Subject card

Subject name and code	Corporate Finance, PG_00156999		
Field of study	Finance and Accounting		
Date of commencement of studies	October 2024	Academic year of realisation of subject	2025/2026
Education level	undergraduate studies	Subject group	Obligatory subject group in the field of study Subject group related to scientific research in the field of study
Mode of study	full-time studies	Mode of delivery	at the university
Year of study	2	Language of instruction	English
Semester of study	4	ECTS credits	5.0
Learning profile	academic	Assessment form	
Conducting unit			
Name and surname of lecturer (lecturers)	Subject supervisor	dr hab. Julia Koralun-Bereźnicka	
	Teachers		

Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	30.0	30.0	0.0	0.0	0.0	60
	E-learning hours included: 0.0						

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	60	10.0	55.0	125

Subject objectives	The aim of the course is to enable Students to understand and solve basic tasks related to the following areas of corporate finance: cost of capital, leverage, dividend and working capital.

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[FiRL3_U05] The student correctly uses normative systems and selected norms and rules (legal, professional, moral) to solve advanced problems in finance.	The student has knowledge of the applicable legal norms and accounting standards that are directly applicable to the financial activities of enterprises. He is able to correctly interpret and apply these regulations to solve problems related to corporate finance. He understands the importance of professional ethics in financial decision-making and acts in a manner consistent with the applicable moral standards.	[SU2] presentation/project/paper/ report [SU4] test/exam - oral or written
	[FiRL3_W01] The student has advanced knowledge of finance and accounting, their place in the system of social sciences and their relationship to other social sciences.	The student has knowledge of finance and accounting, understands the basic principles of the market economy, finds the application of economic theories in business practice, sees accounting as the language of business, enabling communication and decision-making, sees the relationship between finance and other areas of management, and realizes the impact of legal and social factors on business.	[SW4] test/exam - oral or written [SW2] presentation/project/paper/ report
	[FiRL3_U03] The student can properly analyse the causes, course and effects of specific processes and phenomena in finance and accounting, using advanced theories and relevant social sciences methods. Can identify stakeholders of processes and phenomena from the disciplines of management and quality sciences and economics and finance.	The student demonstrates the ability to analyze processes and phenomena occurring in the field of corporate finance. He or she is able to determine the causes of these phenomena, trace their course and evaluate their effects on the enterprise. Uses tools and theories in the field of finance. Is aware of the diversity of stakeholders involved in financial processes and is able to assess their expectations and influences on decision-making.	[SU3] text preparation/written work [SU4] test/exam - oral or written
	[FiRL3_K02] Cooperation: - can harmoniously interact and work in a group, taking on different roles in it - is able to agree with the group on goals and division of tasks - is open-minded and respects the differences of other team members.	The student is able to work effectively in a team, especially in the context of projects related to corporate finance. He is able both to work independently on assigned tasks and to cooperate with others, sharing knowledge and experience. He is open to new ideas and is able to find a common language with people with different approaches to work.	[SK2] presentation/project/paper/ report [SK5] implementation of a problem task [SK8] observation of student's independent or team work
	[FiRL3_U01] The student understands and can correctly interpret complex economic phenomena in finance and accounting, and other social sciences. The student understands and can explain the content of announcements of economic institutions, articles published in the daily press and journals in the field of finance (excluding scientific journals). The student correctly applies concepts of social sciences.	The student demonstrates an understanding of corporate finance, combining theory and practice. He is able to analyze and interpret financial information, drawing accurate conclusions from it. He or she is comfortable using professional financial terminology and understands the broad economic, political and social context in which businesses operate. Is able to assess the risks associated with various financial decisions.	[SU2] presentation/project/paper/ report [SU4] test/exam - oral or written
	[FiRL3_W06] The student has advanced knowledge of methods and tools, including data acquisition and analysis techniques, appropriate to management science and quality, which allow describing economic structures and institutions and the processes within and between them.	The student has the analytical skills to effectively use financial data to make informed business decisions. (S)he can apply selected statistical tools and methods to analyze financial problems.	[SW2] presentation/project/paper/ report

