AFIN8008

Corporate Finance

Session 2, In person-scheduled-weekday, North Ryde 2026

Department of Applied Finance

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General Information

Unit convenor and teaching staff Unit Convenor Andrew Lepone andrew.lepone@mq.edu.au 544.1
Credit points 10
Prerequisites (Admission to MActPrac or MFin or GradCertResMQBS or GradDipResMQBS) or (ACST6003 or ACCG6003)
Corequisites
Co-badged status
Unit description The objective of this unit is to explore the theory and application of corporate finance issues at an advanced level, and to equip students with the required depth of knowledge and skill expected of a professional. Following a brief revision of basic financial concepts covered in earlier finance courses, the unit investigates the more complicated theoretical issues and analytical techniques in corporate finance. In particular, a critical approach is adopted which involves identifying the assumptions and limitations of these techniques when applied to the real world. Students are encouraged to understand that often the best method is a matter of debate, and that they must choose a method from a group of methods all of which have various limitations. This critical approach is reinforced by examining a number of real life corporate finance projects.

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: Apply investment and financing concepts to business decisions.

ULO2: Evaluate cost of capital, project risks and the financial viability of projects.

ULO3: Assess the effect of capital structure on value of firms and projects.

ULO4: Use options methodology to value business opportunities and firms.

General Assessment Information

Late Submission Penalties

If you submit your assessment late, 5% of the total possible marks will be deducted for each day (including weekends), up to 7 days. Submissions more than 7 days late will receive a mark of 0.

Example 1 (out of 100): If you score 85/100 but submit 20 hours late, you will lose 5 marks and receive 80/100.

Example 2 (out of 30): If you score 27/30 but submit 20 hours late, you will lose 1.5 marks and receive 25.5/30.

Extensions

Automatic short extension: Some assessments are eligible for automatic short extension. You can only apply for an automatic short extension before the due date.

Special Consideration: If you need more time due to serious issues and for any assessments that are not eligible for Short Extension, you must apply for Special Consideration.

Need help? Review the Special Consideration page for further details.

Assessment Tasks

Name	Weighting	Hurdle	Due	Groupwork/Individual	Short Extension	AI Approach
Formal examination	50%	No	Exam Period	Individual	No	Observed
Professional practice: Issues in corporate finance	30%	Yes	27/10/2026	Individual	Yes	Open AI
Formal examination: Test	20%	No	Week 7	Individual	No	Observed

Formal examination

Assessment Type [1]: Examination
Indicative Time on Task [2]: 30 hours
Due: **Exam Period**
Weighting: **50%**
Groupwork/Individual: Individual
Short extension [3]: No
AI Approach: Observed

The purpose of this assessment is for you to demonstrate the expertise you have gained in this unit.

You will participate in a 2-hour exam held during the University Examination period. Important information about the exam will be made available on the unit iLearn page. You should also review the MQ Exams website for general tips:

Deliverable(s): Formal exam Individual assessment

On successful completion you will be able to:

- Apply investment and financing concepts to business decisions.
- Evaluate cost of capital, project risks and the financial viability of projects.
- Assess the effect of capital structure on value of firms and projects.

Professional practice: Issues in corporate finance

Assessment Type [1]: Professional task
Indicative Time on Task [2]: 20 hours
Due: **27/10/2026**
Weighting: **30%**
Groupwork/Individual: Individual
Short extension [3]: Yes
AI Approach: Open AI
This is a hurdle assessment task (see assessment policy for more information on hurdle assessment tasks)

The purpose of this assessment is for you to develop a succinct argument around a corporate finance issues linked to an industry practitioner presentation.

You will apply frameworks and concepts discussed in the unit to produce a research report.

Skills in focus:

- Critical thinking and problem solving
- Discipline knowledge
- Work readiness
- Communication skills

Deliverable(s): Written submission [max 1,000 words] Individual assessment

On successful completion you will be able to:

- Apply investment and financing concepts to business decisions.
- Evaluate cost of capital, project risks and the financial viability of projects.
- Assess the effect of capital structure on value of firms and projects.
- Use options methodology to value business opportunities and firms.

Formal examination: Test

Assessment Type [1]: Examination
Indicative Time on Task [2]: 10 hours

Due: **Week 7**
Weighting: **20%**
Groupwork/Individual: Individual
Short extension [3]: No
AI Approach: Observed

The purpose of this assessment is for you to demonstrate your understanding and knowledge of key topics from the unit.

You will participate in a formal test. Feedback on your performance will help you assess your progress through the unit content.

Deliverable(s): Test Individual assessment

On successful completion you will be able to:

- Apply investment and financing concepts to business decisions.
- Evaluate cost of capital, project risks and the financial viability of projects.
- Assess the effect of capital structure on value of firms and projects.

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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
- Academic Success 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.

[3] An automatic short extension is available for some assessments. Apply through the Service Connect Portal.

Delivery and Resources

Each week there will be a 2-hour face-to-face lecture and a 1-hour face-to-face workshop.

PRESCRIBED TEXT Principles of Corporate Finance, 14th Edition by Brealey, Myers, Allen and Edmans

Unit Schedule

Week	Topic	Chapter	Questions

1	Portfolio Theory	7	Ch 7 - Q's 3, 7, 10, 11, 13	
2	CAPM	8	Ch 8 - Q 9; EQ4, EQ6, EQ8	
3	Introduction to Forwards, Futures and Options	21 & 27	Ch 21 - Q's 21, 22, 23	Ch 27 - Q's 6, 9, 10, 13, 15
4	Contingent Claims: Payoffs and Strategies	21	Ch 21 - Q's 6, 8, 10, 16, 30	
5	Contingent Claims: Valuation	22	Ch 22 - Q's 3, 6(a-c), 8	
6	Valuation Workshop / Mid-Semester Prep	22	See Above	
7	Mid-Semester Exam – No Lecture	N/A	N/A	
8	Capital Structure I	16	Ch 16 - Q's 5, 11, 13, 17, 21	
9	Capital Structure II	17	Ch 17 - Q's 2, 5, 6, 9, 11	
10	Dividend Policy	15	Ch 15 - Q's 2, 5, 14, 19, 25	
11	Valuation and the Cost of Capital	18	Ch 18 - Q's 5, 6, 9, 14, 15, 17	
12	Valuation Using Real Options	23	Ch 23 - Q's 12, 20; EQ1	
13	Revision			

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
- 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). 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 connect.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/

Academic Success

Academic Success provides resources to develop your English language proficiency, academic writing, and communication skills.

- Ask a Study Coach
- 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 the Service Connect Portal, or contact Service Connect.

IT Help

For help with University computer systems and technology, visit https://students.mq.edu.au/support/technology/service-desk.

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.

Unit information based on version 2026.05 of the Handbook