

WM9E1-15 Financial Aspects of International Trade

23/24

Department

WMG

Level

Taught Postgraduate Level

Module leader

Kudakwashe Bondamakara

Credit value

15

Module duration

4 weeks

Assessment

Multiple

Study location

University of Warwick main campus, Coventry

Description

Introductory description

The module assumes no prior exposure to financial matters outside one's own personal finances. It builds financial awareness through the introduction of core concepts.

It provides an understanding of the main accounting statements together with an awareness of basic accounting principles, terminology and techniques, so that participants can interpret financial reports and interpret financial information.

This then develops into more complex topics of concern to an international environment; where payment can take much longer, and there are exposures to specific financial risk.

Module aims

To equip students with sufficient financial and accounting knowledge to be able to effectively communicate with the finance function, and interpret data given to them.

To allow students to be able to perform specific accounting and finance calculations, and to interpret and error-check any calculations supplied to them.

To allow students to select and justify specific financial tools applicable in an international environment.

It will equip students to evaluate and justify financial strategies including:

- Strategies on payment terms
- Use of finance to gain competitive advantage, Buyer Credit, Supplier Credit, Bonding facilities etc
- Financial Risk Management – currency risk, payment and country risk
- Credit Referencing
- Credit Insurance
- Trade Finance
- Credit control
- Financial statement analysis

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

This course covers:

Critical analysis of financial data;

Integration of business data with financial models;

Calculation of, and critical assessment of, various investment appraisal techniques (including NPV, IRR, ARR etc);

The use of various risk mitigation techniques dealing with pricing risk (including hedging) and pure risk (including insurance);

The roles of finance and credit control, and the effective design of internal finance/operations teams.

Learning outcomes

By the end of the module, students should be able to:

- Critically assess a business' financial performance by integrating financial and business data to synthesise a clear opinion.
- Critically assess via calculation or other analysis the costs associated with the production of products or the provision of services
- Select, justify and apply appropriate methods to prepare and review budgets and forecasts
- Select and justify a suitable financial risk mitigation strategy for international financial exposures
- Construct and defend suitable business processes, structures and procedures to maximise cashflow (for example credit control).

Indicative reading list

Dyson, J.R.,(2020) Accounting for Non-Accounting Students, Tenth edition, Harlow, England: FT Prentice Hall.

McKenzie, W, (2010) FT Guide to Using and Interpreting Company Accounts, Harlow, England: FT Prentice Hall.

Goldenberg, D. 20160302, Derivatives Markets, Routledge. Available from: vbk://9781317423553

Bamber, M., Parry, S. 20201203, Accounting and Finance for Managers, 3rd Edition, Kogan Page.

Available from: vbk://9781789667523

International finance : theory and policy / Paul R. Krugman, Maurice Obstfeld, Marc J. Melitz.

Subject specific skills

Analysis of complex data sets

Presentation of analytical findings

Ability to manipulate data concerning costing, budgeting, decision making and business financial performance.

Transferable skills

Critical thinking – ability to select and justify selection from a range of complex choices

Problem solving – novel situations and datasets presented for analysis and critical comment

Communication – presentations/exams

Teamwork – team exercises

Organisational awareness – business background and impact of financial choices.

Numeracy

Commerciality

Study

Study time

Type	Required
Lectures	10 sessions of 1 hour (7%)
Seminars	20 sessions of 1 hour (13%)
Online learning (independent)	20 sessions of 1 hour (13%)
Private study	40 hours (27%)
Assessment	60 hours (40%)
Total	150 hours

Private study description

Working through online resources, directed learning via reading and specific working on problems for tutorials.

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group A1

	Weighting	Study time
In-module group work	20%	12 hours
Presentation specific to Learning Outcome 1, being a presentation to identify and mitigate specific risks in a bespoke case study on a fictitious international company.		
IMA - MCQ test	20%	12 hours
To cover specific calculations that cannot be assessed by PMA.		
Post Module Assignment	60%	36 hours
Essay looking at a real world company, assessing risks and designing suitable mitigations with extrapolation of the effects of such mitigation.		

Assessment group R1

	Weighting	Study time
Assessed work as specified by department	100%	
100% Post Module Assignment (PMA)		

Feedback on assessment

Feedback on marks for presentations given during the module itself
PMA feedback via mark and comments

Availability

There is currently no information about the courses for which this module is core or optional.