



SZKOŁA GŁÓWNA
GOSPODARSTWA
WIEJSKIEGO

Budgeting and Financial Modeling

Educational subject description sheet

Basic information

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| Field of study Finance and accounting - przedmioty do wyboru | | Didactic cycle 2024/25 |
| Speciality - | | Subject code EKRFA-FS_D.28K.06473.24 |
| Organizational unit Faculty of Economics | | Lecture languages english |
| Study level second cycle (post bachelor's degree) | | Mandatory Elective subjects |
| Study form full-time studies | | Block Major subjects |
| Education profile General academic | | Disciplines Economics and finance |
| Coordinator | Serhiy Zabolotnyy | |
| Teacher | Serhiy Zabolotnyy | |
| Period Semester 4 | Examination Pass with grade Activities and hours Lecture: 20, including sub-activities: • Synchronous lecture: 20 Auditorium exercises: 10, including sub-activities: • Synchronous auditorium exercises: 10 | Number of ECTS points 3 |

Goals

| Code | Goal |
|------|---|
| C1 | Present the theoretical framework of financial management in business entities |
| C2 | Introduce practical instruments for capital budgeting and short-term financial planning |
| C3 | Present the budgeting process in a business entity |

Entry requirements

Corporate Finance, Accounting

Subject's learning outcomes

| Code | Outcomes in terms of | Effects | Examination methods |
|---|---|-----------|----------------------------------|
| Knowledge - Student knows and understands: | | | |
| W1 | Students have knowledge of key areas of corporate financial management | FA_K2_W02 | Test (written or computer based) |
| W2 | Students know the process of budgeting in a business entity | FA_K2_W04 | Test (written or computer based) |
| W3 | Students have a knowledge of the purpose and structure of a budgeted financial statement | FA_K2_W04 | Test (written or computer based) |
| Skills - Student can: | | | |
| U1 | Students can solve complex financial management problems | FA_K2_U01 | Test (written or computer based) |
| U2 | Students can prepare an operating budget of a business entity | FA_K2_U02 | Test (written or computer based) |
| U3 | Students can prepare a budgeted financial statement of a company | FA_K2_U03 | Test (written or computer based) |
| Social competences - Student is ready to: | | | |
| K1 | Students effectively present arguments on applying budgeting techniques and other financial management instruments in business entities | FA_K2_K01 | Test (written or computer based) |
| K2 | Students are prepared to participate in financial planning and modeling using high business ethics and sustainability standards | FA_K2_K02 | Test (written or computer based) |

Study content

| No. | Course content | Subject's learning outcomes | Activities |
|-----|---|--------------------------------|--|
| 1. | Financial Statements and Ratio Analysis; Long-term Financial Plans, Operating Plans and Budgets, Cash and Profit Planning, Cash Budgets, Pro Forma Financial Statements; Capital Budgeting Techniques; Relevant Cash Flows, Initial Investment, Operating Cash Flow, Terminal Cash Flow, Forecasting Earnings, Revenue and Cost Estimates, Determining Free Cash Flow, Adjusting a Free Cash Flow, Project Analysis; Leverage and Capital Structure, Cost of Capital, Optimal Capital Structure, The Cost of Bankruptcy and Financial Distress, Capital Budgeting and Valuation with Leverage; Working Capital and Assets Management, Net Working Capital, Inventory and Receivables Management, Current Liabilities Management, Cash conversion cycle; Valuation Using Comparables, The Business Plan, Building the Financial Model, Estimating the Cost of Capital, Valuing the Investment, Sensitivity analysis. | W1, W2, W3, U1, U2, U3, K1, K2 | Lecture, Auditorium exercises, Synchronous lecture, Synchronous auditorium exercises |

Course advanced

| Activities | Methods of conducting classes |
|----------------------|--|
| Lecture | Lecture, Problem lecture, Conversation lecture |
| Auditorium exercises | Case study, Problem solving |

| Activities | Examination method | Percentage |
|----------------------|----------------------------------|------------|
| Lecture | Test (written or computer based) | 50% |
| Auditorium exercises | Test (written or computer based) | 50% |

| Activities | Credit conditions |
|----------------------|-------------------|
| Lecture | written test- 50% |
| Auditorium exercises | written test- 50% |

Literature

Obligatory

1. Principles of Managerial Finance, Lawrence J. Gitman, Chad J. Zutter, Pearson.
2. Corporate Finance, Jonathan Berk, Peter DeMarzo, Pearson.
3. A comparison of strategies for working capital management of listed food companies from Northern Europe, Serhiy Zabolotnyy, Timo Sipilainen, Agricultural and Food Science.

Calculation of ECTS points

| Activity form | Activity hours* |
|---------------|-----------------|
| Lecture | 20 |

| | |
|--|--------------------|
| Auditorium exercises | 10 |
| Preparation for the exam | 20 |
| Preparation for exercises | 20 |
| Self-study on the content covered in class | 20 |
| | |
| Student workload | Hours 90 |
| Number of ECTS points | ECTS 3 |

* hour means 45 minutes

Effects

| Code | Content |
|-----------|---|
| FA_K2_K01 | label.effect.prefix.competenceThe graduate is ready to recognition of the profound importance of knowledge in professional life, a critical analysis of its resources and the search for its sources among experts |
| FA_K2_K02 | label.effect.prefix.competenceThe graduate is ready to conduct professional activity in a socially responsible, entrepreneurial, ethical and public interest manner, as well as develop professional achievements and maintain the ethos of the profession, as well as think in an entrepreneurial way |
| FA_K2_U01 | label.effect.prefix.skillThe graduate is able to use the knowledge to a greater extent when selecting data sources, methods, tools, analyses and calculations in the field of phenomena in the field of finance and accounting, as well as for critical evaluation and interpretation of the results obtained |
| FA_K2_U02 | label.effect.prefix.skillThe graduate is able to skilfully analyse the causes and effects of phenomena occurring in the economy in the field of finance and accounting |
| FA_K2_U03 | label.effect.prefix.skillThe graduate is able to properly use normative systems, norms, rules for solving problems in the field of finance and accounting, formulating conclusions and opinions based on the results obtained |
| FA_K2_W02 | label.effect.prefix.knowledgeThe graduate knows and understands in-depth data and processing methods appropriate for economics and finance |
| FA_K2_W04 | label.effect.prefix.knowledgeThe graduate knows and understands directions and content of contemporary doctrines in economics and finance as well as enterprise theory and economic and financial terminology at an extended level |