



## UNSW Course Outline

# AGSM9137 Advanced Finance (WEB Weekly) - 2024

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## General Course Information

Course Code : AGSM9137

Year : 2024

Term : Term 3

Teaching Period : T3

Is a multi-term course? : No

Faculty : UNSW Business School

Academic Unit : AGSM MBA Programs

Delivery Mode : Online

Delivery Format : Standard

Delivery Location : Online - Asynchronous

Campus : Sydney

Study Level : Postgraduate

Units of Credit : 6

### Useful Links

[Handbook Class Timetable](#)

## Course Details & Outcomes

### Course Description

**NOTE:** *This course was previously identified as MBAX9137.*

This course focuses on advanced financial decisions of corporate managers. First, the course

expands on the traditional project evaluation criteria by introducing real options and valuation techniques in the presence of uncertainty. Second, it explains the nuances associated with various forms of debt finance. Third, it explains how to hedge a company's cash flows and balance sheet from both domestic and international exposures. The course uses case studies to illustrate the application of theoretical concepts to real-life.

## Relationship to Other Courses

*AGSM6210 Accounting & Financial Management* and *AGSM6321 Corporate Finance* are prerequisites for this course. It is recommended that you have achieved a score of at least 70 in *Corporate Finance* before attempting this course.

This course is a natural follow-on from the topics that you have covered in the *Corporate Finance* course. It is effectively *Corporate Finance Part II*.

# Course Learning Outcomes

Course Learning Outcomes	Program learning outcomes
CLO1 : Identify and evaluate major issues that arise when raising debt finance	• PL01 : Business Knowledge
CLO2 : Analyse how organisations can effectively manage risk in today's uncertain economy	• PL05 : Responsible Business Practice
CLO3 : Present ideas and advocate for decisions using effective finance arguments, models and frameworks	• PL03 : Business Communication
CLO4 : Explain optionality and its application to financial management and financial decisions	• PL02 : Problem Solving
CLO5 : Apply a range of analytic tools and cognitive frameworks to make and justify financial decisions	• PL02 : Problem Solving

Course Learning Outcomes	Assessment Item
CLO1 : Identify and evaluate major issues that arise when raising debt finance	<ul style="list-style-type: none"> <li>• Contribution to Learning Community</li> <li>• Quizzes</li> <li>• Part A: Assignment 1</li> <li>• Part B: Assignment 2</li> <li>• Final Assessment</li> </ul>
CLO2 : Analyse how organisations can effectively manage risk in today's uncertain economy	<ul style="list-style-type: none"> <li>• Contribution to Learning Community</li> <li>• Quizzes</li> <li>• Final Assessment</li> </ul>
CLO3 : Present ideas and advocate for decisions using effective finance arguments, models and frameworks	<ul style="list-style-type: none"> <li>• Part A: Assignment 1</li> <li>• Part B: Assignment 2</li> <li>• Contribution to Learning Community</li> </ul>
CLO4 : Explain optionality and its application to financial management and financial decisions	<ul style="list-style-type: none"> <li>• Quizzes</li> <li>• Part A: Assignment 1</li> <li>• Part B: Assignment 2</li> <li>• Contribution to Learning Community</li> </ul>
CLO5 : Apply a range of analytic tools and cognitive frameworks to make and justify financial decisions	<ul style="list-style-type: none"> <li>• Final Assessment</li> <li>• Quizzes</li> </ul>

## Learning and Teaching Technologies

Moodle - Learning Management System

## Learning and Teaching in this course

Approach to Learning and Teaching in the Course

The recommended approach to learn each Unit is as follows:

1. Review your summary notes for all previous Units of the course (15 min)
2. Watch and take notes from the teaching videos for the prescribed Unit of the course (1 hour 30 min); and/or  
Read and take notes from the textbook chapter for the prescribed Unit of the course (1 hour 30 min);
3. Write a summary of the main points in the Unit (15 min). You may find it helpful to visualise these main points using a mind-map or other tool.
4. Work on the questions from the separate document under the 'course resources' section in Moodle. Post on one of these questions in the forums (1 hour 30 minutes)
5. Attempt the Quiz (1 hour)

It is expected that the preparation time for each Unit is approximately 4 hours. Some students have found it helpful to adopt the 'pomodoro method' which involves 25 minutes on and 5 minute off rotation in order to maintain concentration and productivity.

