

Unit Outline

305813 Finance Principles 515 Semester 2, 2014

Unit study package number:	305813
Mode of study:	Internal
Tuition pattern summary:	Lecture: 1 x 2 Hours Tutorial: 1 x 1 Hours This unit does not have a fieldwork component.
Credit Value:	25.0
Pre-requisite units:	Nil
Co-requisite units:	Nil
Anti-requisite units:	11948 (v.0) Finance (Managerial) 512 or any previous version
Result type:	Grade/Mark
Approved incidental fees:	Information about approved incidental fees can be obtained from our website. Visit fees.curtin.edu.au/incidental_fees.cfm for details.
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Acknowledgement of Country

We respectfully acknowledge the Indigenous Elders, custodians, their descendants and kin of this land past and present.

Syllabus

This unit covers the monetary decisions that business make and the financial tools and analyses used to make these decisions.

Introduction

Welcome to Finance (Principles) 515. The aims of this unit are as follow:
















1. introduce basic concepts and principles of finance relevant to the accounting, actuary and financial planning professions;
2. introduce finance theory as it applies to financial processes, products and institutions;
3. develop a foundation in finance for students specialising in related field;
4. develop a set of financial tools that will facilitate managers in their financial decision making.

This document contains important information relating to the unit. Please make sure you have access to this document during the course of your study and please make sure you read this document at least once before the beginning of the semester.










Unit Learning Outcomes

All graduates of Curtin University achieve a set of nine graduate attributes during their course of study. These tell an employer that, through your studies, you have acquired discipline knowledge and a range of other skills and attributes which employers say would be useful in a professional setting. Each unit in your course addresses the graduate attributes through a clearly identified set of learning outcomes. They form a vital part in the process referred to as assurance of learning. The learning outcomes tell you what you are expected to know, understand or be able to do in order to be successful in this unit. Each assessment for this unit is carefully designed to test your achievement of one or more of the unit learning outcomes. On successfully completing all of the assessments you will have achieved all of these learning outcomes.

Your course has been designed so that on graduating we can say you will have achieved all of Curtin's Graduate Attributes through the assurance of learning process in each unit.

On successful completion of this unit students can:		Graduate Attributes addressed
1	Describe the basic building blocks of finance	  
2	Apply financial tools to value real and financial assets	  
3	Analyse and communicate how company values can be enhanced and destroyed via financial decision making	  
4	Create financial solutions to solve financial problems	  
5	Evaluate and apply the concepts of risk management	  

Curtin's Graduate Attributes

	Apply discipline knowledge		Thinking skills (use analytical skills to solve problems)		Information skills (confidence to investigate new ideas)
	Communication skills		Technology skills		Learning how to learn (apply principles learnt to new situations) (confidence to tackle unfamiliar problems)
	International perspective (value the perspectives of others)		Cultural understanding (value the perspectives of others)		Professional Skills (work independently and as a team) (plan own work)

Find out more about Curtin's Graduate attributes at the Office of Teaching & Learning website: ctl.curtin.edu.au

Learning Activities

The mode of instruction (for internal students) is a two-hour lecture followed by an hour of tutorial. All student queries related to the unit would be raised during the one hour tutorial and pre-arranged consultation with your tutor. Online students please direct your queries to the teaching assistant or unit coordinator. Please refer to the Program Calendar for specific information related to the conduct of lectures and tutorials. The purpose of the lecture is to describe the theories and principles in the selected topic for the week and to demonstrate the application of those principles.

A lecture provides a sign-post and does not cover all there is to learn about the area. You will need to read and study further those areas covered in the lecture to ensure that you understand the concepts. All material listed in the unit outline, whether covered in the lecture or not, forms the subject matter of discussion in the tutorials and is examinable. Download the relevant power point lecture slides each week and bring it to your lectures. As for the tutorial, the expectations are that you will come to class prepared by having read the necessary material. At times we may not be able to cover all tutorial questions; the onus is on you to solve them at your own time. The bottom-line is that you will reap what you sow in this unit.

Please understand that the aim of the unit is for you to get some basic understanding of the contemporary issues in finance. When we give lectures we do NOT expect you to immediately and fully understand the issues we raise. In fact, our aim is to address the issues and for you to think about these. Finance is a social study that deals with people and is therefore highly dynamic. Unlike exact studies, such as physics and chemistry, nothing is black and white; neither are the issues constant over time. As human behaviour changes over time, so does finance (our interpretation).

Please familiarise yourself with the Blackboard layout for this Unit. All lecture Unit Resources(lecture powerpoint slides, tutorial solutions, past test and final exam papers, additional test and final exam practice questions etc) are available on Blackboard. These resources are more than adequate to allow you to successfully complete this Unit. All I request from you is to invest sufficient time reading and working through them. Most often students fail this Unit because they have not invested enough study time and leave their study to the very last moment.

