



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Corporate Finance	

Academic staff	Core academic unit(s)
Coordinator(s): lect. Žaneta Kovaliova, FCCA Other(s):	Faculty of Economics and Business Administration

Study cycle	Type of the course unit
Second	Compulsory

Mode of delivery	Semester or period when it is delivered	Language of instruction
Classroom	Autumn semester	English

Requisites	
Prerequisites: microeconomics, macroeconomics, accounting	Co-requisites (if relevant): none

Number of ECTS credits allocated	Student's workload (total)	Contact hours	Individual work
5	130	32	98

Purpose of the course unit		
<p>The aim of this course is to develop theoretical and practical skills in corporate finance, enabling one to effectively plan, organize, analyze, and assess a company's financial performance and development projects.</p> <p>The competences developed include:</p> <ul style="list-style-type: none"> - knowledge of the theoretical and practical principles of corporate finance; - the ability to assess a company's financial condition and analyse financial reports; - the capacity to plan and analyze capital projects. 		
Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
The ability to plan and manage a company's financial performance.	Problem-based teaching, case studies, and solution of the provided tests.	<p>Test and exam: closed-ended and/or open-ended assignments or questions.</p> <p>Student participation and engagement in group discussions and activities.</p> <p>Presentation of practical case study assignments.</p>
The ability to assess a company's financial condition and analyse financial reports.		
The ability to forecast a company's cash flows and understand the impact of the time value of money.		
The ability to calculate the net present value, payback time, discounted payback time and internal rate of return.		
The ability to set up and conduct a capital investment project analysis, perform and interpret "what-if" and sensitivity analysis.		
The ability to evaluate the factors affecting capital structure and decide on capital allocation, internalize capital allocation principles and pitfalls, assess real options.		
The ability to analyse the various forms, theories and practices of dividends and payout policies, dividend payment structures and share repurchases.		
The ability to understand and conduct cost-benefit analyses.		

Content	Contact hours							Individual work: time and assignments	
	Lectures	Tutorials	Seminars	Workshops	Laboratory work	Internship	Contact hours, total	Individual work	Tasks for individual work
1. Intro to Corporate Finance	2		1				3	7	Reading and quiz questions. Chapter 1 from Ross, Westerfield and Joardan (2016-2022)
2. Financial Statements and Cash Flow	1		1				2	7	Reading and quiz questions. Chapter 2 from Ross, Westerfield and Joardan (2016-2022)
3. Analysis of Financial Statements	3		3				6	21	Reading, quiz questions and practical case study analysis. Chapter 3 from Ross, Westerfield and Joardan (2016-2022)
4. Enterprise Performance Management	1		2				3	9	
5. Valuation of Future Cash Flows	2		1				3	9	Reading and quiz questions. Chapter 5-6 from Ross, Westerfield and Joardan (2016-2022)
6. Capital Budgeting	3		4				7	21	Reading, quiz questions and practical case study analysis. Chapter 9-11 from Ross, Westerfield and Joardan (2016-2022)
7. Economics of Cost & Benefit Analysis	2		1				3	9	Reading and quiz questions from Boardman, Greenberg, Vining and Weimer (2014)
8. Long-Term Financial Policy	2		3				5	15	Reading, quiz questions and practical case study analysis. Chapter 16-17 from Ross, Westerfield and Joardan (2016-2022)
Total	16		16				32	98	

Assessment strategy	Weight %	Deadline	Assessment criteria
Contact work (seminars and lectures)	10	Until the end of the course	Active participation in assignments during lectures and seminars is worth 1 point. To receive full credit, a student must complete all assignments and actively participate in discussions. No credit is awarded for students who do not complete assignments or participate in discussions.
Case study	20	Until the end of the course	There are four case study assignments during the course, which are carried out in groups and presented during seminars. These assignments typically involve a mix of calculations and conceptual analysis. The four case study assignments will be graded primarily based on effort, accuracy, completeness of the analysis, and the connections made between theory and practice. To receive full credit, please upload these assignments to VMA by the due date.
Test	30	Until the end of the course	The course includes up to 8 tests, each consisting of a mix of closed-ended and/or open-ended questions or assignments, with each item valued at 1 point. The highest possible grade for each test is 10.00, calculated by dividing the student's total points scored by the maximum possible

			points. The final test grade is determined by averaging the scores of all 8 tests, which are administered through the VMA application.
Exam	40	At the end of the course	The exam consists of up to 40 closed-ended and/or open-ended questions or assignments, each worth 1 point. The maximum possible grade for the exam is 10.00, which is determined by dividing the student's total points scored by the maximum possible points. The exam is administered through the VMA application.
<p>The final assessment of this course is based on a cumulative score of the previously mentioned components:</p> <p>10 (excellent) - Excellent performance, outstanding knowledge and skills</p> <p>9 (very good) - Strong performance, good knowledge and skill</p> <p>8 (good) - Above the average performance, knowledge and skills</p> <p>7 (highly satisfactory) - Average performance, knowledge and skills with unessential shortcomings</p> <p>6 (satisfactory) - Below average performance, knowledge and skills with substantial shortcomings</p> <p>5 (sufficient) - Knowledge and skills meet minimum criteria</p> <p>Less than 5 (insufficient) - Knowledge and skills do not meet minimum criteria/below minimum criteria.</p>			
The final grade is positive if the final exam is passed (not less than 50 % are right answers) and cumulative grade is 5.0 or more.			
External exam is not possible.			

Author (-s)	Publishing year	Title	Issue No. or Volume	Publishing house or web link
Required reading				
Ross, Stephen A. Westerfield, Randolph W. Jordan, Bradford D.	2016-2022	Fundamentals of Corporate Finance	9 th -13 th Edition	McGraw-Hill
Anthony Boardman, David Greenberg, Aidan Vining and David Weimer	2014	Cost-Benefit Analysis: Concepts and Practice	2-5 th Edition	Prentice Hall, Inc.
Recommended reading				
Brealey, Richard Myers, Steward C. Allen, Franklin	2010-2020	Principles of Corporate Finance	10 th -13 th Edition	McGraw-Hill/Irwin:Series in Finance, Insurance and Estate
Vernimmen, Pierre Quiry, Pascal Le Fur, Yann	2022	Corporate Finance: Theory and Practice	6 th Edition	Wiley
Robert F. Bruner, Kenneth Eades, Michael Schill.	2017	Case Studies in Finance	8 th Edition	McGraw Hill