Note that you will also be working on extensively on your Assessments during Weeks 4 and 8 and so the workload during these weeks may be significantly higher.

## Learning Activities and Teaching Strategies

You have the following major resources to help you learn:

1. **Course Resources:** These comprise the teaching videos, prescribed textbook, case studies and questions.
2. **Facilitator:** Your Facilitator will guide your learning by guiding discussion, answering questions, providing practical insights and providing you with feedback on your assignments.
3. **Fellow Students:** Your colleagues in class are an invaluable potential source of learning for you. Their work and life, and their willingness to question and argue with the course materials, the facilitator, and your views, represent a great learning opportunity. They bring much valuable insight to the learning experience. You will be able to chat with your classmates in the forums on Moodle.

## Additional Course Information

### Course Structure

The topics of each Unit of the course are as follows:

1. **Understanding Options** - introduces the operation of options.
2. **Valuing Options** - explains the main methods for valuing options.
3. **Real Options** - introduces you to a technique for assessing the value of flexibility in projects.
4. **Case: Real Options** - a case that allows you to apply your understanding of options to a real-world case.
5. **Credit Risk** - assessing credit risk and credit ratings.
6. **Corporate Debt** - reviews the variety of debt instruments used by modern companies.
7. **Leasing** - explains the operation of leases and how to assess them.
8. **Case: Lease or Buy** - a case that allows you to apply your understanding of debt to a real-world case.
9. **Managing Risk** - explains how to manage risk using hedges.
10. **International Risk** - explains how to manage currency and other international risks.

# Assessments

## Assessment Structure

Assessment Item	Weight	Relevant Dates	Program learning outcomes
Contribution to Learning Community Assessment Format: Individual	10%	Start Date: Not Applicable Due Date: Ongoing	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL03 : Business Communication</li> <li>• PL05 : Responsible Business Practice</li> </ul>
Quizzes Assessment Format: Individual	20%	Due Date: Tuesdays in Weeks 2, 3, 4, 6, 7, 8, 10 and 11 by 3pm Sydney time	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL05 : Responsible Business Practice</li> </ul>
Part A: Assignment 1 Assessment Format: Group	15%	Due Date: Friday of Week 5 by 3pm Sydney time	<ul style="list-style-type: none"> <li>• PL02 : Problem Solving</li> <li>• PL03 : Business Communication</li> </ul>
Part B: Assignment 2 Assessment Format: Group	15%	Due Date: Friday of Week 9 by 3pm Sydney time	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL03 : Business Communication</li> </ul>
Final Assessment Assessment Format: Individual	40%	Start Date: Earliest start date and time: Friday of Week 11 at 3pm Sydney time Due Date: Latest start date and time: Monday of Week 12 at 3pm Sydney time	<ul style="list-style-type: none"> <li>• PL01 : Business Knowledge</li> <li>• PL02 : Problem Solving</li> <li>• PL05 : Responsible Business Practice</li> </ul>

# Assessment Details

## Contribution to Learning Community

### Course Learning Outcomes

- CL01 : Identify and evaluate major issues that arise when raising debt finance
- CL02 : Analyse how organisations can effectively manage risk in today's uncertain economy
- CL03 : Present ideas and advocate for decisions using effective finance arguments, models and frameworks
- CL04 : Explain optionality and its application to financial management and financial decisions

