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**Disclaimer**

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http://unitguides.mq.edu.au/unit_offerings/68194/unit_guide/print
General Information

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Credit points
4

Prerequisites
(ACCG849 or ECON649) and (ACCG615 or ACCG860) and (ACCG862 or ACCG923)

Corequisites

Co-badged status

Unit description
This unit introduces participants to first principles of contemporary financial theory and practice. Topics include financial mathematics, financial markets and instruments, valuation of securities, measurement and analysis of risk including portfolio theory, investment decisions and evaluation, cost of capital, capital structure policy, and dividend policy. This prepares participants to learn more complex theoretical and analytical techniques, and enables them to apply their knowledge to real life corporate finance situations.

Important Academic Dates
Information about important academic dates including deadlines for withdrawing from units are available at http://students.mq.edu.au/student_admin/enrolmentguide/academicdates/
Learning Outcomes

1. Describe key contemporary corporate financial management practices, discussing their adoption in Australia.

2. Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.

3. Discuss corporate investment, funding, and dividend choices, applying these to typical situations in corporate financial management.

4. Analysis of a typical proposal in a workplace context, collaboratively evaluating proposal implications and writing of a brief research based report to a Company Board of Directors.

General Assessment Information

Grading Policy: assessment in this unit is informed by the MQ Grading Policy.

Standardised Numerical Grade (SNG): a Standardised Numerical Grade (SNG) gives you an indication of how you have performed within the band for your descriptive grade. The SNG is not a mark, and you may not be able to work it out based on your raw examination and other assessment marks. Nor are you able to determine whether you are 'only one mark away' from a higher grade.

Rubric: the Assignment will be assessed against criterion and performance standards set out in a marking Rubric, which will be provided to project teams as a resource appended to the assignment.

Please note: to be eligible to pass this unit, a pass is required in the Final Examination.

Disruption to Study: if your disruption to study is deemed 'Serious and Unavoidable', and thus meets the criteria for Special Consideration set out in the Disruption to Studies Policy, you will receive an additional opportunity to demonstrate that you have met the learning outcomes for this assessment task. Otherwise, there will be no provision of an additional assessment task. For information, including results of disruption e.g. 'preparation affected' or 'examination performance affected', please refer to the Disruption to Studies Policy Outcomes and Supporting Evidence.

Viewing 'Within Session' Assessment Task Marks: 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 marks (not including the Final Examination mark) will not be addressed.
Assessment Tasks

<table>
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<tr>
<th>Name</th>
<th>Weighting</th>
<th>Due</th>
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<td>Quiz</td>
<td>10%</td>
<td>Weekly Week 3-12</td>
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<tr>
<td>Class Test</td>
<td>15%</td>
<td>Week 7</td>
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<td>Assignment</td>
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<td>Week 11</td>
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<td>60%</td>
<td>Examination Period</td>
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**Quiz**

Due: **Weekly Week 3-12**  
Weighting: **10%**

*Quiz* is an individual 'open-book' assessment task, at a venue of your choice, attempted and submitted in AFIN858-iLearn.

Ten (10) weekly quizzes cover topics listed in the Unit Schedule. A Quiz is a mix of 'theory' and 'calculation' questions, eliciting responses from sets of five (5) pre-determined alternatives i.e. 'multiple-choices', requiring selection of 'ONE (1) BEST' alternative as your preferred answer choice. No 'negative' marking. Eight (8) of your ten (10) scores are randomly selected and counted toward your overall result. Total time available to complete a Quiz is sixty (60) minutes.

No extensions will be granted. Students who have not submitted a Quiz by its deadline will receive a zero (0) mark for that Quiz, except for cases in which the Disruption to Studies Policy applies.

Moreover, make sure to read the *Quiz Information*, to be issued in AFIN858-iLearn in Week 2, as it contains additional essential information about this assessment task.

This Assessment Task relates to the following Learning Outcomes:

- Describe key contemporary corporate financial management practices, discussing their adoption in Australia.
- Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.

**Class Test**

Due: **Week 7**  
Weighting: **15%**
Class Test is an individual 'closed-book' assessment task held in Week 7, during in-class time, at your scheduled venue, under invigilated and time-limited conditions, submitted at the venue. Total time available to complete the Class Test is sixty (60) minutes.

No extensions will be granted. Students who have not submitted the Class Test by its deadline will receive a zero (0) mark for the Class Test, except for cases in which the Disruption to Studies Policy applies.

'Reference' ('Crib' or 'Formula') Sheet: you are permitted ONE (1) A4 sheet of reference material printed on both sides of the sheet. The material may be handwritten or typed. Questions and the 'reference' sheet will be collected at the end of the Class Test. They will not be returned.

