

Code: 45 „BUSINESS VALUATION”

ECTS credits: 6	Number of hours per week:
Forms of assessments: Exam	2+0+1+1
	Types of assessment: Exam - written
Department, providing instruction on the discipline: Department: <i>INDUSTRIAL MANAGEMENT</i> <i>FACULTY OF MECHANICAL ENGINEERING AND TECHNOLOGIES</i>	

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Annotation: What is the value of business - a key issue which answer is sought by shareholders, investors, managers and creditors. In contemporary economy value of business is recognized as a key criterion for assessing the effectiveness of each business.

The educational objectives of the course aim at creating students knowledge of the action or process through which an opinion for the value of an economic unit is reached. The specific terminology and the nature of business valuation process are clarified. The main approaches and assessment methods, as well as the arguments for their selection are classified. The lectures focus on the formation of competencies regarding the value standards and the information provision of the assessment. Special attention is also paid to innovative business valuation methods.

The aim is to prepare students with a very good synchronization between the different fields and directions, taking into account the changes in legislation, state policy, international participation, foreign investments and the achievements in the advanced countries.

Main issues of the syllabus content:

- Introduction to Business Valuation
- Characterization of Business Valuation Process
- Value Standards
- Assessment Tools
- Risk and Yield - A Link between Them
- Methods for Determining the Discount Rate and the Capitalization Coefficient
- Cost Approach. Nature. Advantages and Disadvantages
- Market Approach. Nature. Advantages and Disadvantages.
- Income Approach. Nature. Advantages and Disadvantages
- Innovative Business Valuation Methods
- Applicability of Methods and Final Conclusion of Value

Content presentation: The content is presented through lectures and exercises. During the lectures students are introduced to basic notions and theoretical concepts. During the laboratory exercises discussions are planned, practical completion of the lecture course topics and solving of practical case studies.