### Quizzes

### Course Learning Outcomes

- CL01 : Identify and evaluate major issues that arise when raising debt finance
- CL02 : Analyse how organisations can effectively manage risk in today's uncertain economy
- CL04 : Explain optionality and its application to financial management and financial decisions
- CL05 : Apply a range of analytic tools and cognitive frameworks to make and justify financial decisions

### Assessment Length

1 hour to complete from time of first opening

## Part A: Assignment 1

### Course Learning Outcomes

- CL01 : Identify and evaluate major issues that arise when raising debt finance
- CL03 : Present ideas and advocate for decisions using effective finance arguments, models and frameworks
- CL04 : Explain optionality and its application to financial management and financial decisions

### Assessment Length

1,000-2,500 words plus Excel spreadsheet

## Part B: Assignment 2

### Course Learning Outcomes

- CL01 : Identify and evaluate major issues that arise when raising debt finance
- CL03 : Present ideas and advocate for decisions using effective finance arguments, models and frameworks
- CL04 : Explain optionality and its application to financial management and financial decisions

### Assessment Length

1,000-2,500 words plus Excel spreadsheet

# Final Assessment

## Course Learning Outcomes

- CL01 : Identify and evaluate major issues that arise when raising debt finance
- CL02 : Analyse how organisations can effectively manage risk in today's uncertain economy
- CL05 : Apply a range of analytic tools and cognitive frameworks to make and justify financial decisions

## Assessment Length

2 hours and 15 minutes from time when assessment first opened

# General Assessment Information

## Grading Basis

Standard

## Requirements to pass course

Students are expected to attempt all assessment requirements, and must achieve a composite mark of at least 50 out of 100 to pass the course.

Students are also expected to actively engage in course learning activities. Failure to engage in assessment tasks that are integrated into learning activities (e.g. class discussion, presentations) will be reflected in the marks for these assessable activities.

# Course Schedule

Teaching Week/Module	Activity Type	Content
Week 1 : 9 September - 15 September	Topic	Unit 1: Understanding Options
	Assessment	Assessment 1: Contribution to Learning Community
Week 2 : 16 September - 22 September	Topic	Unit 2: Valuing Options
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 1 Quiz due on Tuesday by 3pm Sydney time
Week 3 : 23 September - 29 September	Topic	Unit 3: Real Options
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 2 Quiz due on Tuesday by 3pm Sydney time
Week 4 : 30 September - 6 October	Topic	Unit 4: Case: Real Options
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 3 Quiz due on Tuesday by 3pm Sydney time
Week 5 : 7 October - 13 October	Topic	Unit 5: Credit Risk
	Assessment	Assessment 1: Contribution to Learning Community Assessment 3 Part A: Assignment 1 due on Friday by 3pm Sydney time
Week 6 : 14 October - 20 October	Topic	Unit 6: Corporate Debt
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 5 Quiz due on Tuesday by 3pm Sydney time
Week 7 : 21 October - 27 October	Topic	Unit 7: Leasing
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 6 Quiz due on Tuesday by 3pm Sydney time
Week 8 : 28 October - 3 November	Topic	Unit 8: Case: Lease or Buy
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 7 Quiz due on Tuesday by 3pm Sydney time
Week 9 : 4 November - 10 November	Topic	Unit 9: Managing Risk
	Assessment	Assessment 1: Contribution to Learning Community Assessment 3 Part B: Assignment 2 due on Friday by 3pm Sydney time
Week 10 : 11 November - 17 November	Topic	Unit 10: International Risk
	Assessment	Assessment 1: Contribution to Learning Community Assessment 2: Unit 9 Quiz due on Tuesday by 3pm Sydney time
Week 11 : 18 November - 24 November	Assessment	Assessment 2: Unit 10 Quiz due on Tuesday by 3pm Sydney time Assessment 4: Final Assessment - earliest start date and time: Friday at 3pm Sydney time
Week 12 : 25 November - 1 December	Assessment	Assessment 4: Final Assessment - latest start date and time: Monday at 3pm Sydney time

## Attendance Requirements

Students must engage in weekly online asynchronous discussion forums and other activities. There are some optional webinars or drop-in group video calls (recorded for those who cannot attend).

