

**Subject card**

<b>Subject name and code</b>	Corporate Finance & Taxes, PG_00178616						
<b>Field of study</b>	Finance and Accounting						
<b>Date of commencement of studies</b>	October 2026	<b>Academic year of realisation of subject</b>			2027/2028		
<b>Education level</b>	Bachelor's studies	<b>Subject group</b>			Obligatory subject group in the field of study Subject group related to scientific research in the field of study		
<b>Mode of study</b>	full-time studies	<b>Mode of delivery</b>			at the university		
<b>Year of study</b>	2	<b>Language of instruction</b>			English		
<b>Semester of study</b>	3	<b>ECTS credits</b>			6.0		
<b>Learning profile</b>	academic	<b>Assessment form</b>			credit		
<b>Conducting unit</b>	Department of Corporate Finance -> Faculty of Management -> Rector						
<b>Name and surname of lecturer (lecturers)</b>	<b>Subject supervisor</b>		mgr inż. Alicja Grzenkowicz				
	<b>Teachers</b>						
<b>Lesson types</b>	<b>Lesson type</b>	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	<b>Number of study hours</b>	30.0	30.0	0.0	0.0	0.0	60
	E-learning hours included: 0.0						
<b>Learning activity and number of study hours</b>	<b>Learning activity</b>	Participation in didactic classes included in study plan		Participation in consultation hours		Self-study	SUM
	<b>Number of study hours</b>	60		4.0		86.0	150
<b>Subject objectives</b>	To enable Students to understand and solve basic tasks related to the following areas of corporate finance: cost of capital, taxation, leverage, dividend and working capital.						

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[FiRL3_U04] The student is able—from the perspective of finance and accounting—to correctly select and properly apply methods and tools from the fields of management and quality sciences, economics, and finance to analyse and forecast economic processes and evaluate economic phenomena.	<ul style="list-style-type: none"> <li>- The student calculates key financial measures, including WACC, breakeven quantities, degrees of leverage, and cash conversion cycles.</li> <li>- The student evaluates working capital components and proposes strategies for liquidity improvement.</li> <li>- The student integrates financial and tax-related data to support decisions on financing methods, payout strategies, and capital cost estimation.</li> </ul>	[SU4] test/exam - oral or written [SU5] implementation of a problem task
	[FiRL3_W09] The student with an advanced degree knows and understands the general principles of creating and developing various forms of entrepreneurship using knowledge from management, quality sciences, economics and finance.	<ul style="list-style-type: none"> <li>- The student explains how core concepts of corporate finance—such as WACC, financial leverage, and liquidity—inform financial planning and capital acquisition strategies in entrepreneurial ventures.</li> <li>- The student understands the role of financial policies, including dividend policy and tax planning, in supporting sustainable business development.</li> <li>- The student applies interdisciplinary knowledge to assess how financial and fiscal strategies contribute to the scalability and resilience of business models.</li> </ul>	[SW4] test/exam - oral or written [SW2] presentation/project/paper/report [SW5] implementation of a problem task
	[FiRL3_U01] The student can analyze and interpret socio-economic processes and phenomena—from the finance and accounting perspective—using knowledge and tools from management, quality sciences, economics, and finance.	<ul style="list-style-type: none"> <li>- The student applies financial ratios and models to assess cost of capital, leverage levels, and working capital effectiveness.</li> <li>- The student interprets how changes in tax policy, interest rates, or operating conditions influence a company's financial decisions.</li> <li>- The student analyses the effects of different dividend and liquidity strategies on firm performance.</li> </ul>	[SU2] presentation/project/paper/report [SU4] test/exam - oral or written [SU5] implementation of a problem task
	[FiRL3_W03] The student knows and understands, to an advanced degree - from the perspective of finance and accounting - the internal and external relations of institutions and organizations with particular emphasis on financial security systems.	<ul style="list-style-type: none"> <li>- The student explains the relationship between a company's capital structure, dividend policy, and liquidity position.</li> <li>- The student understands how tax systems affect corporate financial decisions in areas such as financing, payout policies, and working capital management.</li> <li>- The student recognises how financial practices are shaped by institutional, legal, and fiscal frameworks</li> </ul>	[SW4] test/exam - oral or written [SW2] presentation/project/paper/report [SW5] implementation of a problem task
	[FiRL3_W02] The student has advanced knowledge and understanding of the functioning of the domestic and international financial market and financial instruments and institutions.	<ul style="list-style-type: none"> <li>- The student identifies and explains key concepts and measures related to the cost of capital, including WACC, cost of equity and debt, and the role of taxes in capital cost estimation.</li> <li>- The student understands various forms of financial leverage and their implications for a company's risk and profitability.</li> <li>- The student characterises the main forms of dividend distribution and share repurchases and explains their financial and regulatory implications.</li> </ul>	[SW4] test/exam - oral or written [SW2] presentation/project/paper/report [SW5] implementation of a problem task

