



ACST101

Techniques and Elements of Finance

S3 Day 2015

Dept of Applied Finance and Actuarial Studies

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Disclaimer

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General Information

Unit convenor and teaching staff
Course Convenor and lecturer
Wei Cui
Contact via wei.cui@mq.edu.au
Tuesday 12:00 to 13:00 E4B104

Credit points
3

Prerequisites

Corequisites

Co-badged status

Unit description

This unit provides an introduction to the pricing of financial instruments and the functions of the Australian financial system. Students apply mathematical concepts in valuing a range of financial assets including loans, bonds, shares and investments. They also increase their financial literacy by learning about financial institutions, financial markets, risks and regulation. Spreadsheet skills are introduced throughout the unit. A background of HSC Mathematics or equivalent numerical competency is assumed. Students who have not studied the necessary mathematics are advised to complete Mathematics 123 (MATH123) before enrolling in ACST101. The concepts developed in this unit are required in subsequent actuarial studies and finance units. The unit also provides a practical introduction to finance for students not planning to continue with study in the area.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

- Identify and explain fundamental concepts of finance
- Apply fundamental concepts of finance to current affairs and real life situations
- Calculate time value of money problems
- Evaluate financial information using a spreadsheet
- Explain the relationship between risk and return

Identify the major functions, risks and regulation of financial markets

General Assessment Information

It is the responsibility of students to view their marks for each within session assessment on iLearn within 20 working days of posting. If there are any discrepancies, students must contact the unit convenor immediately. Failure to do so will mean that queries received after the release of final results regarding assessment tasks (not including the final exam mark) will not be addressed.

Assessment Tasks

Name	Weighting	Due
<u>Online quizzes</u>	20%	As shown on iLearn
<u>Assignment</u>	15%	6 January 2016 5:00pm
<u>Class Test</u>	15%	Lecture on 12 January 2016
<u>Final Exam</u>	50%	During University exam period

Online quizzes

Due: **As shown on iLearn**

Weighting: **20%**

Online quizzes will be completed within **7 days** after the corresponding lectures. For each of the online quiz, students use iLearn to obtain the questions and enter the answers. The due date is shown in the quiz title on iLearn. Students are given **three** attempts on each quiz and the highest mark is recorded. **No extensions will be granted.** Students who have not submitted the task prior to the deadline will be awarded a mark of 0 for the task, except for cases in which an application for special consideration is made and approved.

On successful completion you will be able to:

- Identify and explain fundamental concepts of finance
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- Identify the major functions, risks and regulation of financial markets

Assignment

Due: **6 January 2016 5:00pm**

Weighting: **15%**

This assignment will be worth 15%. Students must attempt all questions in assignment booklet which can be downloaded for print on iLearn. Assignment will be based on material introduced in lecture 1, 2 3 and 4.

No extensions will be granted. Late tasks will be accepted up to 72 hours after the submission deadline.

There will be a deduction of 20% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission - 40% penalty). This penalty does not apply for cases in which an application for special consideration is made and approved.

On successful completion you will be able to:

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- Explain the relationship between risk and return

Class Test

Due: **Lecture on 12 January 2016**

Weighting: **15%**

Class Test will be held in the lecture on 12 Jan 2016. This test will be worth 15%.

Students must attend at the lecture time for which they are enrolled. Class Test will be based on material introduced in lectures 4,5, 6 and 7.

No extensions will be granted. Students who do not sit the test will be awarded a mark of 0, except for cases in which an application for special consideration is made and approved.

On successful completion you will be able to:

- Identify and explain fundamental concepts of finance
- Apply fundamental concepts of finance to current affairs and real life situations
- Calculate time value of money problems
- Evaluate financial information using a spreadsheet
- Explain the relationship between risk and return
- Identify the major functions, risks and regulation of financial markets

Final Exam

Due: **During University exam period**

Weighting: **50%**

The closed book final examination will contain questions from all lectures. It will be a three hour exam with 10 minutes reading time.

To be eligible to pass this unit, a pass is required in the final examination.