## Course Resources

### Prescribed Resources

The course materials are available from the 'Course Resources' section of the course's Moodle site. The key resources include:



1. **Teaching Videos** - Detailed teaching videos have been recorded for most of the Units of this course. This is your main learning resource.
2. **Textbook** - You will be provided with access to a digital version of the course textbook (details below). This is your main learning resource for any Units that do not have recorded teaching videos and your secondary learning resource for Units that do have teaching videos.
3. **Case studies** - The course has two case studies (Units 4 and 8) that will form the basis of your assessments.
4. **Questions and Solutions** - These are the practice questions for each Unit. They are available on Moodle under 'Course Resources'. These questions will form the basis for the participation assessment.

The course Moodle site also contains detailed instructions for each assessment of this course. Each assessment has a dedicated section in Moodle.

You will be provided with access to a digital version of this prescribed text in Moodle via the VitalSource platform:

Brealey, R, Myers, S, Allen, F & Edmans A 2022, *Principles of Corporate Finance (International Edition)*, 14th edn, McGraw-Hill Irwin.

The course materials are the only required academic reading for this course. However, it is important to supplement the course notes with your own regular reading of *The Australian Financial Review* or the *Financial Times*.

The UNSW Library gives you access to many online journals and magazines.

You can access the library website here: <https://www.library.unsw.edu.au/>

## Course Evaluation and Development

In 2023, students provided feedback that they appreciated the discussion of contemporary issues surrounding issues related to options, debt and risk management. They also appreciated the new discussion questions and the comprehensive Exercises and Solutions written for each Unit.

In 2024 Term 3, the course discussion questions and exercises will be updated based on feedback from 2023 and 2024 Term 1.

# Staff Details

Position	Name	Email	Location	Phone	Availability	Equitable Learning Services Contact	Primary Contact
Facilitator in charge	Andrew Hingston				Please ask questions using the Q&A Forums on the course website.	Yes	Yes

## Other Useful Information

### Academic Information

#### COURSE POLICIES AND SUPPORT

The Business School expects that you are familiar with the contents of this course outline and the UNSW and Business School learning expectations, rules, policies and support services as listed below:

- Program Learning Outcomes
- Academic Integrity and Plagiarism
- Student Responsibilities and Conduct
- Special Consideration
- Protocol for Viewing Final Exam Scripts
- Student Learning Support Services

Further information is provided on the [key policies and support](#) page.

Students may not circulate or post online any course materials such as handouts, exams, syllabi or similar resources from their courses without the written permission of their instructor.

#### STUDENT LEARNING OUTCOMES

The Course Learning Outcomes (CLOs) – under the Outcomes tab – are what you should be able to demonstrate by the end of this course, if you participate fully in learning activities and successfully complete the assessment items.

CLOs also contribute to your achievement of the Program Learning Outcomes (PLOs), which are developed across the duration of a program. PLOs are, in turn, directly linked to [UNSW graduate capabilities](#). More information on Coursework PLOs is available on the [key policies and support](#) page. For PG Research PLOs, including MPDBS, please refer to the [UNSW HDR Learning Outcomes](#).

## Academic Honesty and Plagiarism

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Student Code](#) with respect to academic integrity, the University may take disciplinary action under the Student Misconduct Procedure. To assure academic integrity, you may be required to demonstrate reasoning, research and the process of constructing work submitted for assessment.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Student Code, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

### Submission of Assessment Tasks

#### SPECIAL CONSIDERATION

You can apply for special consideration when illness or other circumstances beyond your control interfere with your performance in a specific assessment task or tasks, including online exams. Students studying remotely who have exams scheduled between 10pm and 7am local time, are also able to apply for special consideration to sit a supplementary exam at a time outside of these hours.

