



# ACCG8305

## CPA - Financial Risk Management

Session 1, In person-scheduled-weekday, North Ryde 2024

*Department of Accounting and Corporate Governance*

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## General Information

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Credit points

10

Prerequisites

(ACCG907 or ACCG8307) and (ACCG908 or ACCG8308) and (ACCG913 or ACCG8313)

Corequisites

Co-badged status

Unit description

This unit provides extended formal academic support for students concurrently enrolled in the Financial Risk Management unit of the CPA program. It provides knowledge, principles, skills and an appreciation of the treasury function in a corporate environment. It presents an overview of various aspects of treasury focusing on the identification and management of financial risks that organisations face. The unit also addresses investment evaluation, the sourcing of necessary funds for an organisation, and the application of and accounting for hedge instruments. In addition, the unit considers the need for suitable controls within the treasury function.

## 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:** Demonstrate an understanding of the different financial risks that companies face and formulate strategies to manage these financial risks

**ULO2:** Analyse practical elements of accounting for derivatives, including embedded derivatives used for hedging purposes

**ULO3:** Apply accounting standards for recording financial transactions

**ULO4:** Analyse the significance for companies having adequate controls to safeguard against financial loss and propose specific policies and procedures to reduce risk

## General Assessment Information

**Late Assessment Submission Penalty** Unless an application for Special Consideration 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, and/or scheduled practical assessments/labs, students need to submit an application for Special Consideration

## Assessment Tasks

Name	Weighting	Hurdle	Due
<a href="#">Class participation</a>	10%	No	Each week
<a href="#">Class tests 1</a>	20%	No	Week 6
<a href="#">Class test 2</a>	20%	No	Week 10
<a href="#">Business Report</a>	20%	No	Week 12 & 13
<a href="#">CPA External Exam</a>	30%	Yes	CPA Examination period

### Class participation

Assessment Type <sup>1</sup>: Participatory task

Indicative Time on Task <sup>2</sup>: 24 hours

Due: **Each week**

Weighting: **10%**

Students are required to actively participate in class discussions both individually and in a group context when required. Prior preparation is necessary for active participation. The participation mark will be a result of attempting to participate, as well as the quality and frequency of that participation. Class participation is designed to encourage and help students achieve the learning outcomes of this unit.

On successful completion you will be able to:

- Demonstrate an understanding of the different financial risks that companies face and

formulate strategies to manage these financial risks

- Analyse practical elements of accounting for derivatives, including embedded derivatives used for hedging purposes
- Apply accounting standards for recording financial transactions
- Analyse the significance for companies having adequate controls to safeguard against financial loss and propose specific policies and procedures to reduce risk

## Class tests 1

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

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

Due: **Week 6**

Weighting: **20%**

An online class test comprising of multiple-choice questions will be conducted in computer labs. This test is designed to provide feedback to students on their level of understanding of key topics and concepts covered and to identify any particular learning challenges or areas of difficulties.

On successful completion you will be able to:

- Demonstrate an understanding of the different financial risks that companies face and formulate strategies to manage these financial risks
- Analyse practical elements of accounting for derivatives, including embedded derivatives used for hedging purposes
- Apply accounting standards for recording financial transactions
- Analyse the significance for companies having adequate controls to safeguard against financial loss and propose specific policies and procedures to reduce risk

## Class test 2

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

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

Due: **Week 10**

Weighting: **20%**

An online class test comprising of multiple-choice questions will be conducted in computer labs. This test is designed to provide feedback to students on their level of understanding of key topics and concepts covered and to identify any particular learning challenges or areas of difficulties.

On successful completion you will be able to:

- Demonstrate an understanding of the different financial risks that companies face and formulate strategies to manage these financial risks
- Analyse practical elements of accounting for derivatives, including embedded derivatives used for hedging purposes
- Apply accounting standards for recording financial transactions
- Analyse the significance for companies having adequate controls to safeguard against financial loss and propose specific policies and procedures to reduce risk

## Business Report

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

Indicative Time on Task <sup>2</sup>: 36 hours

Due: **Week 12 & 13**

Weighting: **20%**

Students will write a 1,500 word report (worth 10%) and each student will give a 5-minute presentation (worth 10%) outlining their findings and recommendations. The focus of the task will be to identify the key financial risks of a (public listed) company allocated to the team. The team will need to propose methods to manage the risks and identify suitable benchmarks to measure Treasury's performance.