Moreover, make sure to read the Class Test Information, to be issued in AFIN858-iLearn, as it contains additional essential information about this assessment task.

This Assessment Task relates to the following Learning Outcomes:

- Describe key contemporary corporate financial management practices, discussing their adoption in Australia.
- Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.
- Discuss corporate investment, funding, and dividend choices, applying these to typical situations in corporate financial management.

Assignment

Due: Week 11
Weighting: 15%

A team (group) assessment task, attempted in a project format, during out-of-class time, submitted in AFIN858-iLearn Turnitin by the due date Monday 23 May 21:59:00. The assignment requires (a) analysis of a typical proposal in a workplace context, (b) collaborative evaluation of the corporate finance implications of the proposal, and (c) writing of a brief research based report ('Board Paper') addressed to a Company Board of Directors. Board Papers are assessed on a group-only basis against criterion and performance standards set out in a marking Rubric, provided to groups as a resource appended to the assignment. A group score, feed-back and feed-forward is provided in AFIN858-iLearn GradeMark (assessment software) format. Individual group member scores are recorded in AFIN858-iLearn GradeBook. Moreover, make sure to read the Assignment Information, to be issued in AFIN858-iLearn, as it contains additional essential information (including configuration of project groups) about this assessment task. No extensions will be granted. There will be a deduction of 10% 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 – 20% penalty). This penalty does not apply for cases in which an application for disruption of studies is made and approved.
This Assessment Task relates to the following Learning Outcomes:

• Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.

• Discuss corporate investment, funding, and dividend choices, applying these to typical situations in corporate financial management.

• Analysis of a typical proposal in a workplace context, collaboratively evaluating proposal implications and writing of a brief research based report to a Company Board of Directors.

Final Examination

Due: Examination Period
Weighting: 60%

*Final Examination* is an individual 'closed book' assessment task, attempted at an examination venue centrally timetabled by the University, under invigilated and time-limited conditions, submitted at the examination venue. Total time available to complete the *Final Examination* is three (3) hours plus ten (10) minutes of 'reading' time.

'Reference' ('Crib' or 'Formula') Sheet: you are permitted ONE (1) A4 sheet of reference material printed on both sides of the sheet. The material may be handwritten or typed. The 'reference' sheet will be collected at the end of the *Final Examination*. It will not be returned.

*Please note*: to be eligible to pass this unit, a pass is required in the final examination.

Moreover, make sure to read the current *Final Examination Policy* and *Final Examination Procedure*.

This Assessment Task relates to the following Learning Outcomes:

• Describe key contemporary corporate financial management practices, discussing their adoption in Australia.

• Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.

• Discuss corporate investment, funding, and dividend choices, applying these to typical situations in corporate financial management.

Delivery and Resources

Delivery
Mode: 1 weekly class (3 hours). Attendance is not compulsory. However, in our experience, regular weekly in-class participation can contribute to your overall performance. In-class participation includes discussion on weekly lecture topics, and short presentations of assigned homework. Lecturers will note your in-class participation, so attend only the class in which you are enrolled. Please note that students enrolled in any one class have priority access to venue seating on a first-come-first serve basis.

Workload: estimated to about 150 hours in total (or 12 hours per week, on the average) for a post-graduate unit with 4 credit points. The workload includes weekly pre-lecture reading, in-class participation, weekly homework, preparation for assessment tasks, and attempts at 'take home' assessment tasks including assignment project work during the 2 week mid-semester non-teaching period. Please note that your personal workload may vary from the estimated workload.

Weekly Preparation: in-class participation is expected from everyone. Therefore, come well prepared to class.

- Pre-lecture reading: we expect that in preparation for in-class participation you will attempt pre-lecture reading of chapters in the textbook, lecture slides, plus any additional occasional material including practitioner journal and financial press articles.
- Homework: we expect that in preparation for in-class participation you will attempt assigned CQ's and Q&P's homework.

We strongly recommend that you seek to develop a thorough understanding of the Week 1 and Week 2 lecture topics and homework, as a good grasp of these first principles are essential in developing a working knowledge and understanding of the subsequently more complex concepts and techniques.

'Homework': will be discussed and presented during in-class time in the week following the topic lecture (e.g. the Week 2 topic will be discussed and presented in Week 3). Please note that homework will not be collected for marking. It is your responsibility to check homework using the Q&P's suggested answers and solutions guides that will be issued weekly on Friday's in AFIN858-iLearn. Contingent on how in-class activity unfolds, the full set of Q&P's may be not be discussed during in-class time. It is your responsibility to make sure to work through the full set of Q&P's during out-of-class time. Suggested answers to CQ's will only be discussed during in-class time. Make sure to ask your class lecturer if anything regarding homework seems unclear.

