

Study program: Economics; Business Economics and Management			
Type and level of study: Undergraduate studies (first level)			
Course: Corporate Finance			
Teacher in charge: Milan Ćupić			
Language of instruction: English			
ECTS: 7 (seven)			
Prerequisites: /			
Semester: Summer			
<p>Course objective: By mastering the course program students will acquire theoretical knowledge and practical skills in the field of long-term and short-term financial management of companies. Students will acquire the theoretical knowledge necessary to understand the essence of company financial management and the implications of management decisions concerning investment, financing and distribution of the effects of activities on the company value. They will also acquire practical skills for assessing the risk of individual investments and investment portfolios, assessing the value of companies and securities, analyzing investment projects, estimating the cost of capital, short-term financial management, creating a capital structure and obtaining sources of financing.</p>			
<p>Learning outcomes: By mastering the course program students will be able to:</p> <ul style="list-style-type: none"> • understand the impact of the economic and financial environment on the company's activities; • actively manage alternative sources of funding; • apply modern techniques for managing capital investments and current assets and • assess the impact of business, financial and investment decisions on the company value. 			
<p>Content of the course: Lectures: Basics of financial management (legal forms of business, financial and tax environment, financial management principles); Time value of money; Risk and return; Valuation theory and value of securities (valuation of bonds and stocks, bond yield, market interest rates); Financial management of capital investments (expected future cash flows, net present value, internal rate of return, payback period, accounting rate of return, capital rationing); Cost of capital; Short-term financial management; Strategic financial decisions of the company (operating and financial leverage, optimal capital structure); Forms of issue of securities; Dividend policy and share repurchases; Leasing; Specific problems of financial decision making (convertible bonds, warrants, options, preemptive rights). Practical teaching: Lab classes, case studies, student papers, other methods of teaching.</p>			
<p>Literature: - Brealey, R. A., Myers, S. C., Allen, F. (2016) Principles of Corporate Finance, McGraw Hill. - Berk, J., DeMarzo, P. (2007) Corporate Finance, Pearson International Edition.</p>			
Hours of active teaching			Other classes: 0
Lecture: 45	Practice: 30	Other forms of classes: 0	
Teaching methods: Professor's lectures, case studies, discussions, analysis of current developments in capital markets.			
Examination methods (maximum 100 points)			
Exam prerequisites	No. of points:	Final exam	No. of points:
Student's in-class activity	0	Final exam	50
Mid-term exams	50		
Seminar	0		
Project	0		
Grading System			
Grade	No. of Points	Description	
10	91-100	Excellent	
9	81-90	Exceptionally good	
8	71-80	Very good	
7	61-70	Good	
6	51-60	Passing	
5	0-50	Failing	