



## AYDIN ADNAN MENDERES UNIVERSITY COURSE INFORMATION FORM

Course Title		Cost of Capital							
Course Code		MHY542		Couse Level		Second Cycle (Master's Degree)			
ECTS Credit	5	Workload	125 ( <i>Hours</i> )	Theory	3	Practice	0	Laboratory	0
Objectives of the Course		The aim of this course is to provide an overview of concepts and analytical techniques related to corporate finance including ratio analyses, financial planning, valuation, capital budgeting and cost of capital for financial decision making.							
Course Content		Students will be able to understand the relationship between risk and return, to understand long-term investment decisions, cost of capital, structure of capital issues, dividend policies and business failures.							
Work Placement		N/A							
Planned Learning Activities and Teaching Methods				Explanation (Presentation), Discussion					
Name of Lecturer(s)									

### Assessment Methods and Criteria

Method	Quantity	Percentage (%)
Midterm Examination	1	40
Final Examination	1	60

### Recommended or Required Reading

1	Gitman, Principals of Managerial Finance, 13. Edition, Pearson International Edition.
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Week	Weekly Detailed Course Contents	
1	Theoretical	Introduction to Corporate Finance
2	Theoretical	Financial Statements and Analysis
3	Theoretical	Cash Flow and Financial Planning
4	Theoretical	Working Capital Management
5	Theoretical	Time Value of Money
6	Theoretical	Risk and Return
7	Theoretical	Bond and Stock Valuation
8	Intermediate Exam	Midterm Exam
9	Theoretical	Capital Budgeting Techniques
10	Theoretical	Capital Budgeting Cash Flows
11	Theoretical	Cost of Capital
12	Theoretical	General Evaluation
13	Theoretical	General Evaluation
14	Final Exam	Final Exam

### Workload Calculation

Activity	Quantity	Preparation	Duration	Total Workload
Lecture - Theory	14	2	3	70
Individual Work	7	2	2	28
Midterm Examination	1	10	1	11
Final Examination	1	15	1	16
Total Workload (Hours)				125
[Total Workload (Hours) / 25*] = ECTS				5
*25 hour workload is accepted as 1 ECTS				

### Learning Outcomes

1	Describe the environment of business in order to understand the role of corporate finance.
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2	Interpret the financial performance of a company by using the ratio analysis.
3	Construct pro forma balance sheet and income statement for long-term financial planning.
4	Identify short-term financial management and net working capital in order to understand the relationship
5	Apply the basic valuation models of stock and bonds for debt and equity financing.

**Programme Outcomes** (*Public Finance and Tax Applications Master's Without Thesis*)

1	To be able to learn the basic concepts in economic and public finance theories, and learn to correlate with basic economic problems and ratiocination
2	To be able to gain a basic knowledge of public finance, fiscal policy, government budgeting, tax theory and practice
3	To be able to comment and evaluate about public expenditure usages, public revenues and public borrowing
4	To be able to evaluate and analyze economic data with regard to fiscal policy usage
5	To be able to gain knowledge particularly in the areas of professional expertise in the public sector, public and private sector needs for the areas of economics, finance, law, accounting, tax, business knowledge
6	To be able to follow practical and theoretical innovations in the field of Finance, at a national and international level
7	To be able to offer and share alternative solutions in the field of public finance with awareness for lifelong learning and critical thinking
8	To be able to present opinions as to current issues in public finance, to enhance them as well as to use them in interpreting events
9	To able to share theoretical and practical knowledge in the field of public finance and translate them into teamwork activities

**Contribution of Learning Outcomes to Programme Outcomes** 1:Very Low, 2:Low, 3:Medium, 4:High, 5:Very High

	L1	L2	L3	L4	L5
P1	4	3	4	4	3
P2	4	3	4	4	3
P3	4	3	4	4	3
P4	2	3	3	4	3
P5	5	3	3	3	3
P6	5	3	3	3	5
P7	5	3	4	3	4
P8	5	3	4	3	4
P9	5	3	4	4	4

