

School of Accounting & Commercial Law

MMPA 504 FINANCE

Trimester One 2010

COURSE OUTLINE

Names and Contact Details

	Office	Telephone
<i>Course Coordinator/Lecturer</i> Thu Phuong Truong	RH615	(04) 463 5233 (8961)
Email: ThuPhuong.Truong@vuw.ac.nz		
Office Hours: Wednesday 3.30pm – 4.30pm.		
<i>Programme Director</i>	Christopher Cripps	RH705 (04) 463 5757
Email: Christopher.Cripps@vuw.ac.nz		
Office Hours: Monday – Friday, 1:30pm – 3:30pm.		
<i>Course Administrator</i>	Rainet Mutandwa	RH708 (04) 463 5383
Email address: Rainet.Mutandwa@vuw.ac.nz		
Office Hours: Monday – Friday, 8.30am – 5.00pm.		
(Note: Office closed 10.30am – 10.45am and 3.30pm – 3.45pm).		

Trimester Dates

Teaching Period:	Monday 1 st March – Friday 4 th June 2010
Study Period:	Monday 7 th June – Thursday 10 th June 2010
Examination Period:	Friday 11 th June – Wednesday 30 th 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

Wednesday 12:40pm – 15:30pm, Railway West Wing – RWW413, Pipitea Campus

Course Content

This course aims to provide students with a thorough understanding of the fundamental concepts in Finance. Students will learn how these concepts can be applied in making corporate financial decisions.

Course Learning Objectives

Students who are successful in this course will be able to:

- Analyse the objectives of an entity and discuss how it is financed and explain how financial decisions including dividend decision are made, taking into account risks and returns.
- Explain the relevance of capital markets to an organisation, understand the capital asset pricing model and how the weighted average cost of capital is calculated and used in project appraisal.
- Analyse the investment appraisal process and apply the main appraisal techniques to projects and explain their advantages and disadvantages.
- Evaluate the key types of financial instruments and their function.
- Explain the principles of valuation with respect to financial instruments and securities and describe methods of whole firm valuation.

Course Delivery

Week	Date	Topic	Readings
1	Wed, 3 March	Introduction to corporate finance	RWJ Ch. 1
2	Wed, 10 March	Financial statements, taxes, cash flow and long-term financial planning	RWJ Ch. 2 & 3
3	Wed, 17 March	Valuation of future cash flows	RWJ Ch. 4, 8 & 9
4	Wed, 24 March	Capital budgeting – Part 1	RWJ Ch. 5 & 6
5	Wed, 31 March	Capital budgeting – Part 2	RWJ Ch. 7
MID-TERM BREAK			
6	Wed, 21 April	Risk and return	RWJ Ch. 11, 12 & 13
7	Wed, 28 April	Capital structure and financial policy – Part 1	RWJ Ch. 14, 16 & 17
8	Wed, 5 May	Capital structure and financial policy – Part 2	RWJ Ch. 18 & 19
9	Wed, 12 May	Long-term financing	RWJ Ch. 15 & 20
10	Wed, 19 May	Short-term financial management	RWJ Ch. 26, 27 & 28
11	Wed, 26 May	Special topics – Part 1	RWJ Ch. 22 & 29
12	Wed, 2 June	Special topics – Part 2	RWJ Ch. 21 & 31

Expected Workload

Workload obligations for this course are 10 hours per week for the 12 teaching weeks, 20 hours during the mid-trimester break and 10 hours during the study break.

Individual Work

Collaboration on individual assignments is not allowed beyond general discussion as to the nature of the assignment question. Please **do not work** together to produce any written work and do not loan out your completed assignments and project.

Readings

The required book is:

Ross, S. A., R. W. Westerfield, and J. Jaffe, *Corporate Finance*, McGraw-Hill Irwin New York, 9th edition (RWJ). Copies of this book could be purchased from Pipitea Vicbooks.

Additional readings:

Lecture summaries and other handouts will be given out and made available on Blackboard.

Assessment Requirements

Assessment will be based on the following:

Item of Assessment	Weighting	Due Date
Assignment 1	10%	Tuesday, 30 March 2010 – midnight
Test (closed book)	20%	Tuesday, 27 April 2010 (<i>To be confirmed</i>)
Assignment 2	10%	Tuesday, 11 May 2010 – midnight
Project	20%	Tuesday, 1 June 2010 – midnight
Examination (closed book)	40%	June (<i>To be advised</i>)

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.

Assignment

All assignments should be uploaded on Blackboard by midnight of the due date.

Test

The Test will examine topics to be advised in lectures. The Test is closed book. You are advised to arrive early so that you are seated and ready to begin the test on time.

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 after the deadline will **NOT BE MARKED**.

Mandatory Course Requirements

All items of assessment must be completed.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details will 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

Notices will be posted on **Blackboard** to which all students have access. **Urgent notices** will be circulated by email.

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/avcademic/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/