



# AFIN1002

## Finance 1B

Session 2, Special circumstance 2020

*Department of Applied Finance*

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### Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

### Notice

As part of [Phase 3 of our return to campus plan](#), most units will now run tutorials, seminars and other small group learning activities on campus for the second half-year, while keeping an online version available for those students unable to return or those who choose to continue their studies online.

To check the availability of face-to-face and online activities for your unit, please go to [timetable viewer](#). To check detailed information on unit assessments visit your unit's iLearn space or consult your unit convenor.

## General Information

Unit convenor and teaching staff

Unit Convenor

Keith Woodward

[keith.woodward@mq.edu.au](mailto:keith.woodward@mq.edu.au)

Contact via ilearn discussion board for subject related questions, email for personal matters  
522-4EaR

Credit points

10

Prerequisites

ACST101 or ACST1001 or ACST152 or ACST1052 or WACT101 or WACT1001

Corequisites

Co-badged status

Unit description

This unit introduces students to the financial sector, preparing them for more advanced studies in finance, and developing their interest in a career in finance. It explains the theories, principles and methods used in financial decision-making by individuals, financial institutions and companies, and applies them to the real world using current examples and market data. It further explores financial institutions and markets, and other real world considerations that affect financial transactions of individuals, financial institutions, companies and governments in a modern economy. This is an interesting and relevant unit for students intending to undertake further studies in any area of business and economics, and is required for further studies in finance. Students without a background of at least HSC Mathematics (2 Unit) or equivalent are strongly advised to have studied MATH1913 prior to enrolling in this unit.

## 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:** Recognise fundamental concepts in corporate finance and investment management.

**ULO2:** Express financial concepts in mathematical formulas and then applied in valuing

equity, debt, property and business projects.

**ULO3:** Apply financial theory to real world corporate and personal financial decisions.

**ULO4:** Analyse real financial data to evaluate the well-being of companies.

## General Assessment Information

Assessment criteria for all assessment tasks will be provided on the unit iLearn site.

It is the responsibility of students to view their marks for each within-session-assessment on iLearn within 20 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.

### Late submissions and extensions

Tasks 10% or less – 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.

Tasks above 10% - 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 special consideration is made and approved. No submission will be accepted after solutions have been posted.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<u>Assignment</u>	25%	No	Midnight Sunday 18 October
<u>Mid Session Test</u>	20%	No	Midnight Friday 11 September
<u>Final Examination</u>	50%	No	During University Examination Period
<u>Online Quiz</u>	5%	No	Midnight Friday 14 August

## Assignment

Assessment Type <sup>1</sup>: Case study/analysis

Indicative Time on Task <sup>2</sup>: 10 hours

Due: **Midnight Sunday 18 October**

Weighting: **25%**

The assignment will cover quantitative and qualitative analysis of a financial scenario or problem. Student will be required to produce a report of 800 to 1200 words.

On successful completion you will be able to:

- Apply financial theory to real world corporate and personal financial decisions.
- Analyse real financial data to evaluate the well-being of companies.

## Mid Session Test

Assessment Type <sup>1</sup>: Quiz/Test

Indicative Time on Task <sup>2</sup>: 12 hours

Due: **Midnight Friday 11 September**

Weighting: **20%**

An online mid session test of 90 minutes will be held to give students practice on a summative task and to provide feedback on their progress midway through the session.

On successful completion you will be able to:

- Recognise fundamental concepts in corporate finance and investment management.
- Express financial concepts in mathematical formulas and then applied in valuing equity, debt, property and business projects.

## Final Examination

Assessment Type <sup>1</sup>: Examination

Indicative Time on Task <sup>2</sup>: 16 hours

Due: **During University Examination Period**

Weighting: **50%**

A two hour online open book exam will be held during the University Examination Period.

On successful completion you will be able to:

- Recognise fundamental concepts in corporate finance and investment management.
- Express financial concepts in mathematical formulas and then applied in valuing equity, debt, property and business projects.
- Apply financial theory to real world corporate and personal financial decisions.

## Online Quiz

Assessment Type <sup>1</sup>: Quiz/Test

Indicative Time on Task <sup>2</sup>: 1 hours

Due: **Midnight Friday 14 August**

Weighting: **5%**

The online quiz will consist of 5 to 10 questions and will be available on iLearn. Please use the quiz result as an indicator of whether you are progressing satisfactorily in the unit.

On successful completion you will be able to:

- Recognise fundamental concepts in corporate finance and investment management.

