



# AFIN3012

## PACE: Issues in Corporate Finance

Session 1, Online-scheduled-In person assessment, North Ryde 2022

*Department of Applied Finance*

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## General Information

Unit convenor and teaching staff

Unit Convenor

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Credit points

10

Prerequisites

ACCG350 or ACCG3050 or AFIN352 or AFIN3052 or AFIN353 or AFIN3053

Corequisites

Co-badged status

Unit description

This unit comprises a series of academic lectures and industry seminars accompanied by a case study. The aim of the unit is to provide an up-to-date, integrated treatment of the valuation of businesses and investment opportunities that seriously considers industry practice and recent advances in valuation methods. This unit takes you inside the valuation process, learning it step by step, which resembles the industry valuation practice. You will emerge with the skills to understand the fundamentals of market pricing, perform intrinsic valuations, and make and/or suggest investment decisions with due diligence. The unit will showcase several lectures presented by senior industry specialists.

## 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 principles and theory behind each valuation technique.

**ULO2:** Evaluate business valuation techniques and apply appropriately to real-world problems.

**ULO3:** Critically reflect on the process of business valuation practices and on working

productively in teams when undertaking corporate financial analysis and valuation.

**ULO4:** Communicate professionally such as in making investment recommendations and providing consultancy advice.

## General Assessment Information

### Late submissions of assessments

Unless a Special Consideration request has been submitted and approved, no extensions will be granted. There will be a deduction of 10% of the total available assessment-task marks made from the total awarded mark for each 24-hour period or part thereof that the submission is late. Late submissions will only be accepted up to 96 hours after the due date and time.

No late submissions will be accepted for timed assessments – e.g., quizzes, online tests.

**Table 1: Penalty calculation based on submission time**

Submission time after the due date (including weekends)	Penalty (% of available assessment task mark)	Example: for a non-timed assessment task marked out of 30
< 24 hours	10%	10% x 30 marks = 3-mark deduction
24-48 hours	20%	20% x 30 marks = 6-mark deduction
48-72 hours	30%	30% x 30 marks = 9-mark deduction
72-96 hours	40%	40% x 30 marks = 12-mark deduction
> 96 hours	100%	Assignment won't be accepted

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

## Assessment Tasks

Name	Weighting	Hurdle	Due
<u>Online quizzes</u>	15%	No	Week 4 & 9
<u>Group Report</u>	40%	No	Week 12-13
<u>Final Examination</u>	45%	No	University Examination Period

### Online quizzes

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

Indicative Time on Task <sup>2</sup>: 5 hours

Due: **Week 4 & 9**

Weighting: **15%**

There are two online quizzes, which aim to assess student progress in the course. The first online quiz (weighting 5%) will comprise 5 - 10 questions. The second quiz (weighting 10%) will comprise 10 - 15 questions.

On successful completion you will be able to:

- Explain the principles and theory behind each valuation technique.
- Evaluate business valuation techniques and apply appropriately to real-world problems.

## Group Report

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

Indicative Time on Task <sup>2</sup>: 30 hours

Due: **Week 12-13**

Weighting: **40%**

Students will work in groups to prepare a professional analysis report. 50% of this assessment mark will be allocated to a student's individual performance, e.g. individual contribution to the report, individual video presentation etc.

On successful completion you will be able to:

- Explain the principles and theory behind each valuation technique.
- Evaluate business valuation techniques and apply appropriately to real-world problems.
- Critically reflect on the process of business valuation practices and on working productively in teams when undertaking corporate financial analysis and valuation.
- Communicate professionally such as in making investment recommendations and providing consultancy advice.

## Final Examination

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

Indicative Time on Task <sup>2</sup>: 20 hours

Due: **University Examination Period**

Weighting: **45%**

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

On successful completion you will be able to:

- Explain the principles and theory behind each valuation technique.
- Evaluate business valuation techniques and apply appropriately to real-world problems.

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<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

### Classes

- 2-hour lecture plus a 1-hour tutorial.
- **Please note that attendance is highly recommended to interact with industry speakers.**
- See timetable for classes on the University web site at: [Timetable 2022](#)

**Recommended Textbook** (Available at the Macquarie University library)

*Damodaran on Valuation (2nd Edition)* by Aswath Damodaran. ISBN: 978-0471751212

*Investment Valuation: Tools and Techniques for Determining the Value of Any Asset, 3ed*, Wiley (ISBN: 9781118011522)

### Technology Used and Required

Students will require a calculator (scientific or financial) capable of handling exponents. Simple financial functions (as found on financial calculators) will not be required. If the calculator is to be used in exams then it must **NOT** be capable of storing text or formulae **OR** it must easily be demonstrated that all memory has been cleared.

Students must be familiar with spreadsheet technology (eg MS Excel or equivalent)

### Unit Web Page

Course material is available on the learning management system at <http://iLearn.mq.edu.au>

You are strongly encouraged to regularly visit the website and use it as a resource centre to assist with your learning. All lecture material and examples, homework questions and answers, administration issues, and supplementary readings will be available on this site as the course progresses.

Students are encouraged to ask questions, initiate discussions, and provide input from relevant

personal experience.

## Unit Schedule

Week	Topic
1	Introduction to the Unit
2	Industry analysis and Financial Ratios
3	Industry Lecturer Demonstration 1
4	Relative Valuation
5	Industry Lecturer Demonstration 2
6	Discount Rate (Part 1)
7	Discount Rate (Part 2)
8	Measuring Free Cash Flows
9	Growth Rate and Terminal Value
10	Group Assignment Q&A
11	Industry Lecturer Demonstration 3: Wind Farm
12	Industry Lecturer Demonstration 4: ESG Case Studies
13	Revision

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central \(https://policies.mq.edu.au\)](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](#)
- [Assessment Procedure](#)

- [Complaints Resolution 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) (<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) (<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](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)

## Academic Integrity

At Macquarie, we believe [academic integrity](#) – honesty, respect, trust, responsibility, fairness and courage – is at the core of learning, teaching and research. We recognise that meeting the expectations required to complete your assessments can be challenging. So, we offer you a range of resources and services to help you reach your potential, including free [online writing and maths support](#), [academic skills development](#) and [wellbeing consultations](#).

## Student Support

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

## The Writing Centre

[The Writing Centre](#) provides resources to develop your English language proficiency, academic writing, and communication skills.

- [Workshops](#)
- [Chat with a WriteWISE peer writing leader](#)
- [Access StudyWISE](#)
- [Upload an assignment to Studiosity](#)
- [Complete the 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

Macquarie University offers a range of [Student Support Services](#) including:

- [IT Support](#)
- [Accessibility and disability support](#) with study
- Mental health [support](#)
- [Safety support](#) to respond to bullying, harassment, sexual harassment and sexual assault
- [Social support](#) including information about finances, tenancy and legal issues

## Student Enquiries

Got a question? Ask us via [AskMQ](#), or contact [Service Connect](#).

## 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.