



Corporate finance and business analysis Syllabus

Basic information

Field of study* Business accounting and finance	Didactic cycle 2020/2021
Specialisation -	Subject code UEPFiRBS.120D(B).6815.20
Organizational unit UEP	Language of instruction English
Level of qualification First-cycle programme	Mandatory Elective
Mode of study Full-time	Block Block D(B)
Track General academic	
Person responsible for the content of the syllabus	Tomasz Jewartowski
Period Semester 6	Method of evaluation Assessment
	Activities and hours • Participation in lectures: 30
	Number of ECTS points 3

Subject's educational aims

C1	To provide knowledge in the field of rules and principles of raising and allocating capital by corporations
C2	To provide knowledge and skills in the field of determinants and criteria of corporate investment and financial decision making
C3	To provide knowledge in the field of rules and criteria of company's financial performance assesment and to provide skills needed for applying basic tools and techniques of company's financial performance assesment

Entry requirements

mikroekonomia, statystyka

Subject's learning outcomes

Code	Outcomes in terms of	Effects	Examination methods
Knowledge			
W1	defines basic terms referring to corporate finance	K1_W07	Final quiz
W2	classifies corporate finance as a sub-field of economics	K1_W01	Final quiz
W3	knows determinants and techniques of corporate investment and financial decision making	K1_W07, K1_W09	Final quiz, Class participation, Group project / Group work
W4	knows basic rules and criteria in the field of assessing company's financial performance	K1_W04, K1_W07, K1_W09	Final quiz, Group project / Group work
Skills			
U1	prepares a simple financial plan	K1_U10	Group project / Group work
U2	selects and applies proper tools and measures supporting investment decision making, calculating and interpreting the results	K1_U06, K1_U09	Final quiz, Group project / Group work
U3	selects and applies proper tools and measures supporting corporate financial decision making, calculating and interpreting the results	K1_U06, K1_U09	Final quiz
U4	applies tools and techniques of evaluating corporate financial performance	K1_U11	Final quiz, Group project / Group work
Social competences			
K1	is able to expand her knowledge and skills in the field of corporate finance and business analysis	K1_U18	Class participation, Presentation
K2	discusses and critically assesses tools and criteria of corporate investment and financial decisions	K1_U19	Class participation, Presentation

Study content

No.	Course content	Subject's educational goals	Subject's learning outcomes
1.	Corporate financial management objectives; separation of ownership and control; financial management and stakeholder theory; shareholder wealth maximization	C1	W1, W2
2.	Financial statements as a source of information for financial management: income statement, balance sheet, statement of cash flows	C1	W1
3.	Cash flows in financial management: Free Cash Flow (FCF)	C1, C2	W1, W3, U4
4.	Financial planning as a tool supporting corporate investment and financial decision making	C1, C2	W1, W3, W4, U1, U4
5.	Ratio analysis: financial liquidity ratios, asset management ratios, debt management ratios, profitability ratios, Du'Pont system	C3	W4, U4

No.	Course content	Subject's educational goals	Subject's learning outcomes
6.	Investment appraisal (capital budgeting): NPV, IRR, MIRR, PI, payback period	C2	W3, U2, K2
7.	Risk and return: stand-alone risk; diversifiable risk; market (systematic) risk; portfolio analysis; CAPM; beta coefficient	C1, C2	W1, W3, U3
8.	Equity and debt financing: types of stocks; shareholder rights; private-equity funds; public equity markets; direct and indirect debt financing; leasing	C1	W1, W3
9.	Bond and stock valuation: discounted cash flows model; fixed and zero-coupon bond valuation; Gordon growth model of stock valuation	C1, C2	W3, U3
10.	Cost of capital: cost of debt; interest tax shields; cost of equity; weighted average cost of capital (WACC)	C2	W3, W4, U3
11.	Cost of capital: Operating and financial leverage: operating and financial risk; effect of financial leverage; degree of operating, financial, and total leverage	C2, C3	W3, W4, U3, U4, K1
12.	Capital structure theories: Modigliani-Miller theory; taxes, bankruptcy costs, agency costs and information asymmetry in capital structure theories	C1, C2	W1, W3
13.	Corporate valuation – income approach: free cash flows for business valuation; residual value; risk-adjusted discount rate in business valuation	C1, C2, C3	U1, U4, K1
14.	Working capital management: working capital requirement; policies of managing current assets; policies of financing current assets; operating cycle; cash conversion cycle	C2	W3, U2, U3
15.	Measuring financial performance: concepts of MVA® and EVA®.	C3	W4, U4

Bibliography

Obligatory

1. E.F. Brigham, J.F. Houston, Fundamentals of Financial Management, Thomson South-Western, 10th Edition (International Student Edition), 2004 (and subsequent editions)

Recommended

1. A. Damodaran, Corporate Finance. Theory and Practice, Wiley&Sons, 2nd Edition, 2001 (and subsequent editions)
2. R.A. Brealey, S.C. Myers, F.Allen., Principles of corporate finance, 12th Edition, McGraw-Hill Education, 2016

Course advanced

Teaching methods:

Teaching methods	Method of evaluation	Credit conditions
Lectures	Final quiz, Class participation, Group project / Group work, Presentation	

Effects

Code	Content
K1_U06	the graduate is able to analyse solutions to specific problems in the field of finance and accounting, and recommends specific solutions in this respect
K1_U09	the graduate is able to apply financial-management tools, and to assess the situation in this respect
K1_U10	the graduate is able to develop a financial plan at a level commensurate with their knowledge
K1_U11	graduate is able to apply methods and tools of corporate financial analysis
K1_U18	the graduate is able to supplement and improve the acquired knowledge and skills in the field of finance and accounting
K1_U19	the graduate is able to actively participate in a discussion on the selection of appropriate tools and assessment criteria for financial decisions within business entities
K1_W01	the graduate knows and understands, at an advanced level, facts, objects and phenomena in the field of finance and accounting, their place in the system of sciences and relationship to other sciences
K1_W04	the graduate knows and understands, at an advanced level, methods and tools, including data acquisition and processing techniques, in the field of finance and accounting, used in describing the structures and processes occurring within and between them
K1_W07	the graduate knows and understands, at an advanced level, phenomena in the field of corporate finance and the relationship between them
K1_W09	the graduate knows and understands, at an advanced level, the mechanisms of management, particularly financial management