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| **Subject name:** Corporate finances  | **subject code:** GGXVP2CBNE | **weekly/semester hours:** full time: 2Lc+2Pr+0lab  |
| **Credits:** 4 **Requirement:** exam   | **Pre-requirement:** Basics of finance   |
| **Subject owner:** Dr. habil. Ágnes Csiszárik-Kocsir  | **Beosztás:** associate professor  | **Faculty and Department name:** Keleti Károly Faculty of Business and Management Department of Economics and Finance  |
| ***Way of Assessments:*** The signature is subject to the successful completion of the written exam, followed by the successful passing of the exam.  |
| **Course description:**  |
| Financial conditions for businesses. Main types and characteristics of financial decisions. The objectives of financial decisions. Interests of management and owners. Corporate assets. Equity capital and its components. External capital and its elements. Corporate financing decisions. Financing strategy, principles of financing. Internal and external financing of companies. Interpretation and calculation of the cost of capital for a company. Investment decisions of companies. Valuation of investments. Decision problems, decision criteria. Investment calculations. Static and dynamic capital investment calculations and their methods. Risks associated with investment. Working capital decisions: inventory and cash management. Liquidity of companies. Assessing corporate financial performance.  |
| **Detailed description of the subject, schedule**  |
| **Education weeks**  | **Topics for lectures and practices**  |
| 1.  | Financial decisions in enterprises  |
| 2.  | Financing decisions   |
| 3.  | Sources of finance   |
| 4.  | The role of depreciation in financing  |
| 5.  | Capital structure  |
| 6.  | Cost of Capital and Leverage / Mid-term exam  |
| 7.  | The concept of investment  |
| 8.  | Investment economics calculations and investment risk  |
| 9.  | Valuation of financial performance - assets, liquidity  |
| 10.  | Evaluation of financial performance - return, profitability, efficiency  |
| 11.  | Working capital management - funds, inventory management  |
| 12.  | Working capital management - receivables management, cash management  |
| 13.  | Exam I.  |
| 14.  | Exam II.  |
| **Mid-term requirements** |
| - Writing 1 theoretical final examination with a minimum level of 50% during the semester,- 2 practical final examinations with a minimum of 50% in the semester,- writing of the final tests of the theoretical unit of study with a minimum level of 50% by the given deadline,- Absence from classes must not exceed the level specified in the TVSZ.- Semester performance is assessed on a five-point scale |
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| Midterm papers, exams, submissions: |
| 1.  | exam - financing  |
| 2.   | exam - investments  |
| 3.  | exam - theoretical  |
| 4.  |   |
| The signature requirement, the method used to form an exam mark: |
|  - Writing 1 theoretical final examination with a minimum level of 50% during the semester, - 2 practical final examinations with a minimum of 50% in the semester, - writing of the final tests of the theoretical unit of study with a minimum level of 50% by the given deadline, - Absence from classes must not exceed the level specified in the TVSZ.  Evaluation of the semester: 0-50%: unsatisfactory (1); 51-62 %: satisfactory (2); 63-74%: average (3); 75-86 %: good (4); 87-100%: excellent (5).   |
| **Professional competences to be acquired**  |
| a. knowledge - Knowledge of the rules and ethical standards of working in a project, team, work organisation, project management. - Mastered written and oral forms of professional and effective communication, tabular and graphical ways of presenting data. - Possess a basic professional vocabulary of economics in your mother tongue and at least one foreign language.  b. skills - Plan and organise economic activities, projects, small businesses and business organisations, and manage and control them. - Using the theories and methods studied, he/she identifies facts and basic relationships, organises and analyses, draws independent conclusions, makes critical comments, prepares proposals for decisions, and makes decisions in routine and partly unfamiliar contexts, both national and international. - Participates in projects, group work, and after gaining practical knowledge and experience, leads, organises, evaluates and monitors activities. - He/she presents professional proposals and positions, professionally formulated from a conceptual and theoretical point of view, orally and in writing, in Hungarian and in a foreign language, according to the rules of professional communication.  c. attitude - In the interests of quality work, he/she is problem-sensitive, proactive, constructive, cooperative and proactive in projects and group work. - Receptive to new information, new professional skills and methodologies, open to new tasks and responsibilities requiring autonomy and cooperation. Seeks to develop his/her knowledge and working relationships, in cooperation with colleagues.  d. autonomy and responsibility - Under general professional supervision, independently carries out and organises the tasks defined in the job description. - Assumes responsibility for his/her analyses, conclusions and decisions. - As a member of projects, teams and departments, he/she carries out his/her tasks autonomously and responsibly. - Giving presentations and leading discussions independently. Participates independently and responsibly in professional fora within and outside the organisation.   |
| **Literature**  |
| * Brealey, R. A., Myers, S. C., Allen, F. (2016): Principles of Corporate Finance, 12th Edition. Irwin/McGraw-Hill.
* Jonathan Berk, Peter DeMarzo (2019): Corporate Finance, Pearson Education Limited
* Aswath Damodaran (2010): Applied corporate finance, Panem
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