



AFCP6016

Finance Principles

AFC term 1, Fully online/virtual 2020

Department of Applied Finance

Contents

| | |
|---------------------------------------|---|
| <u>General Information</u> | 2 |
| <u>Learning Outcomes</u> | 2 |
| <u>General Assessment Information</u> | 3 |
| <u>Assessment Tasks</u> | 3 |
| <u>Delivery and Resources</u> | 4 |
| <u>Unit Schedule</u> | 6 |
| <u>Policies and Procedures</u> | 6 |
| <u>Changes since First Published</u> | 8 |

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General Information

Unit convenor and teaching staff

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Contact via Email

Credit points

10

Prerequisites

Admission to GradCertFin or GradDipAppFin or MAppFin or MAppFin(Adv)

Corequisites

Co-badged status

Unit description

This unit provides students with the key building blocks of finance within a single unifying conceptual framework. Students will be introduced to three of the key ideas in finance: the analysis of trade-offs over time, asset valuation and risk management. These concepts will then be applied to the following subfields of finance: corporate finance, investments, and financial markets and institutions.

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:

ULO1: Explain the role of financial institutions and markets in the economy and evaluate their effectiveness in allocating resources over time and transferring risk.

ULO2: Explain and demonstrate how time value of money concepts and discounted cash flow techniques are used in the analysis of financial decisions of individuals and firms.

ULO3: Explain and assess the key theories, concepts and models used in asset valuation, risk management, and portfolio theory.

ULO4: Apply key theories, concepts and models to develop solutions to problems in asset valuation, risk management, and portfolio theory.

ULO5: Explain and assess the key theories and concepts used in the analysis of a firm's financing decision.

Assessment Tasks

Coronavirus (COVID-19) Update

Assessment details are no longer provided here as a result of changes due to the Coronavirus (COVID-19) pandemic.

Students should consult [iLearn](#) for revised unit information.

[Find out more about the Coronavirus \(COVID-19\) and potential impacts on staff and students](#)

General Assessment Information

Information regarding Extension Requests

Online Participation (20%)

No extensions will be granted. Students who have not submitted the task prior to the due date will be awarded a mark of zero for the task, except for cases in which an application for Special Consideration is made and approved.

If you have serious and unavoidable circumstances that prevent you from submitting an assessment task by the due date, you must apply for Special Consideration no later than five (5) working days after the assessment due date.

Refer to MAFC Program Rules at <https://mafcstudents.mq.edu.au/> for information on the University's [Special Consideration Policy](#).

Online Quizzes (20%)

You are expected to make yourself available for assessment during the relevant quiz window.

Students who do not submit this task by the due date and time receive a result of zero. This penalty does not apply when an application for Special Consideration has been made and approved.

Students who do not attempt the quiz receive a mark of zero. This penalty does not apply in cases where an application for Special Consideration has been made and approved.

Note: Applications for Special Consideration must be made within 5 (five) business days of the due date and time.

Refer to MAFC Program Rules at <https://mafcstudents.mq.edu.au/> for information on the University's [Special Consideration Policy](#).

Assignments (two worth 10% each)

Students who do not submit this task by the due date and time receive a result of zero. This penalty does not apply when an application for Special Consideration has been made and approved.

Note: Applications for Special Consideration must be made within 5 (five) business days of the due date and time.

Refer to MAFC Program Rules at <https://mafcstudents.mq.edu.au/> for information on the University's [Special Consideration Policy](#).

Final Exam (40%)

Deferral of an examination is not permitted unless an application for Special Consideration is made and approved.

Students who do not attend receive a mark of zero. This penalty does not apply in cases where an application for Special Consideration has been made and approved.

Note: Applications for Special Consideration must be made within 5 (five) business days of the due date and time.

Refer to MAFC Program Rules at <https://mafcstudents.mq.edu.au/> for information on the University's [Special Consideration Policy](#).

Delivery and Resources

Coronavirus (COVID-19) Update

Any references to on-campus delivery below may no longer be relevant due to COVID-19.

Please check here for updated delivery information: https://ask.mq.edu.au/account/pub/display/unit_status

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Required Text:

The required textbook for this unit is *Finance Principles 2e* published by McGraw-Hill. This is a customised textbook for use in the Finance Principles unit, based on chapters from *Principles of Corporate Finance*, 12th edition by Brealey, Myers, Allen 2014 McGraw-Hill and *Fundamentals of Corporate Finance*, 8th edition by Brealey, Myers, Marcus 2015 McGraw-Hill.

