policy, Basic Accounting, Principles of Economics, Mathematics, Statistics, Introduction to Econometrics, Economic History, Financial System, etc.).

Relevance for the professional career

The subject of "Financial Management" is an essential part of the background in a degree in Economics as well as the professional career, both in private enterprise, a financial institution or a public entity. The role of this subject is essential because of the relevance of the financial aspects. In addition, training in finance can be complemented with two electives subjects: "Economic Analysis and Finance" and "Mathematical Modelling for Finance".

4. Degree competences achieved in this course**Course competences**

Code	Description
E03	Ability to find economic data and select relevant facts.
E04	Analytical skills to identify and anticipate relevant economic and legal issues and the different alternative solutions.
E06	Application of professional criteria to the analysis of problems, based on the use of technical tools.
G01	Possession of the skills needed for continuous, self-led, independent learning, which will allow students to develop the learning abilities needed to undertake further study with a high degree of independence.
G02	Ability to understand the ethical responsibility and the code of ethics of professionals working in the field of economics. To know, respect and contribute to the fulfillment of the commitments related to gender equality, non-discrimination, human rights legislation and development cooperation.
G03	Develop oral and written communication skills in order to prepare reports, research projects and business projects and defend them before any commission or group of professionals (specialised or non-specialised) in more than one language, by collecting relevant evidence and interpreting it appropriately so as to reach conclusions.
G04	Ability for the use and development of information and communication technology in the development of professional activity.
G05	Capacity for teamwork, to lead, direct, plan and supervise multidisciplinary and multicultural teams in both national and international environments.

5. Objectives or Learning Outcomes

Course learning outcomes

Description

Train the student to listen to and defend arguments orally or in writing

To know different basic concepts of Finance, focusing on its interpretation to extract relevant information for the company

Train the student to search for information in order to analyze it, interpret its meaning, synthesize it and communicate it to others.

Train the student to raise the ethical exercise of the profession, becoming aware of social responsibility in decision-making

6. Units / Contents

Unit 1: THE CONCEPT OF INTEREST AND BASIC MAGNITUDES

Unit 1.1 Introduction

Unit 1.2 Simple interest

Unit 1.3 Compound interest

Unit 1.4 Effective interest rate and financial capital

Unit 1.5 Sub-periodical effective interest rate and annual percentage rate

Unit 1.6 Compounding and discounting

Unit 2: ANNUITIES AND PERPETUITIES

Unit 2.1 Introduction

Unit 2.2 Definitions and preliminary concepts

Unit 2.3 Valuing annuities and perpetuities

Unit 3: FINANCIAL TARGET OF THE COMPANY

Unit 3.1 Introduction

Unit 3.2 Consumption and investment without capital markets

Unit 3.3 Consumption and investment without capital markets

Unit 3.4 Fisher Separation Theorem

Unit 3.5 The concept of wealth

Unit 4: THE SELECTION CRITERIA FOR INVESTMENTS

Unit 4.1 Introduction

Unit 4.2 Non-financial criteria for investments: Pay-back and Mean Accounting Return

Unit 4.3 Financial criteria for investments: Net Present Value and Internal Rate of Return: a comparison of methods

Unit 5: THE PROBLEM OF ESTIMATING NET CASH FLOWS

Unit 5.1 Estimating Net Cash Flows for Net Present Value

Unit 5.2 The effect of inflation for investments

Unit 5.3 The effect of taxes and depreciation

Unit 5.4 Comparison of investments projects: investments with different initial payment or term

Unit 5.5 The problem of replacement decisions

Unit 6: FINANCIAL LEVERAGE: OPTIMAL DEBT POLICY

Unit 6.1 Introduction

Unit 6.2 Optimal debt policy or capital structure: Traditional Theory and Modigliani-Miller Propositions (with and without corporate taxes)

Unit 7: COST OF CAPITAL

Unit 7.1 Introduction

Unit 7.2 Cost of debt capital: periodical coupon and zero coupon bonds

Unit 7.3 Cost of debt capital (II): American, French or straight-line amortization and constant capital loans

