

Subject card

Subject name and code	Corporate Finance, PG_00129955						
Field of study	International Business						
Date of commencement of studies	October 2024	Academic year of realisation of subject			2025/2026		
Education level	Master's studies	Subject group			Obligatory subject group in the field of study		
Mode of study	full-time studies	Mode of delivery			at the university		
Year of study	2	Language of instruction			Polish English 100%		
Semester of study	4	ECTS credits			2.0		
Learning profile	academic	Assessment form					
Conducting unit	Department of Sustainable Market Processes -> Faculty of Economics -> Rector						
Name and surname of lecturer (lecturers)	Subject supervisor		dr Joanna Adamska				
	Teachers		dr Joanna Adamska				
Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	15.0	0.0	0.0	0.0	0.0	15
	E-learning hours included: 0.0						
	Additional information: lectures						
Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan		Participation in consultation hours		Self-study	SUM
	Number of study hours	15		15.0		20.0	50
Subject objectives	The purpose of this course is to give students an operation knowledge of corporate finance. In particular, to provide a solid understanding of the major financial decisions facing corporate managers and to establish a structured approach to making investment and financial decisions for corporation.						

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[IBMU2_W08] knows selected areas of the functioning of a modern enterprise in the international environment; understands the conditions, principles and consequences of decisions taken in modern enterprise's structures dealing on the international market	student understands the principles and rules of corporate finance in a modern enterprise operating in an international setting and comprehends the conditions, principles, and outcomes of financial decisions made by enterprises operating in international markets	[SW4] test/exam - oral or written
	[IBMU2_U01] can creatively interpret, explain and analyse complex economic phenomena and the relations occurring between them, using the acquired knowledge in international business and international economic and financial relations	student can creatively interpret, explain, and analyze complex financial decisions made by corporations, utilizing their knowledge of international business and international financial relations between capital budgeting, financing, investments and company operations.	[SU4] test/exam - oral or written
	[IBMU2_K03] is ready to think and act in an entrepreneurial manner; adapts to new situations and conditions; undertakes challenges of creative thinking; acquires resilience to failures; assesses risks and threats and finds ways of counteracting their effects	student is prepared to think and act entrepreneurially, adapting to new situations and circumstances, especially in regards to financial decisions in a company, and evaluating risks and potential threats	[SK5] implementation of a problem task
	[IBMU2_K01] Is ready to recognise the importance of knowledge of international business in the process of identifying and solving business problems and the need to consult experts in cases of complex issues	student recognizes the significance of knowledge in international business for identifying and resolving business issues in the field of international corporate finance, is capable of actively working on complex and multi-faceted relationships concerning financing, investing, and appraising corporate activities, and understand the necessity of seeking expert advice in complex financial matters.	[SK5] implementation of a problem task
	[IBMU2_W03] knows terminology in the field of international business, international economics and financial relations and complementary disciplines	student knows the terminology used in the fields of corporate finance and international corporate finance, in particular related to investment and financial decisions	[SW4] test/exam - oral or written
	[IBMU2_W05] knows and understands the fundamental dilemmas of international business related to globalisation, integration, internationalization and sustainable development	student understands the basic dilemmas of corporate finance and the financial decisions made by corporations in a globalized, internationalized, and sustainable development environment	[SW4] test/exam - oral or written
	[IBMU2_K02] is ready to critically assess the level of acquired knowledge, skills and professional competence in the area of international business	student is able to form critical evaluations and find solutions to specific financing, appraisal, and valuation problems	[SK5] implementation of a problem task
Subject contents	<ul style="list-style-type: none"> • Corporate finance introduction: corporate finance definition and underlying principles. The scope of corporate finance. Corporate objectives. Time value of money and interest rates. • Risk. Introduction to risk, measuring portfolio risk. Risk and return. Firm-specific and shareholder-specific risks. Risk of a single asset and portfolio risk. • Equity and debt financing. Issuing equity. The flotation of a company (IPO and SPO). Theoretical diluted price. Financing via stock market versus the over-the-counter market (OTC). Issuing long-term debt. • Dividend policy and dividend decisions. Types of dividend policies. Forms and types of dividends. • Corporate capital structure and cost of capital. Financial leverage. Modigliani and Miller capital. The M&M capital structure model with taxes. EPS. Interest tax shields. Bankruptcy costs. Tradeoff theory. Patterns in corporate capital structure. Discount rate (the cost of equity and the cost of debt, weighted average cost of capital). CAPM. • Corporate governance codes of practice. The audit and the roles of auditors. Directors obligations and responsibilities. Disclosure policy - principles, actions to ensure compliance, legal consequences of its failure. • Theory of financial distress and bankruptcy. Reasons and consequences of the company's bankruptcy. 		

Prerequisites and co-requisites	Formal requirements		
	International finance		
Assessment methods and criteria	Prerequisites		
	Basic knowledge of macroeconomics, finance and financial markets as well as international economic relations. Ability to solve math problems.		
Assessment methods and criteria	Subject passing criteria	Passing threshold	Percentage of the final grade
	written test including open-ended questions and single-choice test	51.0%	100.0%
Recommended reading	Basic literature	<p>Brealey R., Myers S., Allen F., Principles of Corporate Finance, McGraw Hill, 13th edition or earlier.</p> <p>Laws, J., Essentials of Financial Management. Liverpool University Press, 2019.</p> <p>Adamska-Mieruszewska, J., Mrzyglód, U. (2020). Foreign listing pricing effects. The case of emerging economies. Bank i Kredyt, (4), 367-381.</p> <p>Dragotá, V. (2022). How Important is the Time Value of Money in Decision Making? Results of an Experiment. Prague Economic Papers, 30(3-4), 259-275.</p>	
	Supplementary literature	<p>Brealey, R. A., Myers, S. C., Allen, F., & Mohanty, P. (2012). Principles of corporate finance. Tata McGraw-Hill Education.</p> <p>Dayananda J. (ed.), Capital Budgeting: Financial Appraisal of Investment Projects, Cambridge University Press, 2002 or later.</p> <p>Hiller D., Ross S., Westerfield R., Jaffe J., Bradford J., (2016), Corporate finance, Maidenhead: McGraw-Hill Education.</p> <p>Megginson W.L., Smart S.B., Lucey B.M., <i>Introduction to corporate finance</i>, Cengage Learning EMEA, 2011 or later, part 2 and 4.</p>	
	eResources addresses	Adresy na platformie eNauzanie:	
Example issues/ example questions/ tasks being completed	Cash flow management in a company		
	Cost of capital calculations		
Work placement	Not applicable		

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