Special consideration is primarily intended to provide you with an extra opportunity to demonstrate the level of performance of which you are capable. To apply, and for further information, see Special Consideration on the UNSW [Current Students](#) page.

Special consideration applications will be assessed centrally by the Case Review Team, who will update the online application with the outcome and add any relevant comments. The change to the status of the application immediately sends an email to the student and to the assessor with the outcome of the application.

Please note the following:

1. Applications can only be made through Online Services in myUNSW (see the UNSW [Current Students](#) page). Applications will not be accepted by teaching staff. The lecturer-in-charge/course coordinator will be automatically notified when your application is processed.
2. Applying for special consideration does not automatically mean that you will be granted a

supplementary exam or other concession.

3. If you experience illness or misadventure in the lead up to an exam or assessment, you must submit an application for special consideration, either prior to the examination taking place, or prior to the assessment submission deadline, except where illness or misadventure prevent you from doing so.
4. If your circumstances stop you from applying before your exam or assessment due date, you must apply within 3 working days of the assessment or the period covered by your supporting documentation.
5. Under the UNSW Fit To Sit/Submit rule, if you sit the exam/submit an assignment, you are declaring yourself well enough to do so and are cannot subsequently apply for special consideration.
6. If you become unwell on the day of – or during – an exam, you must stop working on your exam, advise your course coordinator or tutor and provide a medical certificate dated within 24 hours of the exam, with your special consideration application. For online exams, you must contact your course coordinator or tutor immediately via email, Moodle or chat and advise them you are unwell and submit screenshots of your conversation along with your medical certificate and application.
7. Special consideration requests do not allow the awarding of additional marks to students.

Further information on Business School policy and procedure can be found under “Special Consideration” on the [key policies and support](#) page.

## **LATE SUBMISSION PENALTIES**

For assessments other than examinations, late submission will incur a penalty of 5% per day or part thereof (including weekends) from the due date and time. An assessment will not be accepted after 5 days (120 hours) of the original deadline unless special consideration has been approved. An assignment is considered late if the requested format, such as hard copy or electronic copy, has not been submitted on time or where the ‘wrong’ assignment has been submitted.

For assessments which account for 10% or less of the overall course grade, and where answers are immediately discussed or debriefed, the LIC may stipulate a different penalty. Details of such late penalties will be available on the course Moodle page.

## **FEEDBACK ON YOUR ASSESSMENT TASK PERFORMANCE**

Feedback on student performance from formative and summative assessment tasks will be provided to students in a timely manner. Assessment tasks completed within the teaching period of a course, other than a final assessment, will be assessed and students provided with

feedback, with or without a provisional result, within 10 working days of submission, under normal circumstances. Feedback on continuous assessment tasks (e.g. laboratory and studio-based, workplace-based, weekly quizzes) will be provided prior to the midpoint of the course.

## Faculty-specific Information

### PROTOCOL FOR VIEWING FINAL EXAM SCRIPTS

UNSW students have the right to view their final exam scripts, subject to a small number of very specific exemptions. The UNSW Business School has set a [protocol](#) under which students may view their final exam script. Individual schools within the Faculty may also set up additional local processes for viewing final exam scripts, so it is important that you check with your School.

If you are completing courses from the following schools, please note the additional school-specific information:

- Students in the **School of Accounting, Auditing & Taxation** who wish to view their final examination script should also refer to [this page](#).
- Students in the **School of Banking & Finance** should also refer to [this page](#).
- Students in the **School of Information Systems & Technology Management** should also refer to [this page](#).

### COURSE EVALUATION AND DEVELOPMENT

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the [myExperience survey](#), which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

### QUALITY ASSURANCE

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential.

## TEACHING TIMES AND LOCATIONS

Please note that teaching times and locations are subject to change. Students are strongly advised to refer to the [Class Timetable website](#) for the most up-to-date teaching times and locations.