On successful completion you will be able to:

- Identify and explain fundamental concepts of finance
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- Explain the relationship between risk and return
- Identify the major functions, risks and regulation of financial markets

Delivery and Resources

Learning and Teaching Activities

There are 13 teaching sessions in S3 2015. There are 3 hours of face-to-face teaching per session consisting of 1 x 2 hour lecture and 1 x 1 hour tutorial.

Class times can be found at: <http://www.timetables.mq.edu.au>

Lectures

The lecture notes will be made available from ACST101 iLearn.

Tutorials

Tutorials commence on 10 December 2015.

Tutorial questions are available on iLearn and students should attempt all questions before they attend their tutorial. Solutions will be posted on iLearn after the tutorial has been completed.

Students should attend all tutorials.

Tutorial enrolment or change of tutorial can be made through eStudent in the first two weeks of the semester. No tutorial changes are allowed after Week 2.

Check on eStudent for the location of your tutorial. Some tutorial rooms may have been changed since you enrolled. You must attend your allocated tutorial.

Required and Recommended Texts and/or Materials

Required:

Fundamentals of Corporate Finance, Australasian 2nd Edition

Authors: Parrino, Kidwell, Au Yong, Dempsey, Morkel-Kingsbury, Ekanayake, Kofoed, Murray

ISBN : [978-0-7303-0542-2](#)

<http://www.wileydirect.com.au/buy/fundamentals-of-corporate-finance-2nd-edition/>

Technology Used and Required

Calculators

Calculators will be allowed in the class tests and the final examination but a clear indication of the steps involved in every calculation must be shown.

Non-programmable calculators with no text-retrieval capacity are allowed. Calculators that have a full alphabet on the keyboard are not allowed. Graphics calculators are not allowed.

You will need a calculator which has x^y or x , $1/x$ and log or ln functions, and a memory.

Unit Schedule

Session	Date	Topic
1	08-Dec-15	Introduction
2	10-Dec-15	Time Value of Money - single amounts
3	15-Dec-15	Time Value of Money - multiple cash flows
4	17-Dec-15	Valuation - debt and equity
5	04-Jan-16	Valuation-Investments
6	05-Jan-16	Valuation - spread sheets
7	07-Jan-16	Risk and Return
8	11-Jan-16	Review of Time Value of Money and Valuation
9	12-Jan-16	In class test
10	14-Jan-16	Equity and Debt Markets
11	18-Jan-16	Managing risk
12	19-Jan-16	Special Topics

Learning and Teaching Activities

Lectures

The lectures will cover the lecture slides and draw on the textbook as needed. It is essential that you attend lectures and participate in class discussions.

Tutorials

Tutorials will revise concepts presented in lectures. Students are given exercises which should be attempted before the tutorial.

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy http://mq.edu.au/policy/docs/grievance_management/policy.html

Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au.

Supplementary Exams

Further information regarding supplementary exams, including dates, is available here

http://www.businessandconomics.mq.edu.au/new_and_current_students/undergraduate_current_students/how_do_i/disruption_to_studies/

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

Capable of Professional and Personal Judgement and Initiative

We want our graduates to have emotional intelligence and sound interpersonal skills and to demonstrate discernment and common sense in their professional and personal judgement. They will exercise initiative as needed. They will be capable of risk assessment, and be able to handle ambiguity and complexity, enabling them to be adaptable in diverse and changing environments.

This graduate capability is supported by:

Learning outcome

- Apply fundamental concepts of finance to current affairs and real life situations

Assessment tasks

- Class Test
- Final Exam

Learning and teaching activities

- The lectures will cover the lecture slides and draw on the textbook as needed. It is essential that you attend lectures and participate in class discussions.
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Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

Learning outcomes

- Identify and explain fundamental concepts of finance
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Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

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Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

This graduate capability is supported by:

Learning outcomes

- Apply fundamental concepts of finance to current affairs and real life situations
- Calculate time value of money problems
- Evaluate financial information using a spreadsheet

- Explain the relationship between risk and return

Assessment tasks

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