Unit 7.4 The cost of equity capital: Gordon-Shapiro and CAPM

Unit 8: DIVIDEND POLICY

Unit 8.1 Introduction

Unit 8.2 Dividend payment and payment methods

Unit 8.3 Traditional theory: the Lintner model

Unit 8.4 Modigliani y Miller theory

Unit 8.5 Dividend policy and taxes

7. Activities, Units/Modules and Methodology

Training Activity	Methodology	Related Competences (only degrees before RD 822/2021)	ECTS	Hours	As	Com	Description
Class Attendance (theory) [ON-SITE]	Lectures	E04 E06 G01	1.33	33.25	N	-	
Class Attendance (practical) [ON-SITE]	Cooperative / Collaborative Learning	E03 E04 E06 G01 G02 G03 G04 G05	0.67	16.75	Y	N	
Individual tutoring sessions [ON-SITE]	Combination of methods	E03 G01 G03	0.1	2.5	Y	Y	
Progress test [ON-SITE]	Self-study	E03 E04 E06 G01 G03	0.1	2.5	Y	N	
Final test [ON-SITE]	Self-study	E03 E04 E06 G01 G03	0.1	2.5	Y	Y	
Study and Exam Preparation [OFF-SITE]	Self-study	E03 E04 E06 G01 G02 G05	2	50	N	-	
Other off-site activity [OFF-SITE]	Combination of methods	E03 E04 E06 G01 G02 G03 G04 G05	1.3	32.5	Y	Y	
Writing of reports or projects [OFF-SITE]	Combination of methods	E03 E04 E06 G01 G02 G03 G04	0.4	10	Y	N	

Total		6	150
Total credits of in-class work: 2.3		Total class time hours: 57.5	
Total credits of out of class work: 3.7		Total hours of out of class work: 92.5	

As: Assessable training activity

Com: Training activity of compulsory overcoming (It will be essential to overcome both continuous and non-continuous assessment).

8. Evaluation criteria and Grading System			
Evaluation System	Continuous assessment	Non-continuous evaluation*	Description
Assessment of active participation	10.00%	10.00%	
Self Evaluation and Co-evaluation	20.00%	20.00%	
Portfolio assessment	5.00%	5.00%	
Progress Tests	5.00%	0.00%	
Final test	60.00%	65.00%	
Total:	100.00%	100.00%	

According to art. 4 of the UCLM Student Evaluation Regulations, it must be provided to students who cannot regularly attend face-to-face training activities the passing of the subject, having the right (art. 12.2) to be globally graded, in 2 annual calls per subject, an ordinary and an extraordinary one (evaluating 100% of the competences).

Evaluation criteria for the final exam:

Continuous assessment:

The course follows an evaluation system based on the assessment of various training activities and an exam. The student is required to obtain a 4 (out of 10) in the final evaluation test in order to average the grade obtained in the rest of the proposed training activities. Those students who, even having done evaluable activities, wish to be evaluated with the non-continuous evaluation criteria must communicate it to the professor before the end of the class period.

Regarding the evaluation in case of illness or other special circumstances (extenuating rules) see article 7 of the Student Evaluation Regulations of the University of Castilla-La Mancha.

Assessment criteria Assessment Compulsory
Class attendance and participation 10% Yes
Evaluation and co-evaluation activities 20% Yes
Learning portfolio 5% Yes
Progress test 5% Yes
Final exam 60% Yes

Non-continuous evaluation:

The evaluation will be carried out with a final test that will include the specific tests that are considered necessary to evaluate all the competences of the subject.

Regarding the evaluation in case of illness or other special circumstances (extenuating rules) see article 7 of the Student Evaluation Regulations of the University of Castilla-La Mancha.