Resources


Connect: a publisher provided, operated and supported 'on-line' learning resource. It is enclosed (or 'wrapped') with the required textbook, if you purchase it through the on-campus Co-Op Bookshop. Instructions on accessing Connect, and its features, will be available.

http://unitguides.mq.edu.au/unit_offerings/68194/unit_guide/print
Policies and Procedures

in AFIN858-iLearn. Contact the publisher directly for assistance with your technical and content enquiries.

We strongly recommend that you purchase a copy (or electronic copy) of the textbook, especially as only a few copies of the textbook will be available but on a restricted access basis at the University Library 'Closed Reserve'.

Recommended References: can include recent editions of e.g.:


Please note that you are not required to purchase these reference titles.

Technologies Used and Required: you will need a calculator (non-programmable, either scientific or financial, without text capability) to successfully attempt homework, in-class work, and assessment tasks. Moreover, you will require access and skills to operate a computer and software including: 'word processing'; 'spreadsheet'; and 'internet browsers'. In addition, you will need skills to conduct searches for information in the MQ Library 'catalogues', MQ Library 'databases', and MQ Periodicals 'on-line'. Lastly, you will need skills to use 'iLearn', and attempt quizzes on-line in 'AFIN858-iLearn'.

AFIN858-iLearn: make sure to visit the unit pages at least every few days, especially the ’Announcements' section, so that you have timely access to important information and unit material including general announcements, assessment information and results, and suggested answers and solutions to assigned weekly Q&P’s.

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:


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/](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](http://ask.mq.edu.au).

**Supplementary Exams**

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

[http://www.businessandeconomics.mq.edu.au/current_students/undergraduate/how_do_i/special_consideration](http://www.businessandeconomics.mq.edu.au/current_students/undergraduate/how_do_i/special_consideration)

**Disruption to Studies Policy**

Further information regarding disruption to studies policy is available here


**Student Support**

Macquarie University provides a range of support services for students. For details, visit [http://students.mq.edu.au/support/](http://students.mq.edu.au/support/)

**Learning Skills**

Learning Skills ([mq.edu.au/learningskills](http://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 Enquiry Service**

For all student enquiries, visit Student Connect at [ask.mq.edu.au](http://ask.mq.edu.au)
Equity 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.

IT Help
For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the Acceptable Use of IT Resources Policy. The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

PG - Discipline Knowledge and Skills
Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

- Describe key contemporary corporate financial management practices, discussing their adoption in Australia.
- Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.
- Discuss corporate investment, funding, and dividend choices, applying these to typical situations in corporate financial management.

Assessment tasks

- Quiz
- Class Test
- Assignment
- Final Examination

PG - Critical, Analytical and Integrative Thinking
Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.
This graduate capability is supported by:

**Learning outcomes**

- Describe key contemporary corporate financial management practices, discussing their adoption in Australia.
- Explain key corporate finance concepts and valuation techniques including the time value of money, the trade-off between risk and return, and the net present value, demonstrating their use in corporate financial decision making.
- Discuss corporate investment, funding, and dividend choices, applying these to typical situations in corporate financial management.
- Analysis of a typical proposal in a workplace context, collaboratively evaluating proposal implications and writing of a brief research based report to a Company Board of Directors.

**Assessment tasks**

- Class Test
- Assignment
- Final Examination

**PG - Effective Communication**

Our postgraduates will be able to communicate effectively and convey their views to different social, cultural, and professional audiences. They will be able to use a variety of technologically supported media to communicate with empathy using a range of written, spoken or visual formats.

This graduate capability is supported by:

**Learning outcome**

- Analysis of a typical proposal in a workplace context, collaboratively evaluating proposal implications and writing of a brief research based report to a Company Board of Directors.

**Assessment task**

- Assignment

**Changes from Previous Offering**

Assessment weighting of final exam has increased to 60% (previously 50%). Assessment weighting for online quiz and assignment reduced.
Research and Practice

The Assignment requires (a) analysis of a typical proposal in a workplace context, (b) collaborative evaluation of the corporate finance implications of the proposal, and (c) writing of a brief research based report ('Board Paper') addressed to a Company Board of Directors. Board Papers are assessed on a group-only basis against criterion and performance standards set out in a marking Rubric, provided to groups as a resource appended to the Assignment.