<sup>1</sup> If you need help with your assignment, please contact:

- the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
- the [Writing Centre](#) for academic skills support.

<sup>2</sup> Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

## Delivery and Resources

<b>Learning and Teaching Activities:</b>	<p>The content for each week will comprise of a lecture recording and a set of tutorial questions (Problem Sets).</p> <p><b><u>Lectures</u></b></p> <p>A lecture recording will be uploaded each week. Lecture notes will be available on iLearn.</p> <p><b><u>Tutorials</u></b></p> <p>Students will need to register to either an on-campus tutorial or an online (Zoom) tutorial. Tutorials are considered compulsory but no marks are allocated. Tutorials will be available for most, but not all weeks of the semester. In weeks where there aren't any live (on-campus or online) tutorials, a recording will be provided to cover the relevant material.</p> <p>The tutorial schedule will be made available on iLearn.</p> <p>Tutorial enrolment or change of tutorial can be made through <i>eStudent</i> in the first two weeks of the semester. <u>No tutorial changes are allowed after Week 2.</u> Students should attend their allocated tutorial, but exceptions may occur on a one-off basis. That is, where circumstances prevent you from attending your own tutorial in a given week, you may attend an alternative tutorial if room available.</p> <p>Students are expected to complete the '<i>Tutorial Questions</i>' as a self-directed study activity before attending a tutorial. Additional learning support will be available in tutor consultation times.</p> <p>Timetable for all classes can be found on the University web site at: <a href="http://www.timetables.mq.edu.au/">http://www.timetables.mq.edu.au/</a></p>
<b>Recommended Text:</b>	<p>Not compulsory, but can be helpful. Fundamentals of Corporate Finance by Berk, Demarzo, Harford, Ford, and Mollica, published by Pearson. Any edition is fine but the third edition is the latest. A copy of the book is reserved in the library.</p>
<b>Unit Web Page:</b>	<p>Course materials are available on iLearn including lecture notes, tutorial questions, answers and readings.</p>
<b>Technology Used and Required:</b>	<p>Computer</p>
<b>Other Recommended Readings:</b>	<p>For students who are looking for other learning resources, the following textbook can be sought, but it's not compulsory:</p> <p>Corporate Finance (11th Edition) by Ross, Westerfield, Jaffe, and Jordan, published by McGraw Hill.</p> <p>The Chartered Financial Analyst (CFA) institute also has some useful resources: <a href="http://www.cfainstitute.org/learning/products/onlinelearning/Pages/60499.aspx?WPID=BrowseProducts">http://www.cfainstitute.org/learning/products/onlinelearning/Pages/60499.aspx?WPID=BrowseProducts</a></p>
<b>Other Course Materials:</b>	<p><b>Homework:</b></p> <p>Homework will be provided on the website <a href="http://FightFinance.com">FightFinance.com</a> which is maintained by staff. It's free and useful for practicing questions since it provides immediate feedback with the correct solutions.</p>

## Unit Schedule

Lecture	Monday date	Topic	Tutorials
1	27 Jul	Investment assets, effective returns and inflation.	<i>None</i>
2	3 Aug	Discounted cash flow and multiples valuation.	Physical and via Zoom
3	10 Aug	Debt valuation, annualised percentage rates and yield curves. <b>Online quiz</b> (5%) due midnight Friday 14 Aug.	Physical and via Zoom
4	17 Aug	Cash flows and unlevered project valuation.	Physical and via Zoom
5	24 Aug	Interest tax shields, cost of capital and levered business project valuation.	Physical and via Zoom
6	31 Aug	Return, risk, diversification and Markowitz portfolio theory.	Physical and via Zoom
7	7 Sep	<b>Online mid-session test</b> (20%) covering lecture topics 1 to 6 inclusive. Due midnight Friday 11 Sep.	<i>None</i>
Recess from Monday 14 September to Friday 25 September.			
8	28 Sep	Capital asset pricing model.	Physical and via Zoom
9	5 Oct	Market efficiency.	Physical and via Zoom
10	12 Oct	Capital raising and payout policy. <b>Assignment</b> (25%) due midnight Sunday 18 Oct.	<i>Pre-recorded video</i>
11	19 Oct	Return distributions.	Physical and via Zoom
12	26 Oct	Ethics and foreign exchange.	Physical and via Zoom
13	2 Nov	Revision	<i>Pre-recorded video</i>

## 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](http://ask.mq.edu.au) or if you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto: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](http://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](http://ask.mq.edu.au)

If you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto: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/](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
27/07/2020	No change
22/07/2020	No changes