AFCP6016
Finance Principles
Term 1, Online-flexible 2022
Department of Applied Finance

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Notice
As part of Phase 3 of our return to campus plan, most units will now run tutorials, seminars and other small group activities on campus, and most will keep an online version available to those students unable to return or those who choose to continue their studies online.

To check the availability of face-to-face 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

<table>
<thead>
<tr>
<th>Credit points</th>
<th>10</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Prerequisites</th>
<th>Admission to GradCertFin or GradDipAppFin or MAppFin or MAppFin(Adv)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Corequisites</th>
<th></th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>Co-badged status</th>
<th></th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>Unit description</th>
<th>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.</th>
</tr>
</thead>
</table>

# 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](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.
- **ULO4**: Apply key theories, concepts and models to develop solutions to problems in asset valuation, risk management, and portfolio theory.
- **ULO3**: Explain and assess the key theories, concepts and models used 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.

**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**

<table>
<thead>
<tr>
<th>Submission time after the due date (including weekends)</th>
<th>Penalty (% of available assessment task mark)</th>
<th>Example: for a non-timed assessment task marked out of 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 24 hours</td>
<td>10%</td>
<td>10% x 30 marks = 3-mark deduction</td>
</tr>
<tr>
<td>24-48 hours</td>
<td>20%</td>
<td>20% x 30 marks = 6-mark deduction</td>
</tr>
<tr>
<td>48-72 hours</td>
<td>30%</td>
<td>30% x 30 marks = 9-mark deduction</td>
</tr>
<tr>
<td>72-96 hours</td>
<td>40%</td>
<td>40% x 30 marks = 12-mark deduction</td>
</tr>
<tr>
<td>&gt; 96 hours</td>
<td>100%</td>
<td>Assignment won’t be accepted</td>
</tr>
</tbody>
</table>

**Special Consideration** To request an extension on the due date/time for a timed or non-timed assessment task, you must submit a Special Consideration application. An application for Special Consideration does not guarantee approval.

The approved extension date for a student becomes the new due date for that student. The late submission penalties above then apply as of the new due date.

**Assessment Tasks**

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online Participation</td>
<td>20%</td>
<td>No</td>
<td>Refer to iLearn</td>
</tr>
<tr>
<td>Online Quizzes</td>
<td>20%</td>
<td>No</td>
<td>Refer to iLearn</td>
</tr>
<tr>
<td>Assignment</td>
<td>20%</td>
<td>No</td>
<td>Refer to iLearn</td>
</tr>
<tr>
<td>Final Exam</td>
<td>40%</td>
<td>No</td>
<td>Refer to iLearn</td>
</tr>
</tbody>
</table>
Online Participation

Assessment Type 1: Participatory task
Indicative Time on Task 2: 50.00 hours
Due: Refer to iLearn
Weighting: 20%

Participation in online discussion forums

On successful completion you will be able to:

• Explain the role of financial institutions and markets in the economy and evaluate their effectiveness in allocating resources over time and transferring risk.
• Apply key theories, concepts and models to develop solutions to problems in asset valuation, risk management, and portfolio theory.
• Explain and assess the key theories, concepts and models used in asset valuation, risk management, and portfolio theory.

Online Quizzes

Assessment Type 1: Quiz/Test
Indicative Time on Task 2: 3.00 hours
Due: Refer to iLearn
Weighting: 20%

A number of short online topic quizzes

On successful completion you will be able to:

• 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.
• Apply key theories, concepts and models to develop solutions to problems in asset valuation, risk management, and portfolio theory.
• Explain and assess the key theories, concepts and models used in asset valuation, risk management, and portfolio theory.

Assignment

Assessment Type 1: Case study/analysis
Indicative Time on Task 2: 10.00 hours
Due: Refer to iLearn
Weighting: 20%

Assignment on a unit topic set by the Convenor
On successful completion you will be able to:

- 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.
- Apply key theories, concepts and models to develop solutions to problems in asset valuation, risk management, and portfolio theory.
- Explain and assess the key theories, concepts and models used in asset valuation, risk management, and portfolio theory.
- Explain and assess the key theories and concepts used in the analysis of a firm’s financing decision.

**Final Exam**

**Assessment Type:** Examination

**Indicative Time on Task:** 12.00 hours

**Due:** Refer to iLearn

**Weighting:** 40%

A 3 hour online exam on all topics

On successful completion you will be able to:

- Explain the role of financial institutions and markets in the economy and evaluate their effectiveness in allocating resources over time and transferring risk.
- 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.
- Apply key theories, concepts and models to develop solutions to problems in asset valuation, risk management, and portfolio theory.
- Explain and assess the key theories, concepts and models used in asset valuation, risk management, and portfolio theory.
- Explain and assess the key theories and concepts used in the analysis of a firm’s financing decision.

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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 Learning Skills Unit 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

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Required Text:


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 numerate 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**

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

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Date when you should have started working on this topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Topic 0: Essential pre-work</td>
<td>3rd January 2022</td>
</tr>
<tr>
<td>1</td>
<td>Topic 1: Introduction to finance</td>
<td>10th January 2022</td>
</tr>
<tr>
<td>2</td>
<td>Topic 2: Financial markets and institutions</td>
<td>17th January 2022</td>
</tr>
<tr>
<td>3</td>
<td>Topic 3: Time value of money</td>
<td>24th January 2022</td>
</tr>
<tr>
<td>4</td>
<td>Topic 4: Valuation of financial assets</td>
<td>31st January 2022</td>
</tr>
<tr>
<td>5</td>
<td>Topic 4: Valuation of financial assets</td>
<td>7th February 2022</td>
</tr>
<tr>
<td>6</td>
<td>Topic 5: Analysing the firm's investment decision</td>
<td>14th February 2022</td>
</tr>
<tr>
<td>7</td>
<td>Topic 6: Analysing the firm's financing decision</td>
<td>21st February 2022</td>
</tr>
<tr>
<td>8</td>
<td>Topic 7: Risk management</td>
<td>28th February 2022</td>
</tr>
<tr>
<td>9</td>
<td>Topic 8: Portfolio theory</td>
<td>7th March 2022</td>
</tr>
<tr>
<td>10</td>
<td>Exam preparation</td>
<td>14th March 2022</td>
</tr>
</tbody>
</table>

**Policies and Procedures**

Macquarie University policies and procedures are accessible from Policy Central ([https://policy](https://policy)).
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/

**The Writing Centre**

The Writing Centre provides resources to develop your English language proficiency, academic writing, and communication skills.

- Getting help with your assignment
- Workshops
- Chat with a WriteWISE peer writing leader
- Access StudyWISE
- Upload an assignment to Studiosity
Unit guide AFCP6016 Finance Principles

- **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 Enquiry Service**

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)

**Equity Support**

Students with a disability are encouraged to contact the [Disability Service](mailto:disability.service@mq.edu.au) 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/](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](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/). The policy applies to all who connect to the MQ network including students.