



## BUSINESS VALUATION Syllabus

### Basic information

<b>Field of study</b> Finance and Accounting for Business		<b>Didactic cycle</b> 2024/25	
<b>Speciality</b> -		<b>Subject code</b> EKOFABS.L10.0177.24	
<b>Organizational unit</b> School of Undergraduate and Graduate Studies		<b>Lecture languages</b> English	
<b>Study level</b> undergraduate studies		<b>Mandatory</b> Elective	
<b>Study form</b> full-time		<b>Block</b> Free choice electives	
<b>Education profile</b> general academic		<b>Department responsible for the subject</b> Department of Investment	
		<b>Subject related to scientific research</b> No	
		<b>Subject shaping practical skills</b> No	
<b>Coordinator</b>	Rafał Buła		
<b>Teacher</b>	Rafał Buła		
<b>Period</b> Semester 5	<b>Form of teaching, number of hours and method of examination</b> • lecture: 15, Credit with grade		<b>Number of ECTS points</b> 3

## Goals

Code	Goal
C1	Making students familiar with modern methods of business valuation.
C2	Acquiring by the students skills required to value an enterprise.
C3	Preparing students to take part in the CFA Institute Research Challenge.

## Recommended requirements

- Capital budgeting
- Financial investments

## Subject's learning outcomes

Code	Outcomes in terms of	Major learning outcomes for the subject	Examination methods
<b>Knowledge:</b>			
W1	Student is familiar with modern methods used to value enterprises (discounted dividends, free cash flow, market-based and residual income valuation methods).	FAB.L_W04	End-of-course assessment - group project
<b>Skills:</b>			
U1	Student can value a business using most appropriate methods and techniques.	FAB.L_U01	End-of-course assessment - group project
<b>Social competences:</b>			
K1	Student can assess whether valued business is overvalued or undervalued using available data and prepare an investment recommendation.	FAB.L_K01	End-of-course assessment - group project

## Study content

No.	Course content	Subject's learning outcomes	Activities
1.	The equity valuation process.	W1, U1, K1	lecture
2.	Discounted dividend valuation.	W1, U1, K1	lecture
3.	Free cash flow valuation.	W1, U1, K1	lecture
4.	Residual income valuation.	W1, U1, K1	lecture
5.	Market-based valuation.	W1, U1, K1	lecture

## Additional information

Activities	Methods of conducting classes
lecture	Lecture using multimedia techniques, Lecture using case studies

Activities	Examination method	Percentage
lecture	End-of-course assessment - group project	100%

Activities	Credit conditions
lecture	Students prepare a short valuation report (in groups). Students will pass upon achieving a minimum of 50% of the total number of points.

## Literature

### Obligatory

1. Pinto, J. E., Henry, E., Robinson, T. R., Stowe, J., & Wilcox, S. E. (2020). Equity asset valuation. Wiley, Hoboken.
2. Pinto, J. E. (2020). Equity Asset Valuation Workbook. Wiley, Hoboken.
3. Damodaran, A. (2009). Valuing Young, Start-up and Growth Companies: Estimation Issues and Valuation Challenges. Stern School of Business, New York.

### Optional

1. International Valuation Glossary – Business Valuation. (2022). CBV Institute, Toronto.
2. European Business Valuation Standards. (2020). The European Group of Valuers Associations, Bruxelles.
3. Koller, T., Goedhart, M., & Wessels, D. (2015). Valuation: measuring and managing the value of companies. Wiley, Hoboken.

## Calculation of ECTS points

Activity form	Activity hours*
lecture	15
Literature study	25
Preparation of the end-of-course assessment - group report	25
Solving tasks and case studies	10
<b>Student workload</b>	<b>Hours</b> 75
<b>Number of ECTS points</b>	<b>ECTS</b> 3

\* hour means 45 minutes

## Major learning outcomes for the subject

Code	Content
FAB.L_K01	Is ready to critically assess the obtained information and the knowledge in finance and accounting.
FAB.L_U01	Uses knowledge of finance and accounting to formulate and solve complex and atypical problems and to perform tasks under conditions of uncertainty, using advanced information and communication techniques for this purpose by: – proper selection of sources of information on the operation of enterprises in the market, including their financial situation, and then making an assessment, critical analysis and synthesis of said information, – selection and application of appropriate methods and tools typical of finance and accounting, including the principles of providing information on the property and financial situation of economic units in the financial reporting system.
FAB.L_W04	Knows and understands the basic principles of establishing, conducting and financing the development of various forms of economic activity and the requirements and possibilities for recording its results in the accounting system.