

School of Economics and Finance

# **FINA211 CORPORATE FINANCE FOR ACCOUNTING AND BUSINESS**

Trimester 1, 2014

## **COURSE OUTLINE**

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### **Names and Contact Details**

Michael Keefe (course coordinator)  
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Office Hours: M-F 9am-midday and 1-4pm

### **Trimester Dates**

Teaching Period: Monday 3<sup>rd</sup> March – Friday 6<sup>th</sup> June  
Study Period: Monday 9<sup>th</sup> June – Thursday 12<sup>th</sup> June  
Examination Period: Friday 13<sup>th</sup> June – Wednesday 2<sup>nd</sup> July (inclusive)

### **Withdrawal from Course**

1. Your fees will be refunded if you withdraw from this course on or before Friday 14<sup>th</sup> March 2014.
2. The standard last date for withdrawal from this course is Friday 16<sup>th</sup> May. 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**

Day	Location	Time	Type
Monday	RH LT1	2:40 pm - 3:30 pm	Lecture
Wednesday	RH LT1	2:40 pm - 3:30 pm	Lecture

### **Course Delivery**

The delivery of the course includes eight tutorials.

### **Expected Workload**

The anticipated workload is about 10 hours per week, comprising two hours for lectures, one hour for a tutorial, three hours to prepare the tutorial assignment and four hours for reading.

### **Prescription**

An introduction to the fundamental concepts in corporate finance for accounting and business. Topics include net present value, alternative investment rules, capital budgeting, capital structure and long-term financing.

### **Course Learning Objectives**

Students who pass this course should be able to:

1. Describe the role of finance in business and explain how organisations are financed.
2. Analyse and discuss the investment appraisal and decision process.
3. Apply capital expenditure evaluation models including those using discounted cash flows, NPV, IRR and payback periods.
4. Explain capital structure theories, estimate the cost of capital and explain its impact on investments.

### **Course Content**

The course provides an understanding of the fundamental concepts of Corporate Finance. Topics covered include the discounted cash flow valuation, interest rates, investment decision making, the risk and return underpinnings of the cost of capital, capital structure choice and dividends.

### **Readings**

The prescribed text is S. Ross, R. Westerfield and J. Jaffe, *Corporate Finance*, 10<sup>th</sup> edition, McGraw-Hill Irwin, 2013 (RWJ).

### **Materials and Equipment**

Non-programmable calculators or ones with the memory cleared are allowed on tests and the exam.

## **Assessment**

From Trimester 1, 2014, a revised Assessment Handbook will apply to all VUW courses: see <http://www.victoria.ac.nz/documents/policy/staff-policy/assessment-handbook.pdf>.

In particular, there will be a new grade scheme, in which the A+ range will be 90-100% and 50-54% will be a C-.

Assessment	Date	Learning Objectives	Total Grade Percentage	Time Allowed in Minutes
Test 1	10/Mar/14	3	11%	50
Assignment 1	7/Apr/14	1, 2, & 3	3%	
Test 2	7/Apr/14	1, 2, & 3	15%	50
Assignment 2	14/May/14	1, 2, & 3	3%	
Test 3	26/May/14	1-4	20%	50
Assignment 3	6/Jun/14	4	3%	
Final Exam	tbd	1-4	45%	120
Total			100%	

## **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.

## **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 following period:

Friday 13<sup>th</sup> June – Wednesday 2<sup>nd</sup> July (inclusive)

## **Mandatory Course Requirements**

None

If you cannot complete an assignment or sit a test or examination, refer to [www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat](http://www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat)

## **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.

## **Student feedback**

Student feedback on University courses may be found at [www.cad.vuw.ac.nz/feedback/feedback\\_display.php](http://www.cad.vuw.ac.nz/feedback/feedback_display.php)

**Link to general information**

For general information about course-related matters, go to

<http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

**Note to Students**

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 academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

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