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https://unitguides.mq.edu.au/unit_offerings/159991/unit_guide/print
General Information

Unit convenor and teaching staff
Unit Convenor and Lecturer
Jing Shi
jing.shi@mq.edu.au

Guest Lecturer
Damian Bridge
damian.bridge@mq.edu.au

Credit points
10

Prerequisites
50cp at 1000 level or above including ((ACCG100 or ACCG1000 or ACCG106) and (STAT150 or STAT1250 or STAT170 or STAT1170 or STAT171 or STAT1371) and (ACST101 or ACST1001) and (ECON111 or ECON1020))

Corequisites

Co-badged status

Unit description
This introductory unit in corporate finance focuses on the financing and investing decisions made by the finance manager of an organisation. While the emphasis is on the theory of the firm, students are also given exposure to current issues affecting corporate finance. Satisfactory completion of the unit equips students with a grasp of the following principals of financial economics: the relation between risk and expected return and the time value of money. The unit also provides an introductory coverage of derivative securities and no arbitrage valuation in the international finance.

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: Discuss fundamental aspects of the theory of the firm and outline current issues affecting corporate finance.
ULO2: Explain financing and investing decisions made by finance managers.
ULO3: Demonstrate understanding of the relation between risk and expected return, the time value of money, and valuation of securities via discounted cash flows.
ULO4: Apply fundamental analytical techniques in finance to simple real-life problems.

General Assessment Information

Late Assessment Submission Penalty (written assessments)

Unless a Special Consideration request has been submitted and approved, a 5% penalty (of the total possible mark) will be applied each day a written assessment is not submitted, up until the 7th day (including weekends). After the 7th day, a grade of '0' will be awarded even if the assessment is submitted. Submission time for all written assessments is set at 11.55pm. A 1-hour grace period is provided to students who experience a technical concern.

For any late submissions of time-sensitive tasks, such as scheduled tests/exams, performance assessments/presentations, and/or scheduled practical assessments/labs, students need to submit an application for Special Consideration.

Special consideration

For the Mid-semester test, where special consideration is applied for and approved, students will be given a verbal examination by two members of staff.

Assessment Tasks

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quizzes</strong></td>
<td>20%</td>
<td>No</td>
<td>See Course Outline for details - various</td>
</tr>
<tr>
<td><strong>Mid Session Test</strong></td>
<td>20%</td>
<td>No</td>
<td>Week starting 24 April 2023 (Week 8)</td>
</tr>
<tr>
<td><strong>Final Examination</strong></td>
<td>60%</td>
<td>No</td>
<td>University Examination Period</td>
</tr>
</tbody>
</table>

Quizzes

Assessment Type ¹: Quiz/Test
Indicative Time on Task ²: 9 hours
Due: See Course Outline for details - various
Weighting: 20%

There will be up to 10 quizzes held during the session.
On successful completion you will be able to:

- Discuss fundamental aspects of the theory of the firm and outline current issues affecting corporate finance.
- Explain financing and investing decisions made by finance managers.
- Demonstrate understanding of the relation between risk and expected return, the time value of money, and valuation of securities via discounted cash flows.
- Apply fundamental analytical techniques in finance to simple real-life problems.

### Mid Session Test

**Assessment Type**: Quiz/Test  
**Indicative Time on Task**: 12 hours  
**Due**: Week starting 24 April 2023 (Week 8)  
**Weighting**: 20%

A one hour mid session test will be held during the session.

On successful completion you will be able to:

- Discuss fundamental aspects of the theory of the firm and outline current issues affecting corporate finance.
- Explain financing and investing decisions made by finance managers.
- Demonstrate understanding of the relation between risk and expected return, the time value of money, and valuation of securities via discounted cash flows.

### Final Examination

**Assessment Type**: Examination  
**Indicative Time on Task**: 16 hours  
**Due**: University Examination Period  
**Weighting**: 60%

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

On successful completion you will be able to:

- Discuss fundamental aspects of the theory of the firm and outline current issues affecting
corporate finance.
• Explain financing and investing decisions made by finance managers.
• Demonstrate understanding of the relation between risk and expected return, the time value of money, and valuation of securities via discounted cash flows.
• Apply fundamental analytical techniques in finance to simple real-life problems.

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
See iLearn for details

Unit Schedule

<table>
<thead>
<tr>
<th>Topic</th>
<th>Lecture Date</th>
<th>Theme / Topic / Module</th>
<th>Activity</th>
<th>Required Readings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>23 Feb</td>
<td>Course Overview and Introduction to Corporate Finance</td>
<td>Lecture</td>
<td>Ch. 1</td>
</tr>
<tr>
<td>2</td>
<td>2 Mar</td>
<td>Dividend Policy</td>
<td>Lecture</td>
<td>Ch. 16, 17</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tutorial: Topic 1</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>9 Mar</td>
<td>Capital Structure Decision</td>
<td>Lecture</td>
<td>Ch. 16</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tutorial: Topic 2</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>16 Mar</td>
<td>Capital Budgeting 1: Principles and Methods</td>
<td>Lecture</td>
<td>Ch. 9, 10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tutorial: Topic 3</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Quiz 1: Topic 2</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>23 Mar</td>
<td>Capital Budgeting 2: Making Investment Decisions</td>
<td>Lecture</td>
<td>Ch. 9, 10, 11</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tutorial: Topic 4</td>
<td>and additional readings</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Quiz 2: Topic 3</td>
<td></td>
</tr>
<tr>
<td>Topic</td>
<td>Lecture Date</td>
<td>Theme / Topic / Module</td>
<td>Activity</td>
<td>Required Readings</td>
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<tr>
<td>6</td>
<td>30 Mar</td>
<td>International Financial Management</td>
<td>Lecture, Tutorial: Topic 5, Quiz 3: Topic 4</td>
<td>Ch. 21</td>
</tr>
<tr>
<td>7</td>
<td>6 Apr</td>
<td>Derivatives and Risk Management</td>
<td>Lecture, Tutorial: Topic 6</td>
<td>Ch. 23, 24, 25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Break</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>27 Apr</td>
<td>Mid-Semester Exam (subject to confirmation)</td>
<td>Mid-semester Exam, (No lecture and tutorial)</td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>4 May</td>
<td>Corporate Acquisition</td>
<td>Lecture, Tutorial: Topic 7</td>
<td>Ch. 26</td>
</tr>
<tr>
<td>10</td>
<td>11 May</td>
<td>Cost of Capital</td>
<td>Lecture, Tutorial: Topic 9, Quiz 4: Topic 7</td>
<td>Ch. 14 and additional readings</td>
</tr>
<tr>
<td>11</td>
<td>18 May</td>
<td>Working Capital Management</td>
<td>Guest Lecture, Tutorial: Topic 10, Quiz 5: Topic 9</td>
<td>Ch. 18</td>
</tr>
<tr>
<td>12</td>
<td>25 May</td>
<td>Trade Finance</td>
<td>Guest Lecture, Tutorial: Review of Mid-Semester Exam, Quiz 6: Topic 10</td>
<td>-</td>
</tr>
<tr>
<td>13</td>
<td>1 Jun</td>
<td>Review</td>
<td>Lecture, Tutorial: Practical Exam</td>
<td>-</td>
</tr>
</tbody>
</table>

**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**
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

**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 Advocacy** provides independent advice on MQ policies, procedures, and processes

**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.