



ME2825 Finance for Start-ups

7.5 credits

Finansiering av Start-ups

This is a translation of the Swedish, legally binding, course syllabus.

If the course is discontinued, students may request to be examined during the following two academic years

Establishment

Course syllabus for ME2825 valid from Spring 2016

Grading scale

A, B, C, D, E, FX, F

Education cycle

Second cycle

Main field of study

Industrial Management

Specific prerequisites

Students must have a minimum of 120 university points.

Also students initially having limited knowledge about finance and finance and accounting are welcome to participate in the course.

Language of instruction

The language of instruction is specified in the course offering information in the course catalogue.

Intended learning outcomes

After the course the participants will have a broad understanding about:

- Concepts and terminology related to entrepreneurial financing
- Various financial sources available to different types of entrepreneurial businesses
- How to conduct basic analysing of financial statements and projections
- How to conduct a basic financial valuation of a start-up firm
- How terms and conditions between entrepreneurs and external investors may be structured
- Exit possibilities for start-up companies

Course contents

The course will provide participants with practical insights on a number of issues related to entrepreneurial financing, including:

- Evaluations of business plans
- Financial analysis and evaluation of key measurements
- Sources of funding
- Valuation
- Structuring deals
- Exit options

Disposition

The classes will be based on lectures, literature, real life case studies and exercises. The course will also invite guest lecturers.

Course literature

Information om kurslitteratur kommer att meddelas inför kursstart.

Literature will be announced in connection to the start and communicated to enrolled students.

Examination

- PRO1 - Project, 7.5 credits, grading scale: A, B, C, D, E, FX, F

Based on recommendation from KTH's coordinator for disabilities, the examiner will decide how to adapt an examination for students with documented disability.

The examiner may apply another examination format when re-examining individual students.

Active participation, individual

The pedagogy of the course is based on active learning and much of the knowledge is created through participation in the exercises and cases. For this reason, individual participation will be noted and graded. Credits for active participation arrive from attendance, active participation, hand-in of questions to guest lectures, ect.

Before each session, course participants are expected to read assigned literature and case studies thoroughly.

Homework assignments, individual

During the course, home assignments will be asked for related to discussions in class. Late hand-ins will receive a grade of zero.

Written test, individual

There will be a written test focused on evaluation of business plans. It covers materials discussed in class and assigned literature readings. The test will emphasize understanding rather than mere factual repetition, which points to the importance of consistent attendance and active class participation.

Course assignment and opposition, group

The students are, in groups of five, expected to write a financing plan for an optional start-up firm. The company should be unlisted, be less than 10 years old and have a maximum yearly revenue of 20 mSEK). The students need to identify their own cases. The plan could include, for example: a summary of the business and the market it operates in, a financial assessment, for what purpose financing is searched for and level of capital requirements, possible financial source options, possible valuation methods and a valuation. During the last session, students are expected to present their plans.

For all course assessments the valuation of quality will be based on, e.g., the comprehensiveness and quality of written documents, to what extent the students show a good understanding of key terms and concepts, to what extent arguments and numbers are well-founded and justified, to what extent oral presentations or written documents comes out as an appropriate and convincing, etc.

Grading scale:

Fail (F), Fail (Fx), Sufficient (E), Satisfactory (D), Good (C), Very good (B), Excellent (A)

Attendance:

Attendance is compulsory.

Ethical approach

- All members of a group are responsible for the group's work.
- In any assessment, every student shall honestly disclose any help received and sources used.
- In an oral assessment, every student shall be able to present and answer questions about the entire assignment and solution.