

MAKERERE UNIVERSITY BUSINESS SCHOOL

COURSE OUTLINE FOR FINANCE FOR PROCUREMENT FOR THE DEGREE OF BACHELOR OF PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

ACADEMIC YEAR 2025/2026, SEMESTER II, YEAR II

COURSE CODE: FIN2215

CREDIT UNITS: 3

CONTACT HOURS: 45

Course Description

The focus of this course is in the area of financial management. We will show managers how to interface with accounting and finance departments, help them to understand how firms meet their financial objectives utilizing financial decision-making. This course will also explain financial tools and techniques, which can be used to help firms maximize value by improving decisions relating to capital budgeting, capital structure, and working capital management. This course will deal with a number of related topics, including multinational financial management, risk management, mergers and acquisitions.

Course Objectives

1. The goal of this course is to familiarize students with the tools and techniques used in financial Management.
2. The course exposes the student on how companies make investment decisions,
3. How they raise the funds needed to finance their investments, current asset management and a broad range of working capital decisions.
4. The student learns how to use valuation techniques to make investment selection decisions, the concept of risk analysis and how risk affects corporate investment decisions. It then exposes the student to the choice of capital structure and dividend policy.

Learning Outcomes

On successful completion of this course, you should be able to:

1. Judge the effect of decisions, transactions and events on financial performance;
2. Create simple sets of accounts from basic information.
3. Understand the main variables affecting working capital management;
4. Interpret financial statements to support decision making, planning and control;
5. Apply an appropriate costing approach to solve a range of business issues;
6. Apply a number of financial tools and techniques to appraise alternative capital investment opportunities;
7. Use financial information to make informed management decisions.

Course Content

S/N	Content	Hours
1	Induction to Financial management <ul style="list-style-type: none">• What is Finance• What is Finance for Procurement	Joram

	<ul style="list-style-type: none"> • What is FM • Importance of FM in procurement • Role of FM in a procurement function • Financial Management Decisions • Objectives of firms • Risk Return relationship 	
2	Time Value of money in Procurement <ul style="list-style-type: none"> • Define the concept of TVM • Importance and application of TVM in Supply Chain • Rationale of TVM • Types of cash flows • Techniques of TVM 	Joram
3	Capital structure decision <ul style="list-style-type: none"> • Theories of capital structure • Sources of finance 	Joram
4	Capital Budgeting Decision in Procurement <ul style="list-style-type: none"> • What is CBD • When is CBD undertaken • Why is CBD important and its application in procurement • How is CBD carried out • Appraising projects • Computer Project Assessment and Review • Risk analysis in CBD 	Moses
5	Working capital Management <ul style="list-style-type: none"> • What is WCM • Concepts of working capital • Types of WCM • Determinants of WC • Approaches to working capital management • Components of WC <ul style="list-style-type: none"> ✓ Management of cash ✓ Management of receivables ✓ Management of Inventory 	Moses
6	Analysis of a contractors financial capability <ul style="list-style-type: none"> • Sources of financial information • Users of financial information • Financial management tools and techniques <ul style="list-style-type: none"> ✓ Financial ratios ✓ Z score ✓ 5Cs Model 	Edgar
7	Financial Risk Analysis in Procurement <ul style="list-style-type: none"> • Foreign exchange risk • Interest rate risk 	Edgar

	<ul style="list-style-type: none"> • Inflation risk • Credit risk 	
8	Cost and benefit models for a wide variety of scenarios; their origins in finance and accounting;	Edgar

Mode of Delivery

Lectures

Group and class discussions

Tutorials

Guest Lecturer

Mode of Assessment

Course work	30%
End of semester examination	70%
Total	100%

Reference Text Book

1. Foundations of Financial Management 11th Edition Stanley Block & Geoffrey Hirt
Published by McGraw Hill ISBN: 0072842296
2. Brealey, R.A., Myers, S.C., Allen, F., (2016) *Principles of Corporate Finance* McGraw-Hill, 12th Edition.

Reading Text

1. Bodie, Z., Kane, A., and Marcus, A.J., (2013) *Essentials of Investments*, McGraw-Hill, 9th edition
2. Vaitilingam, R. (2010). *The Financial Times Guide to Using the Financial Pages* (5th edition), FT Prentice Hall, Harlow, England.
3. Brearly R. & Myer S. (2006). "Principles of Corporate Finance." McGraw Hill.
4. ACCA Study Text & Revision Kit (2004). Preparing financial statements (international stream), BPP Publications.