Assessment criteria Assessment Compulsory
Class attendance and participation 10% Yes
Evaluation and co-evaluation activities 20% Yes
Learning portfolio 5% Yes
Final exam 65% Yes

Specifications for the resit/retake exam:

Assessment criteria Assessment Compulsory
Class attendance and participation 10% Yes
Evaluation and co-evaluation activities 20% Yes
Learning portfolio 5% Yes
Final exam 65% Yes

Specifications for the second resit / retake exam:

Final exam 100%

The evaluation will be based on a single written test and a minimum score of 5 out of 10 is required to pass the course.

9. Assignments, course calendar and important dates	
Not related to the syllabus/contents	
Hours	hours
Class Attendance (theory) [PRESENCIAL][Lectures]	3.25
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	1.75
Individual tutoring sessions [PRESENCIAL][Combination of methods]	2.5
Final test [PRESENCIAL][Self-study]	2.5
Study and Exam Preparation [AUTÓNOMA][Self-study]	34
Writing of reports or projects [AUTÓNOMA][Combination of methods]	10
General comments about the planning: Indicative planning.	
Unit 1 (de 8): THE CONCEPT OF INTEREST AND BASIC MAGNITUDES	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	4
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	2
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	3.5

Teaching period: WEEKS 1 AND 2	
Unit 2 (de 8): ANNUITIES AND PERPETUITIES	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	4
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	2
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	8
Teaching period: WEEKS 3 AND 4	
Comment: MANDATORY PRACTICE 1 (IN GROUPS)	
Unit 3 (de 8): FINANCIAL TARGET OF THE COMPANY	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	4
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	2
Progress test [PRESENCIAL][Self-study]	1
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	4.5
Teaching period: WEEKS 5 AND 6	
Unit 4 (de 8): THE SELECTION CRITERIA FOR INVESTMENTS	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	6
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	3
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	5
Teaching period: WEEKS 7, 8 AND 9	
Comment: REVIEW OF THE LEARNING PORTFOLIO 1	
Unit 5 (de 8): THE PROBLEM OF ESTIMATING NET CASH FLOWS	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	4
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	2
Progress test [PRESENCIAL][Self-study]	1.5
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	4
Teaching period: WEEKS 10 AND 11	
Comment: MANDATORY PRACTICE 2 (IN GROUPS) + PROGRESS TEST	
Unit 6 (de 8): FINANCIAL LEVERAGE: OPTIMAL DEBT POLICY	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	2
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	1
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	.5
Teaching period: WEEK 12	
Comment: NON-MANDATORY PRACTICE (PAPER IN THE DIGITAL NEWSPAPER "ECONOMÍA DIGITAL")	
Unit 7 (de 8): COST OF CAPITAL	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	4
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	2
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Other off-site activity [AUTÓNOMA][Combination of methods]	7
Teaching period: WEEKS 13 AND 14	
Comment: MANDATORY PRACTICE 3 (INDIVIDUAL)	
Unit 8 (de 8): DIVIDEND POLICY	
Activities	Hours
Class Attendance (theory) [PRESENCIAL][Lectures]	2
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	1
Study and Exam Preparation [AUTÓNOMA][Self-study]	2
Teaching period: WEEKS 15	
Comment: REVIEW OF THE LEARNING PORTFOLIO 2 + MANDATORY PRACTICE 4 (IN GROUPS)	
Global activity	
Activities	hours
Class Attendance (theory) [PRESENCIAL][Lectures]	33.25
Class Attendance (practical) [PRESENCIAL][Cooperative / Collaborative Learning]	16.75
Final test [PRESENCIAL][Self-study]	2.5
Study and Exam Preparation [AUTÓNOMA][Self-study]	50
Individual tutoring sessions [PRESENCIAL][Combination of methods]	2.5
Progress test [PRESENCIAL][Self-study]	2.5
Other off-site activity [AUTÓNOMA][Combination of methods]	32.5
Writing of reports or projects [AUTÓNOMA][Combination of methods]	10
Total horas: 150	

