

# **Module Title:** Financial Management

**Module Code:** FMAN CC701  
**Credits:** 10  
**Credit Level:** 7  
**Prerequisite Modules:** None

<b>Timetabled Hours per Week</b>	
Lectures	<b>5</b>
Tutorials	<b>1</b>
Lab/Studio/Practicals	
Independent Learning	<b>9</b>
<b>Total</b>	<b>15</b>

## **Description:**

This Financial Management module is designed to enable learners to make a significant contribution to the effective management of the financial activities and decisions of a business enterprise within the construction industry. In doing so, they will develop a sound working knowledge of the various concepts, principles and techniques from the disciplines of management, accounting and business finance as they apply to the construction industry.

## **Module Learning Outcomes:**

On successful completion of this module the learner will be able to:

1. Discuss the nature and value of financial management with particular relevance to the construction industry and explain the role of financial information in decision-making.
2. Demonstrate a keen appreciation of the major financial reports in accordance with good accounting practice and provide an evaluation of the key financial measurements and ratios that can be derived from such reports.
3. Explain the process(es) of budgeting and budgetary control; to prepare projected reports/financial statements and to assemble and analyse typical performance data used for budgetary control and performance management.
4. Apply cost identification and classification for decision making purposes within the construction industry.
5. Explain working capital, related concepts and to describe how these might be assessed and managed, including associated financing. Bank monitoring and its importance in the context of Construction.

## INDICATIVE CONTENT:

### 1 – Introduction and Overview:

The nature and relevance of financial management to the construction industry.  
The business model: factors determining revenue, cost and returns on investment.  
How relevant financial information can facilitate better decision-making.

### 2 – The Management of Working Capital:

The concept of working capital and its relevance to cash flow management (liquidity management).  
Working capital objectives: balancing liquidity and efficient asset utilisation  
An outline of policies, procedures and (performance) measures that can be used

### 4 – The Content, Presentation and Interpretation of (The) Major Financial Statement:

The role and value of the Income Statement, Balance Sheets and Cash Flow Statements;  
the difference between profit and cash-flow; different measurements of profit & margins.  
Preparing and presenting such financial statements: key concepts & issues.  
The analysis and interpretation of such financial reports: ratios and other measures.

### 5 – The Costing and Pricing of Work (Output and Projects):

The nature of costs incurred in producing output; cost classification & cost behaviour.  
The different cost drivers and the issues arising in cost measurement & cost allocation.  
Volume-cost-price-profit relationships: output and profit planning.

### 6 – Financial Planning and Budgeting:

The (financial) planning and control process /cycle for recurring activities.  
Budgeting: the preparation of budgeted statements., the benefits and limitations of budgeting and budgets. The issues and principles associated with performance evaluation and the impact of behavioural factors on performance measurement.

## Module Assessment:

Coursework	25%
End of Semester Final Exam	75%

Learning Outcome	Addressed by	
	Coursework	End of Semester Final Exam
1	√	√
2	√	√
3	√	√
4	√	√
5	√	√

*Coursework may comprise a mix of assessment approaches, such as: reports, practicals, presentations, portfolios, class tests, quizzes, group work and integrated assessment. Details of the nature of assessment and submission dates are contained in the annual Programme Assessment Schedule.*

### End of Semester Final Examination

The final written examination will be 3 hours in duration. It will comprise 6 questions of which the learner should attempt 5 questions.

### Resources:

Note: Learning resources will also be available on Blackboard.

<b>Essential:</b>					
Author	Year	Title	Edition	Publisher	ISBN
Atrill, P McLeaney, E	2014	<i>Accounting and Finance for non-specialists</i>	ninth edition	FT Pearson	9781292062716
<b>Supplementary Reading:</b>					
Author	Year	Title		Publisher	ISBN
Finnerty, J.D.	2007	<i>Project Financing</i>	Second edition	John Wiley & Sons	978-0-470-08624-7

### Other Resources

Irish revenue website; [www.revenue.ie](http://www.revenue.ie)

[Association for Project Management](#)

[Association of Property Bankers](#)