

School of Accounting and Commercial Law

MMPA 504 FINANCE

Trimester 3, 2011

COURSE OUTLINE

Names and Contact Details	Office	Telephone
<i>Course Coordinator & Lecturer</i>	Dr Stephen Keef Stephen.Keef@vuw.ac.nz Office Hours: Mondays (14 November 2011 to 19 December 2011), 3.30pm-4.30pm	RH 302 463 5239
<i>Lecturer</i>	Tina Wendel Tina.Wendel@vuw.ac.nz Office Hours: Mondays (14 November 2011 to 27 February 2012), 11am-12.00pm	RH 304 463 7515
<i>Course Administrator</i>	Pinky Shah Pinky.Shah@vuw.ac.nz Office hours: Monday-Friday, 8.30am-5pm	RH 728 463 6921

Trimester Dates

Teaching Period:

Monday 14 November 2011 to Friday 2 March 2012.

Examination Period:

None.

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 25 November 2011.
2. The last date for withdrawal from this course is the three-quarter point of the teaching period, i.e. Friday 20 January 2012.

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

Monday: 4.40pm - 7.30pm

Venue: Rutherford House Lecture 3 (RHLT3), Pipitea Campus

Course Content

<i>Week</i>	<i>Date</i>	<i>Content</i>	<i>Chapter readings</i>
1	14 Nov	Introduction & NPV	4, 6.1, 6.3, 6.5
2	21 Nov	NPV	8.1, 8.2, 8.4, 9.1
3	28 Nov	Alternative Methods	5
4	5 Dec	CAPM	10, 11.6, 11.9, 13
5	12 Dec	Special Topics	TBA
6	19 Dec	Test EMH	14
Mid-Trimester Break (21 December 2011 – 8 January 2012)			
7	9 Jan	Capital Budgeting – all equity	6.1 to 6.3, 6.5, 7.1, 7.3. 7.5 recap 4.1, 4.2, 11.9
8 & 9	16 Jan & 30 Jan	Capital Structure - no tax & tax	15, 16.1 to 16.5 recap 2.1, 3.2, 8.1
10	13 Feb	Capital Structure – other aspects	17, 30.1, 30.4
11	20 Feb	Dividend Policy	19
12	27 Feb	Review of the Course Test	

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.

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 tests.

Assessment Requirements

Mid-Trimester Test (50 minutes, Closed Book)	30%
Final Test (2 hours, Closed book)	70%

or, if it will benefit the student,

Final Test (2 hours, Closed book)	100%
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The Mid-Trimester Test will be held in week 6 (Monday 19 December 2011 at 4.45pm to 5.35pm) in the lecture room (RHLT3). The Mid-Trimester Test will be based on the material covered in the first four weeks of the course including Tutorials #1 to #4.

The Final Test will be held in week 12 (Monday 27 February 2012 at 5.30pm to 7.30pm) in the lecture room (RHLT3).

Quality Assurance 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.

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 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

Additional information will be available on Blackboard. Urgent notices will be circulated by email.

Use of Turnitin

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/avcacademic/Publications.aspx

Faculty of Commerce and Administration Offices

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

Te Putahi Atawhai

Maori and Pacific Mentoring Programme

http://www.victoria.ac.nz/st_services/tpa/index.aspx