

School of Accounting and Commercial Law

MMPA 504 FINANCE

Trimester Three 2010

COURSE OUTLINE

Names and Contact Details

Course Coordinator/Lecturer

Dr Thu Phuong Truong
Office: RH 615
Telephone: +64 4 463 5233 (ext 8961)
Email: thuphuong.truong@vuw.ac.nz
Office Hours: Wednesday 3.30pm – 4.30pm

Programme Director

Christopher Cripps
Office: RH 705
Telephone: +64 4 463 5757
Email: christopher.cripps@vuw.ac.nz
Office Hours: Monday – Friday 1.30pm – 3.30pm

Course Administrator

Danielle Van Resseghem
Office: RH 708
Telephone: +64 4 463 7465
Email: danielle.vanresseghem@vuw.ac.nz
Office Hours: Monday – Friday 8.30am – 5.00pm
(Office closed 10.30am – 10.45am and 3.30pm – 3.45pm)

Trimester Dates

Teaching Period: Monday 15 November 2010 – Friday 11 February 2011

Examination Period: Monday 14 February 2010 – Saturday 19 February 2011 (inclusive)

Note: Unlike Trimesters 1 and 2, in Trimester 3 there is no study period between the teaching period and the examination period.

Withdrawal from Course:

Your fees will be refunded if you withdraw from this course on or before 19 November 2010.

The last date for withdrawal from this course is the three-quarter point of the teaching period, i.e. 28 January 2011.

After that date, students wishing to withdraw late must apply on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation.

The application form is available from either of our Student Customer Service Desks.

Class Times and Room Numbers

Wednesday 4.40pm – 8.30pm

Government Building – GBLT 3 (Weeks 1 & 2)

Government Building – GBLT 4 (Weeks 3 to 10)

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:

1. Analyse the objectives of an entity and discuss how it is financed and explain how financial decisions including dividend decisions are made, taking into account risk and return.
2. 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.
3. Analyse the investment appraisal process and apply the main appraisal techniques to projects and explain their advantages and disadvantages.
4. Evaluate the key types of financial instruments and their functions.
5. 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 17 Nov 2010	Introduction to corporate finance Financial statements and cash flow	RWJ Chapters 1, 2 & 3
2	Wed 24 Nov 2010	Valuation of future cash flow – Part 1	RWJ Chapters 4, 8 & 9
3	Wed 1 Dec 2010	Valuation of future cash flow – Part 2	RWJ Chapters 4, 8 & 9
4	Wed 8 Dec 2010	Capital budgeting	RWJ Chapters 5 & 6
5	Wed 15 Dec 2010	Risk and return	RWJ Chapters 10 & 11
MID-TRIMESTER BREAK			
6	Wed 12 Jan 2011	Revision and Test	
7	Wed 19 Jan 2011	Capital structure and financial policy	RWJ Chapters 16 & 19
8	Wed 26 Jan 2011	Long-term financing	RWJ Chapters 15 & 20
9	Wed 2 Feb 2011	Short-term financial management	RWJ Chapters 26, 27 & 28
10	Wed 9 Feb 2011	Special topics	RWJ Chapters 22 & 31

Expected Workload

Workload obligations for this course are 12 hours per week for the 10 teaching weeks and 30 hours during the mid-trimester 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.

Readings

The required books are:

Ross, S.A., R.W. Westerfield and J. Jaffe, *Corporate Finance*, McGraw-Hill Irwin New York, 9th edition (RWJ).

Adair, T.A., *Excel Applications for Corporate Finance*, McGraw-Hill Irwin New York, 1st edition.

Copies of these two books can 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 7 December 2010 – midnight
Test (closed book)	30%	Wednesday 12 January 2011- TB
Assignment 2	10%	Tuesday 8 February 2011 – midnight
Examination (closed book)	50%	Date to be advised by the University Registry

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.

Assignments

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.

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 Monday 14 February to Saturday 19 February 2011 (inclusive). The actual examination date will be determined by the University Registry and will be announced during the course.

Penalties

Assignments uploaded on Blackboard 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.

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/