Author(s)	Title/Link	Publishing house	Citv	ISBN	Year	Description
BREALEY, R.A., MYERS, S.C. y ALLEN, F.	Principios de Finanzas Corporativas	McGraw-Hill	Madrid	978-970-10-7283-7	2010	
BREALEY, R.A., MYERS, S.C. y MARCUS, A.J.	Fundamentos de Finanzas Corporativas	McGraw-Hill	Madrid	978-84-481-5661-9	2010	
BREALEY, R.A., MYERS, S.C. y MARCUS, A.J.	Principios de dirección financiera	McGraw-Hill	Madrid	84-481-0608-3	1996	
BREALEY, R.A., MYERS, S.C., MARCUS, A.J. y MATEOS, P.	Finanzas Corporativas	McGraw-Hill	Madrid	978-84-481-7208-4	2010	
COPELAND, T. E.; WESTON, J. F. y SHASTRI, K.	Financial Theory and Corporate Policy	Pearson/Addison-Wesley (International Edition)	USA	978-0-321-22353-1	2005	
FERNÁNDEZ ÁLVAREZ, A.I.	Introducción a las finanzas	Civitas	Madrid	84-470-0362-0	1994	
GRINBLATT, M. y TITMAN, S.	Mercados financieros y estrategia empresarial	McGraw-Hill Interamericana		84-481-3816-3	2003	
HAUGHEN, R. A. y LAKONISHOK, J.	El increíble efecto enero	Ariel	Barcelona	9788434414310	1998	
APARICIO, A., GALLEGRO, R., IBARRA, J.A. y MONROBEL, J.R.	Cálculo financiero. Teoría y ejercicios	Paraninfo	Madrid	9788428340342	2017	
JAREÑO, F.	Ejercicios de Dirección Financiera	FCEE	Albacete		2017	
KALAY, A. y LEASE, R.C.	Política de dividendos y sus efectos sobre el valor de la empresa	Gestión 2000	Barcelona	9788480885539	2001	
LÓPEZ, F. Y GARCÍA, P.	Finanzas en el mundo corporativo. Un enfoque práctico	McGraw-Hill	Madrid	9788448198282	2005	
MARTÍN, M. Y MARTÍNEZ, P.	Casos prácticos de dirección financiera	Pirámide	Madrid	978-84-368-2072-0	2006	
MINER, J.	Curso de Matemática Financiera	McGraw Hill	Madrid	9788448138172	2003	
MINER, J.	Matemática Financiera	McGraw Hill	Madrid	8448198298	2004	
NAVARRO, E. y NAVE, J.M.	Fundamentos de Matemáticas Financieras	Antoni Bosch	Barcelona	978-84-95348-01-2	2001	
PISÓN FERNÁNDEZ, I.	Dirección y gestión financiera de la empresa	Pirámide	Madrid	84-368-1548-3	2001	
ROSS, S. A., WESTERFIELD, R. W. y JAFFE, J. F.	Finanzas Corporativas	McGraw-Hill	Madrid	9789701072806	2009	
SUAREZ SUAREZ, A.S.	Decisiones óptimas de inversión y financiación en la empresa	Pirámide	Madrid	978-84-368-1899-4	2008	
TERMES, R.	Inversión y Coste de Capital. Manual de Finanzas	McGraw-Hill	Madrid	978-84-481-1204-2	1998	
VAN HORNE, J.C.	Administración financiera	Prentice-Hall	Mexico	968-880-037-6	1999	
VAN HORNE, J.C. y WACHOWICZ, J. M. (JR.)	Fundamentos de Administración Financiera	Prentice-Hall	Mexico	970-26-0238-6	2002	
WESTON, E.F. y BRIGHAM, E.F.	Fundamentos de administración financiera	McGraw-Hill	México	970-10-351-9	1994	
NAVARRO ARRIBAS, E.	Matemáticas de las Operaciones Financieras	Pirámide	Madrid	978-84-368-4050-6	2019	
	https://www.edicionespiramide.es/libro.php?id=4297199					