

THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT
COURSE UNIT DESCRIPTION

Course Unit Title	CORPORATE FINANCE	
Course Unit Code	MB405	
Type of Unit	Elective	
Level of Course Unit	First cycle	
Year of Study	First/second year	
Semester	On demand	
Number of ECTS Credits	6 ECTS	
Course Unit Objectives	The objective of this course is to introduce the fundamental concepts of the theory and practice of finance paying particular attention to helping managers make the right corporate finance decisions.	
Learning Outcomes	On completion of this course students are expected to:	
	CILO 1	Define the various types of financial instruments
	CILO 2	Distinguish between the various types of financial institutions
	CILO 3	Apply the concept of time value of money and use that for capital budgeting
	CILO 4	Apply the concept of cost of capital to make corporate finance decisions.
	CILO 5	Understand capital structure decisions and payout policies
	CILO 6	Compute the value of bonds and common stock
Name of Lecturer(s)	Dr. George Theocharides	
Mode of delivery	Face to Face	
Prerequisites or corequisites	None	
Course Content	1. Overview of Financial Management & the Financial Environment	CILO 1, 2
	2. Time Value of Money & Credit Risk Experiment	CILO 2
	3. Time Value of Money/ Capital Budgeting.	CILO 2, 3
	4. Capital Budgeting & Cost of Capital.	CILO 4
	5. Capital Structure & Payout Policies	CILO 5
	5. The Valuation of Bonds and Common Stocks.	CILO 6
	<p><u>Textbooks:</u> Brealey, R., Myers, S. & Franklin A. (2013). <i>Principles of Corporate Finance</i>, (11th ed.). McGraw-Hill/Irwin.</p> <p><u>Articles & Journals:</u> Jensen, C. M. and W. H. Meckling (1976), "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure", <i>Journal of Financial Economics</i>, October, 1976, V. 3, No. 4, pp. 305-360.</p> <p>Myers, S. C. and N. S. Majluf (1984), "Corporate financing and investment decisions when firms have information that investors do not have", <i>Journal of Financial Economics</i> 13 (2): 187–221.</p> <p>Harvard Business Press Chapters (2003). <i>Time Value of Money: Calculating the Real Value of Your Investment</i>. Harvard Business School</p> <p>Wall Street Journal/ Financial Times or some other financial newspaper.</p> <p><u>Online sources:</u> Bloomberg (http://www.bloomberg.com/), which has a particularly good, comprehensive page on interest rates and</p>	

	<p>bonds (http://www.bloomberg.com/markets/rates-bonds/government-bonds/us/)</p> <p>CNN Money (http://money.cnn.com/), particularly if you prefer financial news in the video format (http://money.cnn.com/video/)</p> <p>Financial Mirror (http://www.financialmirror.com/)</p> <p>Financial Times (http://www.ft.com/home/europe)</p> <p>Investopedia Dictionary (http://www.investopedia.com/dictionary/).</p> <p>Yahoo!Finance (http://finance.yahoo.com/), which provides a great Stock Research Center (http://biz.yahoo.com/r/)</p>	
Recommended or required reading	Lectures; in-class discussion and debates; in-class exercises; problem sets; teaching experiments; team work; video; case studies; teaching experiment	
Planned learning activities and teaching methods	10% Participation 30% Case presentation 60% Final exam	
Assessment methods and criteria	English	
Language of Instruction	Not applicable	
Work Placement(s)		