



INVESTMENT PROJECT EVALUATION

COURSE SYLLABUS

COURSE DETAILS		
<i>Type of study programme</i>	Specialist professional graduate study – 120 ECTS	
<i>Study programme</i>	FINANCE AND ACCOUNTING	
<i>Course title</i>	Investment Project Evaluation	
<i>Course code</i>	DRF012	
<i>ECTS (Number of credits allocated)</i>	6	
<i>Course status</i>	Core	
<i>Year of study</i>	First	
<i>Semester</i>	Second / summer	
<i>Course Web site</i>	http://www.oss.unist.hr/	
<i>Total lesson hours per semester</i>	Lectures	30
	Practicals	30
<i>Prerequisite(s)</i>	None	
<i>Lecturer(s)</i>	Marko Miletić, Ec. S., senior lecturer	
<i>Language of instruction</i>	Croatian, English	

COURSE DESCRIPTION	
<i>Course Objectives:</i>	<ul style="list-style-type: none"> • Explain the process of making financial decisions about investing money and other resources in primarily real investments undertaken by the company. • Adopting the techniques of preparing, structuring, evaluation and monitoring of investment projects that makes student competent for the practical application of acquired knowledge in real situations. • The adoption of techniques of modelling the economic-financial analysis of projects in MS Excel
<i>Learning outcomes</i> <i>On successful completion of this course, student should be able to:</i>	<ol style="list-style-type: none"> 1. Distinguish financial investment from real investment. 2. Differentiate static and dynamic method of evaluation of investment projects. 3. Describe the process of capital budgeting application in practice. 4. Calculate the cash flows of the investment project. 5. Calculate the permanent working capital of the investment project. 6. Prepare a projected income statement, balance sheet, the inherent cash flow and cash flow of the investment project. 7. Evaluate the risk of real investments. 8. Judge the liquidity of the project. 9. Argue the acceptability of the project on the basis of economic and financial analysis. 10. Use MS Excel in modelling economic and financial analysis of the investment project.
<i>Course content</i>	<p>Introduction to capital budgeting. Types of investment projects. Preparation and procedure in making the investment projects. Economic and financial analysis of the investment project. Definition and calculation of the cash flows of the investment project. The calculation of permanent working capital. Definition and calculation of the cost of capital. Techniques of evaluation of investments. Static and dynamic evaluation of investment projects. Use of MS Excel in the evaluation of investment projects. Evaluation and monitoring of liquidity of the project. Evaluation of different methods for making investment decisions. Sensitivity analysis and probability in planning the investment project. Investment project case study. Modelling the economic and financial analysis of investment in the MS Excel.</p>

CONSTRUCTIVE ALIGNMENT – Learning outcomes, teaching and assessment methods

Alignment of students activities with learning outcomes		
Activity	Student workload ECTS credits	Learning outcomes
<i>Lectures</i>	30 hours / 1 ECTS	1,2,3,4,5,6,7,8,9,10
<i>Practicals</i>	30 hours / 1 ECTS	2,4,5,6,7,8,9,10
<i>First mid-term exams (preparation and delivery)</i>	48 hours / 1,6 ECTS	1,2,3,4,5,6,7,8,9
<i>Second mid-term exam in the MS Excel</i>	33 hours / 1,1 ECTS	10
<i>Self-study</i>	30 hours / 1 ECTS	1,2,3,4,5,6,7,8,9,10
<i>Office hours</i>	9 hours / 0,3 ECTS	1,2,3,4,5,6,7,8,9,10
TOTAL:	180 hours / 6 ECTS	1,2,3,4,5,6,7,8,9,10

CONTINUOUS ASSESSMENT		
Continuous testing indicators	Performance A_i (%)	Grade ratio k_i (%)
<i>Class attendance and participation</i>	50 - 100	10
<i>First mid-term exam</i>	50-100	45
<i>Second mid-term exam</i>	50-100	45

FINAL ASSESSMENT		
Testing indicators – final exam (first and second exam term)	Performance A_i (%)	Grade ratio k_i (%)
<i>Theoretical exam (written and/or oral)</i>	50 - 100	45
<i>Practical exam (written)</i>	50 - 100	45
<i>Previous activities (include all continuous testing indicators)</i>	50 - 100	10
Testing indicators – makeup exam (third and fourth exam term)	Performance A_i (%)	Grade ratio k_i (%)
<i>Theoretical exam (written and/or oral)</i>	50 - 100	45
<i>Practical exam (written)</i>	50 - 100	45
<i>Previous activities (include all continuous testing indicators)</i>	50 - 100	10

PERFORMANCE AND GRADE		
Percentage	Criteria	Grade
50% - 60%	<i>basic criteria met</i>	sufficient (2)
61% - 74%	<i>average performance with some errors</i>	good (3)
75% - 89%	<i>above average performance with minor errors</i>	very good (4)
90% - 100%	<i>outstanding performance</i>	outstanding (5)

ADDITIONAL INFORMATION

Teaching materials for students, detailed course syllabus, current information and all other data are available by MOODLE system to all students.