

School of Economics and Finance

FINA 203 Applied Finance

Trimester Two 2011

COURSE OUTLINE

Names and Contact Details

Michael Keefe (course coordinator)
Room: RH 329
Telephone: (04) 463-5708
Email: michael.keefe@vuw.ac.nz

Suzanne Freear (administrator)
Room RH 327
Email: suzanne.freear@vuw.ac.nz
Phone: (04) 463-5380

Trimester Dates

Teaching Period: Monday 11 July – Friday 14 October
Study Period: Monday 17 October – Thursday 20 October
Examination Period: Friday 21 October – Saturday 12 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 22 July 2011.
2. The standard last date for withdrawal from this course is Friday 23 September. 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

Building: Government Building
Lecture Location: GBLT3
Day: Monday
Time: 12:40 pm – 1:30 pm

Building: Railway West
Lab Location: RWW302
Day: Wednesday
Lab 1: 12:00 pm – 1:20 pm or
Lab 2: 1:30 pm – 2:50 pm

Course Content

In Applied Finance, you will learn and practice skills that will help you make financial decisions (both personal and business). Each week, you will learn a new financial method/theory and then apply that method/theory using Excel. You will approach financial decision making from a real world perspective, which involves answering a series of questions:

- What is the financial question?
- What is the underlying financial model we need to apply?
- What data do we need to answer the question?
- What empirical methods do we need to analyse the data?
- How do we document our program so that another analyst can reproduce our results in the future?
- How do we summarize our findings?

These questions represent the process of applied financial decision making.

Course Learning Objectives

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

1. Apply finance theory to analyse problems involving personal financial decision making;
2. Apply finance theory to analyse problems involving corporate financial decision making;
3. Evaluate the limits of financial analysis on decision making;
4. Summarize information in a financial context for non-financial decision makers; and
5. Present structured analyses of proposed financial strategies.

Course Delivery

Course delivery consists of twelve 50-minute lectures and eleven 80-minute modeling exercises using the computer lab.

Expected Workload

The expected workload for FINA 203 is 150 hours, comprising 12-13 hours per week for the average student (in this class).

Group Work

There is no group work.

Readings

The *required* textbook is: Ross, Stephen A., Randolph W. Westerfield, and Jeffrey Jaffe. Corporate Finance. McGraw-Hill Irwin; New York, 9th Edition, 2010

A *recommended* textbook is: Sengupta, Chandan. Financial Analysis and Modeling. Wiley Finance; New Jersey, 2nd Edition, 2010

I have requested these books be made available on closed reserve in the Commerce Library.

Materials and Equipment

The midterm test will held in the computer lab so that Excel may be used.

Assessment Requirements

Your final grade is based upon ten assignments (30%) a midterm (35%), and a final project (35%). The table below reports the assessment, due date (or date held), the related learning objective(s), and the percentage of the total grade.

Assessment	Number	Due Date	Day	Learning Objectives	Total Grade Percentage
Assignment & Lab	1	13-Jul-11	W	1, 4, 5	3.0%
Assignment & Lab	2	20-Jul-11	W	1, 4, 5	3.0%
Assignment & Lab	3	27-Jul-11	W	2, 4, 5	3.0%
Assignment & Lab	4	3-Aug-11	W	2, 4, 5	3.0%
Assignment & Lab	5	10-Aug-11	W	2, 3, 4, 5	3.0%
Midterm	na	17-Aug-11	W	1-5	35.0%
Assignment & Lab	6	7-Sep-11	W	2, 3, 4, 5	3.0%
Assignment & Lab	7	14-Sep-11	W	1, 2, 4, 5	3.0%
Assignment & Lab	8	21-Sep-11	W	2, 4, 5	3.0%
Assignment & Lab	9	28-Sep-11	W	2, 4, 5	3.0%
Assignment & Lab	10	5-Oct-11	W	2, 4, 5	3.0%
Project		17-Oct-11	<i>Monday</i>	1-5	35.0%
Total					100%

The class operates on a Monday and Wednesday cycle. On Monday you will learn a financial method and on Wednesday apply that method in the lab using Excel. Each week (other than the week of the midterm & final week of the class) you have two deliverables:

1. To assist you in learning the underlying financial theory, several basic exercises from RWJ are due at the start of the lab on Wednesday.
2. During the lab, you will apply the method (learned on Monday) using Excel. Your spreadsheet and summary (if required) is due by 12 midnight (each Wednesday) via an upload on Blackboard.

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

There is no examination for this course.

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

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

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/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/