On successful completion you will be able to:

- Demonstrate an understanding of the different financial risks that companies face and formulate strategies to manage these financial risks
- Analyse practical elements of accounting for derivatives, including embedded derivatives used for hedging purposes

## CPA External Exam

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

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

Due: **CPA Examination period**

Weighting: **30%**

**This is a hurdle assessment task (see [assessment policy](#) for more information on hurdle assessment tasks)**

Examination administered by CPA Australia. CPA Australia will advise on the format and topics included in the final exam. Students need to achieve at least a PASS mark in this CPA external

examination. If students do not pass this CPA examination, students will not pass this unit.

On successful completion you will be able to:

- Demonstrate an understanding of the different financial risks that companies face and formulate strategies to manage these financial risks
- Analyse practical elements of accounting for derivatives, including embedded derivatives used for hedging purposes
- Apply accounting standards for recording financial transactions
- Analyse the significance for companies having adequate controls to safeguard against financial loss and propose specific policies and procedures to reduce risk

<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

• Required Text CPA Program: CPA Financial Risk Management 4th Edition (enhanced) • Unit Web Page [www.mq.edu.au](http://www.mq.edu.au) • Technology used and required familiarity with iLearn and access to a computer • Delivery format and other details, including timetable found at <http://timetables.mq.edu.au> • Recommended readings mentioned in CPA Financial Risk Management text • Other course materials as suggested in the CPA text or in iLearn

## Unit Schedule

Week	Date	Lecture Topic
1	30/1/2024	Module 1 <i>Introduction to Financial Risk Management</i>
2	6/2/2024	Module 2 <i>Management of Liquidity, Debt and Equity</i>
3	13/2/2024	Module 3 <i>Investment Evaluation &amp; Capital Structure</i>
4	20/2/2024	Module 4 <i>Derivatives</i>
5	27/2/2024	Module 5 <i>Interest Rate Risk Management</i>

6	5/3/2024	Class Test - 1
7	12/3/2024	Module 6 <i>Foreign Exchange &amp; Commodity Price Management</i>
8	19/3/2024	Module 7 <i>Accounting for Derivatives &amp; Hedge Relationships</i>
9	26/3/2024	Module 8 <i>Controlling Risks</i>
10	2/4/2024	Class Test - 2
11	9/4/2024	Test results and Revision
		<b>CPA Exams [10 April –28 April]</b>
12	30/4/2024	Presentations & Project submission
13	7/5/2024	Presentations & Project submission

Note: This unit schedule is subject to change at the discretion of Unit Convenor.

## 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](#) 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](#).

## Grading Policy

MQ (70%)	CPA (30%)	Overall (MQ Final Grade)	Recommended Actions
Pass	Pass	Pass	
Pass	Fail	Incomplete	Re-enrol with CPA Australia ONLY
Pass	FA	Incomplete	Re-enrol with CPA Australia ONLY
Fail	Pass	Fail	Re-enrol with MQ ONLY
Fail	Fail	Fail	Re-enrol with MQ and CPA Australia
Fail	FA	FA	Re-enrol with MQ and CPA Australia

To be eligible to pass the unit, it is necessary to:

Gain the necessary knowledge by preparing fully and attending classes regularly and attempting **ALL** assessment components.

**Obtain at least a PASS assessment in the CPA external examination.** Note that if you do NOT pass the CPA exam, you cannot attain a pass in this Unit in this Session.

If a student passes the MQ component but fails the external CPA exam, an Incomplete grade (UL) will be given. The student must re-enrol in the failed subject with CPA Australia in the following session. If the student does not sit for the CPA exam in the following session, the UL grade will change to a Fail grade.



If a student deferred the CPA Exam in the session enrolled with MQ, the student must inform the MQBS Student Services by submitting an AskMQ inquiry so the grade can remain as UL for a session. The student will need to sit for the CPA exam in the following session and based on the CPA exam result, the grade will be finalised.

If a student has failed the same external CPA exam twice, the MQ Incomplete grade will be changed to a Fail grade, and the student will need to re-enrol with MQ and CPA Australia in the following session.

The UL grade will only be kept for one session.

## 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.

## Changes since First Published

Date	Description
24/01/2024	In the revised unit guide, there is one dedicated week for class test 1. This will allow us to organize a full-length exam, which will better equip students to prepare for the CPA exam.

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Unit information based on version 2024.01R of the [Handbook](#)