This customised textbook is available as either a print book or eBook. Details of the two versions are shown below:

- Print book: Finance Principles 2e; ISBN: 9781308952949, available at <https://www.coo.p.com.au/textbook/search/mafc-macquarie-applied-finance-centre/2041/afcp6016>

- eBook: Finance Principles 2e, ISBN: 9781308930350, available at <https://www.mheducation.com.au/cust-ebook-finance-principles-2e-9781308930350-aus>

Additional Readings:

- Additional readings are included in iLearn.
- Students should assume these readings are assessable unless otherwise advised.

Calculators:

- Financial calculations can be performed in either Excel or a financial calculator.
- If you purchase a financial calculator, it must be able to handle time value of money, logs and power calculations. The Hewlett Packard calculator hp17bII+, Hewlett Packard hp12C-PT and Texas Instruments BA II Plus are suitable for this unit.

Assumed Knowledge: Mathematical content

- Finance has a high level of numerical content. Consequently this unit is, in parts, mathematical and arithmetical. The applied nature of this unit means the focus is on application of knowledge rather than complex mathematical derivations. What's important is that you are comfortable working with numbers and are not afraid to use formulas to solve problems in finance.
- The "Essential Maths" document in iLearn can be used to revise your maths skills.

Assumed Access: Access to a computer with word processing and spreadsheet capability is assumed, as is general student computer literacy. A recent version of Excel is the preferred choice of spreadsheet.

TECHNOLOGY USED AND REQUIRED

This is an online unit which will make use of the University's iLearn system.

Unit's iLearn Site:

- Found by logging on to iLearn ilearn.mq.edu.au, then clicking on **AFCP6016 Finance Principles**.
- This is where you will find forums, downloadable resources and links to important pages.
- The forum allows you to communicate with other students and lecturer(s) and may provide supplementary material.
- You are requested to post your questions on the forums at least 24 hours prior to the assignment submission date or the examination date. Questions posted after that time may not be answered. **Please try to not leave your questions to the last few days.**

Important:

- It is important that you familiarise yourself with the unit's iLearn site.

- All students should check iLearn regularly and look for updates and distribution of materials related to the unit or assessments and participate in forum discussions.

Unit Schedule

Coronavirus (COVID-19) Update

The unit schedule/topics and any references to on-campus delivery below may no longer be relevant due to COVID-19. Please consult [iLearn](#) for latest details, and check here for updated delivery information: https://ask.mq.edu.au/account/pub/display/unit_status

The following schedule is a guide to the timing of each topic. Details of the required readings are provided in iLearn.

| Week | Topic | Date when you should have started working on this topic |
|------|---------------------------------------------------|---------------------------------------------------------|
| 0 | Topic 0: Essential pre-work | 1 January 2020 |
| 1 | Topic 1: Introduction to finance | 6 January 2020 |
| 2 | Topic 2: Financial markets and institutions | 13 January 2020 |
| 3 | Topic 3: Time value of money | 20 January 2020 |
| 4 | Topic 4: Valuation of financial assets | 27 January 2020 |
| 5 | Topic 4: Valuation of financial assets | 3 February 2020 |
| 6 | Topic 5: Analysing the firm's investment decision | 10 February 2020 |
| 7 | Topic 6: Analysing the firm's financing decision | 17 February 2020 |
| 8 | Topic 7: Risk management | 24 February 2020 |
| 9 | Topic 8: Portfolio theory | 2 March 2020 |
| 10 | Exam preparation | 9 March 2020 |

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central>). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)

- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#) (**Note:** The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.)

Students seeking more policy resources can visit the [Student Policy Gateway](https://students.mq.edu.au/support/study/student-policy-gateway) (<https://students.mq.edu.au/support/study/student-policy-gateway>). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit [Policy Central](http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/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/study/getting-started/student-conduct>

Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) 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 or if you are a Global MBA student contact globalmba.support@mq.edu.au

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 help you improve your marks and take control of your study.

- [Getting help with your assignment](#)
- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

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

If you are a Global MBA student contact globalmba.support@mq.edu.au

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.

Changes since First Published

| Date | Description |
|------------|------------------------------------------------------------------------------------------------|
| 06/01/2020 | Correction to wording in the General Assessment Section |
| 23/12/2019 | Information on Extension requests / penalties added to General Assessment Information section. |