Course outcome	Subject outcome	Method of verification
[FiRL3_W09] The student knows the principles of formation and economic functioning of commercial and public sector organizations, their forms, phases of development, as well as the financial conditions determining their value and economic success.	The student has knowledge of the formation and operation of commercial enterprises. He understands the differences in their organizational structures, goals and modes of operation. He can analyze the phases of business development and identify the financial factors that have a decisive impact on their value and economic success.	[SW4] test/exam - oral or written
[FiRL3_K01] Self-development: - understands the need for development and lifelong learning - is able to supplement and improve the acquired knowledge and skills - knows his strengths and weaknesses, sets ambitious goals to the best of his ability - knows how to accept failure and admit mistakes.	The student strives for self-improvement, focusing on understanding and continuous development of skills in corporate finance. By setting ambitious development goals, the student is aware of his/her strengths and weaknesses, and is able to deal effectively with failures, which supports him/her in the field of finance and accounting.	[SK2] presentation/project/paper/ report [SK4] test/exam - oral or written [SK8] observation of student's independent or team work
[FiRL3_K03] Communication: - is able to present his view, issue in a way that others can understand - boldly (but thoughtfully) expresses his opinion, is not afraid to ask questions - is able to culturally participate in discussions - is able to give constructive criticism.	The student demonstrates the ability to communicate effectively in a financial environment. He is able to present financial issues clearly and persuasively. Is open to discussion and willing to share his/her knowledge with others. Can constructively criticize arguments presented and ask precise questions.	[SK2] presentation/project/paper/ report

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Cost of capital: weighted average cost of capital, tax effect, alternative methods of calculating the weights used in the WACC; marginal cost of capital, optimal capital budget, the role of marginal cost of capital in determining the net present value of a project, cost of debt capital according to yield-to-maturity approach and the debt-rating approach; cost of noncallable, nonconvertible preferred stock; cost of equity capital according to capital asset pricing model approach, the dividend discount model approach, and the bond-yield-plus risk-premium approach; beta, country risk premiums, marginal cost of capital schedule, flotation costs.

Measures of leverage: business risk, sales risk, operating risk, finan-cial risk, degree of operating leverage, degree of financial leverage, degree of total leverage; effect of financial leverage on a companys net income and return on equity; breakeven quantity of sales, operating breakeven quantity of sales.

Dividends and share repurchases: regular cash dividends, extra dividends, stock dividends, stock splits, reverse stock splits, dividend payment chronology, share repurchase methods; the effect of a share repurchase on earnings per share, the effect of a share repurchase on book value per share.

Working capital management: primary and secondary sources of liquidity and factors influencing a companys liquidity position; liquidity measures; working capital effectiveness based on operating and cash conversion cycles, companys net daily cash position; yields on various securities, management of accounts receivable, inventory, and accounts payable.

Prerequisites and co-requisites

Assessment methods and criteria

Subject passing criteria	Passing threshold	Percentage of the final grade
written exam	51.0%	50.0%
individual or group work	51.0%	25.0%
two written tests	51.0%	25.0%

Recommended reading

Basic literature	M.R. Clayman, M.S. Fridson, G.H. Troughton (2012), Corporate Finance. A Practical Approach, CFA Institute, Wiley. Corporate Finance (2019), CFA Program Curriculum, Level II, Vol. 3, Wiley. S.A. Ross, R.W. Westerfield, B.D. Jordan (2010), Fundamentals of Corporate Finance, Mc Graw-Hill Irwin.
Supplementary literature	J. Koralun-Bereźnicka (2013), Corporate Performance. A Ratio-Based Approach to Country and Industry Analyses, Springer.
eResources addresses	Adresy na platformie eNauczanie:

Example issues/ example questions/ tasks being completed

Sample issues will be presented in class.

Work placement	Not applicable

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