

School of Accounting and Commercial Law

MMPA 504 FINANCE

Trimester One 2011

COURSE OUTLINE

Names and Contact Details

Course Coordinator &

Lecturer: Dr Stephen Keef RH 302 463-5239
Email Stephen.keef@vuw.ac.nz
Office hours: Wednesday 15.30 – 16.30

Lecturer: Tina Wendel RH 302 463-5239
Email Tina.wendel@vuw.ac.nz
Office hours: Wednesday,
28 February – 8 April 2011, 4.00pm – 5.00pm
11 April – 3 June 2011, 11am – 12.00pm

Course Administrator Lee Vassiliadis RH 708 463-5383
Email: Lee.vassiliadis@vuw.ac.nz
(Office hours: Monday-Friday 8.30am-5pm
Office is closed: 10.30-10.45am and 3.30-3.45pm.)

Trimester Dates

Teaching Period: Monday 28th February-Friday 3rd June 2011

Study Period: Monday 6th June – Thursday 9th June 2011

Examination Period: Friday 10th June – Saturday 2nd July 2011 (inclusive)

Withdrawal from Courses

Your fees will be refunded if you withdraw from this course on or before **11 March 2011.**

The last date for withdrawal from this course is **14 May 2011.** After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation.

The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers**Wednesday:** 12:40-15:30**Venue:** RHLT3, Rutherford House, Pipitea Campus**Course Content**

<i>Week</i>	<i>Content</i>	<i>Chapter readings</i>
1	Introduction & NPV	4, 6.1, 6.3, 6.5
2	NPV	8.1, 8.2, 8.4, 9.1
3	Alternative Methods	5
4	CAPM	10, 11.6, 11.9, 13
5	Special Topics	TBA
6	Test EMH	14
7 & 8	Capital Budgeting – all equity	6.1 to 6.3, 6.5, 7.1, 7.3. 7.5 recap 4.1, 4.2, 11.9
9 & 10	Capital Structure - no tax & tax	15, 16.1 to 16.5 recap 2.1, 3.2, 8.1
11	Capital Structure – other aspects	17, 30.1, 30.4
12	Dividend Policy Review of the Course	19

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

There will be one class per week for the 12 weeks of the semester. On average, the class will be divided into the following sections: (i) a 50 minutes lecture, (ii) 50 minutes of class discussion and (iii) a 50 minutes tutorial session.

Expected Workload

A total of 150 hours of work is expected from students in this course. This consists of 36 hours of classes, 7 hours per week outside classes during teaching weeks spent reading and studying and a further 30 hours revising during the mid-trimester break and study week.

Readings

The set textbook is

Ross, S.A., Westerfield, R.W. and Jaffe, J. Corporate Finance, 9th edition, 2010, McGraw-Hill Irwin.

Additional material will be made available on Blackboard.

Materials and Equipment

Only silent non-programmable calculators are permitted in the Test and Final Examination.

Assessment Requirements

Test (50 minutes, Closed Book)	30%
Final Examination (2 hours)	70%

or, if it will benefit the student,

Final Examination (2 hours)	100%
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The Test will be held in week 6 (Wednesday 6 April 2011 at 12.45) in the lecture room (RHLT3). The Test will be based on the material covered in the first four weeks of the course including Tutorials #1 to #4.

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 **Friday 10th June – Saturday 2nd July 2011**.

Mandatory Course Requirements

There are no mandatory course requirements.

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 via a Blackboard posting. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

Communication of Additional Information

Additional information will be available on Blackboard. 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

Find key dates, explanations of grades and other useful information at
www.victoria.ac.nz/home/study

Find out about academic progress and restricted enrolment at
<http://www.victoria.ac.nz/home/study/academic-progress.aspx>

The University's statutes and policies are available at www.victoria.ac.nz/home/about/policy, except qualification statutes, which are available via the Calendar webpage at <http://www.victoria.ac.nz/home/study/calendar.aspx> (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at
www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx

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/