



THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT
COURSE UNIT DESCRIPTION

Course Unit Title	CORPORATE FINANCE		
Course Unit Code	MB405		
Type of Unit	Core		
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	Define 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	
	<u>Textbooks:</u> Brealey, R., Myers, S. & Franklin A. (2013). <i>Principles of Corporate Finance</i> , (11 th ed.). McGraw-Hill/Irwin.		
	<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.		
	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.		
	Harvard Business Press Chapters (2003). <i>Time Value of Money: Calculating the Real Value of Your Investment</i> . Harvard Business School		
	Wall Street Journal/ Financial Times or some other financial newspaper.		
	<u>Online sources:</u> Bloomberg (http://www.bloomberg.com/), which has a particularly good, comprehensive page on interest rates and bonds (http://www.bloomberg.com/markets/rates-bonds/government-bonds/us/) CNN Money (http://money.cnn.com/), particularly if you prefer		

	<p>financial news in the video format (http://money.cnn.com/video/) Financial Mirror (http://www.financialmirror.com/) Financial Times (http://www.ft.com/home/europe) Investopedia Dictionary (http://www.investopedia.com/dictionary/). 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)		