If you are enrolled online then you do not need to attend lectures. Online students, please log onto Blackboard for further instructions if you are not residing within the Perth metropolitan areas.

Learning Resources

Essential texts

The required textbook(s) for this unit are:

- You will need to purchase the following textbook in order to complete this unit: Berk, Jonathan, Peter DeMarzo and Jarrad Harford, 2012, Fundamentals of Corporate Finance, Global Edition, Second Edition, Pearson Education Limited.

Assessment

Assessment schedule

	Task	Value %	Date Due	Unit Learning Outcome(s) Assessed
1	Mid-semester test	50 percent	TBA	1,2,3
2	Final exam	50 percent	TBA	3,4,5

Detailed information on assessment tasks

1. The mid-semester test will assess work covered in the first six lectures. The test will contribute 50% to the final result in the Unit. The exact test format will be provided on Blackboard closer to the test date. You may bring in a one-sided A4 typed or written reference sheet into the exam with you.
2. The final exam will contribute the other 50% to your final result in the Unit. The final exam format will be posted on Blackboard closer to the final exam period. You may bring in a one-sided A4 typed or written reference sheet into the exam with you.

Fair assessment through moderation

Moderation describes a quality assurance process to ensure that assessments are appropriate to the learning outcomes, and that student work is evaluated consistently by assessors. Minimum standards for the moderation of assessment are described in the Assessment Manual, available from policies.curtin.edu.au/policies/teachingandlearning.cfm

Late assessment policy

This ensures that the requirements for submission of assignments and other work to be assessed are fair, transparent, equitable, and that penalties are consistently applied.

1. All assessments which students are required to submit will have a due date and time specified on the Unit Outline.
2. Accepting late submission of assignments or other work will be determined by the unit coordinator or Head of School and will be specified on the Unit Outline.
3. If late submission of assignments or other work is not accepted, students will receive a penalty of 100% after the due date and time ie a zero mark for the late assessment.
4. If late submission of assignments or other work is accepted, students will be penalised by ten percent per calendar day for a late assessment submission (eg a mark equivalent to 10% of the total allocated for the assessment will be deducted from the marked value for every day that the assessment is late). This means that an assignment worth 20 will have two marks deducted per calendar day late. Hence if it was handed in three calendar days late and marked as 12/20, the student would receive 6/20. An assessment **more than seven calendar days overdue will not be marked**. Work submitted after this time (due date plus seven days) may result in a Fail - Incomplete (F-IN) grade being awarded for the unit.

Assessment extension

A student wishing to delay the completion or submission of an assessment task after the original published date/time (eg examinations, tests) or due date/time (eg assignments) must apply for an assessment extension using the Assessment Extension form (available from the Forms page at <http://students.curtin.edu.au/administration/>) as prescribed by the Academic Registrar. It is the responsibility of the student to demonstrate and provide evidence for exceptional circumstances beyond the student's control that prevented them from completing/submitting the assessment task.

The student will be expected to lodge the form and supporting documentation with the unit coordinator before the assessment date/time or due date/time. An application may be accepted up to five working days after the date or due date of the assessment task where the student is able to provide an acceptable explanation as to why he or she was not able to submit the application prior to the assessment date. An application for an assessment extension will not be accepted after the date of the Board of Examiners' meeting.

Additional assessment information

Deferred final exam will cover the entire semester's work.

You may use a non-programmable scientific/financial/graphics calculator.

Application for Deferred Assessment – All assessments, with the exception of final examinations

If you are unable to complete a unit assessment (which includes a mid semester exam/test, an essay, report etc.) you must apply for a deferred assessment using the Deferred Assessment form available on blackboard (refer to "Announcement" on Blackboard). This form should be completed and submitted in person or via e-mail. It should include supporting evidence detailing why you were unable to complete the assessment (e.g. medical certificate, letter from counselling services, letter from employer etc.). **The form should be submitted via email to Sonnette.Dykman@curtin.edu.au.** You will normally be expected to lodge the form before the date or due date of the assessment task. In exceptional circumstances, a request may be accepted up to five working days after the date or due date of the assessment task. Such requests will only be accepted where you are able to provide a satisfactory explanation of why you were not able to submit the application for deferred assessment by the date or due date of the assessment task. Supporting evidence must be provided in all cases.

If you do not complete the application for deferred assessment in accordance with the guidelines above you will be awarded zero mark for the assessment task. If you have any questions about the process please contact your Economics and Finance Student Advisor using the contact details above or speak with your Unit Coordinator. If you have been awarded a deferred test and failed to attend, you would be awarded zero mark regardless of your reason.

Pass requirements

You need to achieve at least 50 marks in your final result to pass this Unit.

Referencing style

The referencing style for this unit is Chicago.

More information can be found on this style from the Library web site: library.curtin.edu.au.

