



THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT
COURSE UNIT DESCRIPTION

Course Unit Title	CORPORATE FINANCE	
Course Unit Code	MA 460	
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 value-creating corporate finance decisions and balance risk and return issues in the optimal way.	
Learning Outcomes	On completion of this course students are expected to:	
	CILO 1	Define the goal of financial management, and distinguish between various types of financial instruments and financial markets
	CILO 2	Master professional terminology of Corporate Finance to use it for effective communication
	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 and assess projects' risks.
	CILO 5	Compute the value of bonds and common stock
Name of Lecturer(s)	Dr. Olga Kandinskaia	
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: computing Future Value, Present Value, DCF, Annuities & Perpetuities, loan amortization using Microsoft Excel financial functions.	CILO 3
	3. Capital Budgeting: computing NPV, IRR, Payback, PI to rank investment proposals	CILO 3
	4. The Valuation of Bonds and Common Stocks.	CILO 1, 5
	5. Capital Budgeting & Cost of Capital. Risk-return relationship and risk measures in Finance. CAPM and WACC concepts.	CILO 4
	6. Case Analysis – Practical Workshops - understanding the practical aspects of making long-term decisions (group work)	CILO 2, 3, 4
Recommended or required reading	<p>Lecture notes and problem sets are distributed in class and/or via CIIM Moodle.</p> <p><u>Recommended textbooks (available at CIIM library):</u> Brealey, R., Myers, S. & Allen, F. (2014). Principles of Corporate Finance, 11th ed. McGraw-Hill. Ross, S.A., Westerfield, R.W. and Jordan, B.D. (2006) Fundamentals of corporate finance, 7th ed. (International. ed.) Boston, MA: McGraw-Hill Higher Education.</p> <p><u>Other textbooks which you may use:</u> Benninga, S. (2010) Principles of Finance with Excel, 2nd edition. Oxford University Press. Benninga, S. (2008) Financial Modeling, 3rd edition. MIT Press. Berk, J., DeMarzo, P. (2013). Corporate Finance, 3rd edition. Prentice Hall. Gitman, L., Zutter, C. (2014) Principles of Managerial Finance, 14th edition. Prentice Hall.</p>	

	<p>Ross, S. A., Westerfield, R. W., Jaffe, J. (2012) Corporate Finance, 10th edition. McGraw-Hill/Irwin.</p> <p>Ross, S. A., Westerfield, R. W., Jordan, B. (2013) Essentials of Corporate Finance, 8th edition. McGraw-Hill/Irwin.</p> <p>Ross, S. A., Westerfield, R. W., Jordan, B. (2012) Fundamentals of Corporate Finance 10th edition. McGraw-Hill/Irwin.</p> <p><u>Articles & Journals:</u> Harvard Business Press Chapters (2003). Time Value of Money: Calculating the Real Value of Your Investment. Harvard Business School Wall Street Journal/ Financial Times/Financial Mirror or some other financial newspaper.</p> <p><u>Online sources:</u> Bloomberg (http://www.bloomberg.com/) CNN Money (http://money.cnn.com/), particularly if you prefer financial news in the video format (http://money.cnn.com/video/) Financial Mirror (http://www.financialmirror.com/) Investopedia Dictionary (http://www.investopedia.com/dictionary/). Yahoo!Finance (http://finance.yahoo.com)</p> <p>Bloomberg iPhone/iPad free application</p>
Planned learning activities and teaching methods	<p>Lectures; in-class discussion and debates; in-class exercises; problem sets; Excel spreadsheet calculations; teaching experiments; team work; case workshops; online activities in CIIM Moodle such as online quizzes, discussion forums, surveys, etc.</p> <p>A laptop equipped with Microsoft Excel is required for each class, per each student. We will be using Excel spreadsheets for financial calculations. The exam will also include financial calculations via Excel.</p>
Assessment methods and criteria	<p>20% Participation (including both in-class participation and Moodle activities such as online self-assessment quizzes and sharing solutions in the discussion forum)</p> <p>25% Case Workshops</p> <p>55% Final exam (2 hours duration, a combination of multiple choice questions and work in Excel, to be submitted online via Moodle)</p> <p>100% in total</p>
Language of Instruction	English
Work Placement(s)	Not applicable