



INTERNATIONAL WEEK 2020

**Accounting & Auditing course offered by Dr Jacek Welc
(Wroclaw University of Economics &
SRH Berlin University of Applied Sciences)**



Guest lecturer: Dr Jacek Welc (Wroclaw University of Economics & SRH University Berlin)

Course focus: OBTAINING CAPITAL THROUGH CAPITAL MARKETS – ECONOMIC PRINCIPLES, ANALYTICAL TOOLS AND REGULATORY ISSUES.

Course aim and focus: Obtaining a broad knowledge about: fundamental principles of designing corporate capital structure (equity vs. debt), rules regarding company's functioning on capital markets, tools for analysis of reports issued by public companies.

Teaching form: Lecture and workshop (including multiple real-life case studies).



COURSE CONTENT:

Part 1: Primary sources of corporate capital:

- 1) Two primary sources of funding corporate assets and operations: equity vs. debt.**
- 2) Funding businesses through liabilities: private debt (bank loans, leases and operating payables) and public debt (corporate bonds).**
- 3) Funding businesses through equity: private equity funds and public equity issues (including crowdfunding).**
- 4) Mixed and other forms of corporate funds (including convertible debt and public grants).**



COURSE CONTENT:

Part 2: Making capital structure decisions:

- 1) Advantages and disadvantages of two sources of capital (debt and equity).**
- 2) Risk / Return tradeoff in capital structure decisions (i.e. impact of debt and equity on investment return to shareholders).**
- 3) Principles of designing target capital structure (including evaluation of company's exposure to operating business risks).**



COURSE CONTENT:

Part 3: Comprehensive real-life case study: financial results, capital structure and investment risks of Norwegian Air Shuttle:

- 1) Preliminary analysis of Norwegian Air Shuttle's business risks and financial results in 2013-2016.**
- 2) Evaluation of Norwegian Air Shuttle's financial standing by retrospective ratio analysis (for 2015 and 2016).**
- 3) Evaluation of Norwegian Air Shuttle's business risks with a prospective analysis (financial simulation) under the assumption of increased global oil price.**
- 4) Conclusions about Norwegian Air Shuttle's economic performance, capital structure and investment risks.**



COURSE CONTENT:

Part 4: Making company public: regulatory requirements and reporting to investors:

- 1) Regulatory requirements regarding companies listed on stock exchanges.**
- 2) Types and content of reports published by public companies.**
- 3) Selected problems of reliability of financial statements published by public companies.**



STUDENT EVALUATION:

My course is concluded with the individual students' grades, based on two components:

- 1) Written 90-minute examination (of an open-source type, on an individual student basis), focused on an investigation of financial results of hypothetical companies (80% weight in a final grade).**
- 2) Small group (3-4 students) assignments, focused on a retrospective analysis and prospective simulation of financial results of two real-life companies from an automotive industry (20% weight in a final grade).**



THANK YOU FOR YOUR ATTENTION 😊

Feel free to contact me at:

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