

School of Economics and Finance

FINA 402 CURRENT TOPICS IN CORPORATE FINANCE

Trimester One 2010

COURSE OUTLINE

Names and Contact Details

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Trimester Dates

Teaching Period: Monday 1st March – Friday 4th June 2010

Study Period: Monday 7th June – Thursday 10th June 2010

Examination Period: Friday 11th June – Wednesday 30th June 2010 (inclusive)

Withdrawal from Courses:

Information available via

Withdrawal dates: Late withdrawals with Associate Dean (Students) permission
(See Section 8: Withdrawals - from the Personal Courses of Study Statute)

<http://policy.vuw.ac.nz/Amphora!~~policy.vuw.ac.nz~POLICY~000000001743.pdf>

Withdrawal dates: refunds:

<http://www.victoria.ac.nz/home/admisenrol/payments/withdrawalsrefunds.aspx>

Class Times and Room Numbers

Lectures will be held on Monday in room RWW 129 from 10:30am-12:30pm. The lecture room is booked for three hours, but each lecture will normally last only two hours.

Course Content

Material will be drawn from the following list:

- Manager-shareholder conflict
- Delegating monitoring to the board of directors
- Delegating monitoring to large shareholders
- Constraining management using capital structure
- Motivating management using executive compensation
- Market for corporate control
- Bondholder-shareholder conflict
- Adverse selection and signalling

Course Learning Objectives

By the end of this course, students should be able to:

- demonstrate an understanding of theories of corporate financing and corporate governance based on asymmetric information
- carry out simple empirical tests of these theories
- assess the merits of more complicated empirical tests of these theories
- interpret observed firm and market behaviour in terms of these theories
- communicate the key implications of modern corporate finance theories to a non-specialist audience

Course Delivery

Course delivery takes the form of 12 approximately two-hour lectures.

Expected Workload

The workload for FINA 402 is intended to be similar to that for other 400-level ECON and FINA courses. The total expected workload is 150 hours, comprising 12-13 hours per week.

Readings

There is no text. Lecture notes and key readings will be provided via Blackboard.

Materials and Equipment

Non-programmable calculators will be allowed in the final examination.

Assessment Requirements

The final grade will be determined by two assignments (each contributing 20%) and a two-hour final exam (contributing 60%).

The relevant due dates are

- Assignment 1: 10:30am on Monday, 19 April (start of lecture 6).
- Assignment 2: 10:30am on Monday, 24 May (start of lecture 12).

Note: Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period. The final examination for this course will be scheduled at some time during the period from

Examination Period: Friday 11^h June – Wednesday 30th June 2010

Penalties

Assignments handed in late will not be marked. If a satisfactory medical certificate is provided, the weight from the assignment will be shifted onto the other pieces of assessment; otherwise, the assignment score will be recorded as 0.

Mandatory Course Requirements

None.

Class Representative

The university apparently requires a class representative to be elected in the first class, and that person's name and contact details to be available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

Communication of Additional Information

Course documents and other information will be available on the course website at <http://blackboard.vuw.ac.nz>. Announcements will also be posted there.

Use of Turnitin (if applicable)

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

For the following important information follow the links provided:

Academic Integrity and Plagiarism

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

General University Policies and Statutes

<http://www.victoria.ac.nz/home/about/policy>

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support

http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce and Administration Offices

<http://www.victoria.ac.nz/fca/studenthelp/>

Manaaki Pihipihinga Programme

http://www.victoria.ac.nz/st_services/mentoring/