AFIN1002

Finance 1B

Session 2, Special circumstances 2021

Department of Applied Finance

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Session 2 Learning and Teaching Update

The decision has been made to conduct study online for the remainder of Session 2 for all units WITHOUT mandatory on-campus learning activities. Exams for Session 2 will also be online where possible to do so.

This is due to the extension of the lockdown orders and to provide certainty around arrangements for the remainder of Session 2. We hope to return to campus beyond Session 2 as soon as it is safe and appropriate to do so.

Some classes/teaching activities cannot be moved online and must be taught on campus. You should already know if you are in one of these classes/teaching activities and your unit convenor will provide you with more information via iLearn. If you want to confirm, see the list of units with mandatory on-campus classes/teaching activities.

Visit the MQ COVID-19 information page for more detail.

General Information

Unit convenor and teaching staff
Unit Convenor
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Unit Convenor
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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 MATH1000 or equivalent 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 finanicial decisions.

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

General Assessment Information

Assessment criteria (including information about late submissions and extensions) for all assessment tasks will be provided on the unit iLearn site.

Assessment Tasks

Name	Weighting	Hurdle	Due
Online Quiz	5%	No	Fri 13 August 11.55pm
Mid Session Test	20%	No	Fri 10 September 11.55pm
Assignment	25%	No	Sun 17 October 11.55pm
Final Examination	50%	No	University Examination Period

Online Quiz

Assessment Type [1]: Quiz/Test
Indicative Time on Task [2]: 1 hours
Due: **Fri 13 August 11.55pm**
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.

Mid Session Test

Assessment Type [1]: Quiz/Test
Indicative Time on Task [2]: 12 hours
Due: **Fri 10 September 11.55pm**
Weighting: **20%**

A 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.

Assignment

Assessment Type [1]: Case study/analysis
Indicative Time on Task [2]: 10 hours
Due: **Sun 17 October 11.55pm**
Weighting: **25%**

The assignment will cover quantitative and qualitative analysis of a financial scenario or problem. Students 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 finanicial decisions.
- Analyse real financial data to evaluate the well-being of companies.

Final Examination

Assessment Type [1]: Examination
Indicative Time on Task [2]: 16 hours
Due: **University Examination Period**
Weighting: **50%**

A two hour 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 finanicial decisions.

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[1] 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.

[2] 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

Learning and Teaching Activities:

The content for each week will comprise of a lecture and a set of tutorial questions (Problem Sets).

Students will need to register in a tutorial. Tutorials are considered compulsory but no marks are allocated. Tutorials will be available for most, but not all weeks of the semester. The tutorial schedule will be made available on iLearn.

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. 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.

Students are expected to complete the '*Tutorial Questions*' as a self-directed study activity before attending a tutorial. Additional learning support will be available in tutor consultation times.

Timetable for all classes can be found on the University web site at: http://www.timetables.mq.edu.au/

Recommended Text:

Not compulsory, but can be helpful.

Fundamentals of Corporate Finance by Berk, Demarzo, Harford, Ford, and Mollica, published by Pe*arson.* Any edition is fine but the third edition is the latest. A copy of the book is reserved in the library.

Unit Web Page: Course materials are available on iLearn including lecture notes, tutorial

questions, answers and readings.

Technology Used and Required: Computer

Other Recommended Readings:

For students who are looking for other learning resources, the following textbook can be sought, but it's not compulsory:

Corporate Finance (11th Edition) by Ross, Westerfield, Jaffe, and Jordan, published by McGraw Hill.

The Charted Financial Analyst (CFA) institute also has some useful resources: http://www.cfainstitute.org/learning/products/onlinelearning/Pages/60499.aspx?WPID=BrowseProducts

Other Course Materials:

Homework:

Homework will be provided on the website FightFinance.com which is maintained by staff. It's free and useful for practicing questions since it provides immediate feedback with the correct solutions.

Unit Schedule

Lecture	Monday date	Topic	Tutorials
1	26 Jul	Investment assets, effective returns and inflation.	*None*
2	2 Aug	Discounted cash flow and multiples valuation.	*Yes*
3	9 Aug	Debt valuation, annualised percentage rates and yield curves. **Online quiz** (5%) due at 11.55pm Friday 13 August.	*Yes*
4	16 Aug	Cash flows and unlevered project valuation.	*Yes*
5	23 Aug	Interest tax shields, cost of capital and levered business project valuation.	*Yes*
6	30 Aug	Return, risk, diversification and Markowitz portfolio theory.	*Yes*
7	6 Sep	**Mid-session test** (20%) covering lecture topics 1 to 6 inclusive. Due at 11.55pm Friday 10 September.	*None*
Recess from Monday 13 Sep to Friday 24 Sep			
8	27 Sep	Capital asset pricing model.	*Yes*
9	4 Oct	Market efficiency.	*Yes*
10	11 Oct	Capital raising and payout policy. **Assignment** (25%) due at 11.55pm Sunday 17 October.	*Yes*

11	18 Oct	Return distributions.	*Yes*
12	25 Oct	Ethics and foreign exchange.	*Yes*
13	1 Nov	Revision	*Yes*

Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (https://policies.mq.edu.au). 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

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

To find other policies relating to Teaching and Learning, visit Policy Central (https://policies.mq.edu.au) and use the search tool.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/admin/other-resources/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
12/08/2021	UC details updated