Plagiarism

Plagiarism occurs when work or property of another person is presented as one's own, without appropriate acknowledgement or referencing. Plagiarism is a serious offence. Student guidelines for avoiding plagiarism can be found at:

<http://academicintegrity.curtin.edu.au/local/docs/StudentPlagiarismGuide.pdf>. For more information refer to academicintegrity.curtin.edu.au.

Plagiarism monitoring

Work submitted may be subjected to a plagiarism detection process, which may include the use of systems such as 'Turnitin'. For further information, see academicintegrity.curtin.edu.au/students/turnitin.cfm.

Additional information

Enrolment:

It is your responsibility to ensure that your enrolment is correct - you can check your enrolment through the eStudent option on OASIS, where you can also print an Enrolment Advice.

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Supplementary and Deferred Exams

Deferred examinations will be held at a date to be advised (see next section). Supplementary examinations, where applicable and when granted by the Board of Examiners, will be held at a date to be advised (see next section). Notification to students will be made after the Board of Examiners meeting via the Official Communications Channel (OCC) in OASIS.

It is the responsibility of students to be available to attend a supplementary or deferred examination on the date advised and to check their OASIS account on a weekly basis for official Curtin correspondence. If your results show that you have been granted a supplementary or deferred examination you should immediately check your OASIS email for details.

To be announced.

Student Rights and Responsibilities

It is the responsibility of every student to be aware of all relevant legislation, policies and procedures relating to their rights and responsibilities as a student. These include:

- the Student Charter
- the University's Guiding Ethical Principles
- the University's policy and statements on plagiarism and academic integrity
- copyright principles and responsibilities
- the University's policies on appropriate use of software and computer facilities

Information on all these things is available through the University's "Student Rights and Responsibilities website at: students.curtin.edu.au/rights.

Student Equity

There are a number of factors that might disadvantage some students from participating in their studies or assessments to the best of their ability, under standard conditions. These factors may include a disability or medical condition (e.g. mental illness, chronic illness, physical or sensory disability, learning disability), significant family responsibilities, pregnancy, religious practices, living in a remote location or another reason. If you believe you may be unfairly disadvantaged on these or other grounds please speak to the Student Equity Advisor Team member in your Faculty. Contact details are at: <http://eesj.curtin.edu.au/contact.html>


You can also contact Counselling and Disability services: <http://www.disability.curtin.edu.au> or the Multi-faith services: http://unilife.curtin.edu.au/diversity_and_faith/faith_services.htm for further information.

It is important to note that the staff of the university may not be able to meet your needs if they are not informed of your individual circumstances so please get in touch with the appropriate service if you require assistance. For general wellbeing concerns or advice please contact Curtin's Student Wellbeing Advisory Service at: http://unilife.curtin.edu.au/student_wellbeing_service.htm

Recent unit changes

We welcome feedback as one way to keep improving this unit. Students are encouraged to provide unit feedback through **eVALUate**, Curtin's online student feedback system (see evaluate.curtin.edu.au/info/). Recent changes to this unit include:

Adopted new textbook

	See evaluate.curtin.edu.au to find out when you can eVALUate this unit.
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Program calendar

Week	Week Begin Date	Lecture topics and textbook chapters:	Textbook questions for tutorial preparation	Assessment Dates
Orientation	28 July			
1.	4 August	Corporate Finance and the Financial Manager Chapter 1		
2.	11 August	Time Value of Money Chapter 3 and 4	Ch1 Problems: 4,8,10,13,14 & additional concept questions	
3.	18 August	Interest Rates Chapter 5	Ch3 Problems: 4,7,11,16,22 Ch4 Problems: 1,9,30	
4.	25 August	Bonds and Stock Valuation Chapters 6, 7 and 10	Ch5 Problems: 3,6,16,23,26	
5.	1 September	Tuition Free Week		
6.	8 September	Investment Decision Rules Chapter 8	Ch6 Problems: 4,11,15,24 Ch7 Problems: 8,14,22 Ch10 Problems: 7,12,16	
7.	15 September	Fundamentals of Capital Budgeting Chapter 9	Ch8 Problems: 7,10,19,28,30	
8.	22 September	Return and Risk Chapter 11 and 12	Ch9 Problems: 5,11,17,22,25,28	Mid Semester Test value 50% Please see Blackboard for further detail.
9.	29 September	Tuition Free Week		
10.	6 October	Cost of Capital	Ch11 Problems: 8,12	

		Chapter 13	Ch12 Problems: 3,10,11,24,26,28	
11.	13 October	Capital Structure Chapter 16	Ch13 Problems: 5,12,15,17,18,19	
12.	20 October	Options applications Chapters 21	Ch16 Problems: 1,7,10,22,25	
13.	27 October	Risk Management PDF file only	Ch21 Problems: 2,3,5,8,12,14	
14.	3 November	Course Review	Problems from PDF: 5,6	
15.	10 November	STUDY WEEK		
16.	17 November	EXAMINATIONS		
17	24 November	EXAMINATIONS		