	Course outcome	Subject outcome	Method of verification
	[FiRL3_W08] The student has advanced knowledge and understanding of the interrelationship of accounting and finance with business in a changing environment and the accompanying contemporary challenges and dilemmas in this context.	<ul style="list-style-type: none"> <li>- The student identifies how corporate financial decisions (e.g. capital structure, working capital, dividends) are influenced by evolving market conditions, tax policies, and regulatory frameworks.</li> <li>- The student understands the implications of financial and accounting data for managing business liquidity, profitability, and long-term financial stability.</li> <li>- The student recognizes challenges in aligning financial strategy with business goals under uncertainty, including issues related to taxation, cost of capital, and financial leverage.</li> </ul>	[SW4] test/exam - oral or written [SW2] presentation/project/paper/report [SW5] implementation of a problem task
Subject contents	<ol style="list-style-type: none"> <li>1. Cost of Capital and Capital Budgeting               <ol style="list-style-type: none"> <li>1.1 Weighted average cost of capital (WACC): definition, structure, and the tax effect</li> <li>1.2 Methods of estimating capital structure weights in WACC</li> <li>1.3 Cost of debt: yield-to-maturity approach and debt-rating approach</li> <li>1.4 Cost of preferred stock (noncallable, nonconvertible)</li> <li>1.5 Cost of equity: Capital Asset Pricing Model (CAPM), Dividend Discount Model (DDM), Bond-yield-plus risk-premium approach</li> <li>1.6 Beta and country risk premiums</li> <li>1.7 Flotation costs and their implications</li> <li>1.8 Marginal cost of capital (MCC) and the MCC schedule</li> <li>1.9 Optimal capital budget</li> <li>1.10 The role of MCC in determining the net present value (NPV) of investment projects</li> <li>1.11 Capital investments and capital allocation</li> </ol> </li> <li>2. Leverage and Risk Analysis               <ol style="list-style-type: none"> <li>2.1 Business risk, sales risk, and operating risk</li> <li>2.2 Financial risk</li> <li>2.3 Degree of operating leverage (DOL), degree of financial leverage (DFL), degree of total leverage (DTL)</li> <li>2.4 Effect of financial leverage on net income and return on equity (ROE)</li> <li>2.5 Breakeven quantity of sales</li> <li>2.6 Operating breakeven quantity of sales</li> </ol> </li> <li>3. Dividends and Share Repurchases               <ol style="list-style-type: none"> <li>3.1 Regular cash dividends and extra dividends</li> <li>3.2 Stock dividends, stock splits, and reverse stock splits</li> <li>3.3 Dividend payment chronology</li> <li>3.4 Share repurchase methods</li> <li>3.5 Effects of share repurchases on: earnings per share (EPS), book value per share</li> </ol> </li> <li>4. Working Capital and Liquidity Management               <ol style="list-style-type: none"> <li>4.1 Primary and secondary sources of liquidity</li> <li>4.2 Factors influencing a company's liquidity position</li> <li>4.3 Liquidity measures</li> <li>4.4 Operating cycle and cash conversion cycle</li> <li>4.5 Net daily cash position</li> <li>4.6 Yields on short-term securities</li> <li>4.7 Management of: accounts receivable, inventory, accounts payable</li> </ol> </li> <li>5. Taxation in Corporate Finance               <ol style="list-style-type: none"> <li>5.1 Introduction to taxation and its role in financial decision-making</li> <li>5.2 Principles of taxation</li> <li>5.3 Types of taxes relevant to individuals and corporations</li> <li>5.4 Analysis of income taxes</li> <li>5.5 Tax planning, tax avoidance, and tax evasion</li> <li>5.6 Overview of international tax considerations</li> </ol> </li> <li>6. Analysis of Inventories               <ol style="list-style-type: none"> <li>6.1 Inventory valuation methods</li> <li>6.2 Inventory ratios and analytical interpretation</li> <li>6.3 Effects of inventory accounting on financial performance</li> </ol> </li> <li>7. Company Analysis: Forecasting</li> </ol>		
Prerequisites and co-requisites	No prerequisites are required.		
Assessment methods and criteria	Subject passing criteria	Passing threshold	Percentage of the final grade
	Written test	51.0%	67.0%
	Team project with presentation	51.0%	33.0%
Recommended reading	Basic literature	<ol style="list-style-type: none"> <li>1. Clayman, M.R., Fridson, M.S., Troughton, G.H., Corporate Finance. A Practical Approach, CFA Institute, Wiley, any edition.</li> <li>2. Corporate Finance, CFA Program Curriculum, Level II, Vol. 3, Wiley, any edition.</li> </ol>	

	Supplementary literature	<ol style="list-style-type: none"> <li>1. Ross, S.A., Westerfield, R.W., Jordan, B.D., 2010, Fundamentals of Corporate Finance, Mc Graw-Hill Irwin, any edition.</li> <li>2. Brealey, R., Myers, S., Allen, F., Principles of Corporate Finance, McGraw-Hill, any edition.</li> </ol>
	eResources addresses	
Example issues/ example questions/ tasks being completed	<ol style="list-style-type: none"> <li>1. Evaluate the impact of corporate income tax on the optimal capital structure of a firm. How does the tax shield from debt financing influence the weighted average cost of capital (WACC)?</li> <li>2. Analyze how financial leverage affects a companys return on equity (ROE) under different economic scenarios. Calculate and interpret the degree of financial leverage (DFL) using hypothetical income statement data</li> </ol>	
Work placement	Not applicable	

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