



The University of Southern Queensland

Course specification

The current and official versions of the course specifications are available on the web at <http://www.usq.edu.au/coursespecification/current>.
Please consult the web for updates that may occur during the year.

Description: Financial Management

Subject	Cat-nbr	Class	Term	Mode	Units	Campus
FIN	5000	87159	1, 2009	ONC	1.00	Toowoomba

Academic group:	FOBUS
Academic org:	FOB008
Student contribution band:	3A
ASCED code:	081101

STAFFING

Examiner: Taiji Watanabe
Moderator: Peter Phillips

OTHER REQUISITES

Recommended Co-requisite: ACC5202 or ACC5502 or ECO5000 or ACC8101 or FIN8102.
Students are required to have access to a personal computer, spread-sheet software programs, word processing software programs, power point software programs, e-mail capabilities and Internet access to USQConnect. Current details of computer requirements can be found at <http://www.usq.edu.au/ict/students/standards/default.htm>.

SYNOPSIS

This course will introduce students to the concepts and tools of financial management. The focus of the course is decision making in a financial context. It therefore examines the techniques that are used in businesses to make decisions that are consistent with the efforts to increase the wealth of the owners of the business in a corporate environment. The topics covered include but not limited to the valuation of future cash flows, the valuation of stocks and bonds, capital budgeting, risk and return and long term financing. The course consists of core modules and program specific modules for each postgraduate program if applicable.

OBJECTIVES

The course objectives define the student learning outcomes for a course. The assessment item/s that may be used to assess student achievement of an objective is/are shown in parentheses after each objective. On successful completion of this course, students are expected, to the satisfaction of the course specification, to achieve and be able to demonstrate:

1. demonstrate an understanding of the decisions that financial managers must make (including those relating to capital budgeting, capital structure, dividend policy and financing) (Assignment, Take-home Exam, Exam)
2. discuss core concepts of financial management, including the time value of money, capital budgeting, risk and return, the cost of capital, capital structure and dividend policy (Assignment, Take-home Exam, Exam)

3. apply the concepts and tools of financial management to the solution of problems that face financial managers (including those relating to capital budgeting, capital structure, dividend policy and financing) (Assignment, Take-home Exam, Exam)
4. demonstrate numeracy skills required by financial managers through the use of financial mathematics, including present value and future value techniques, to solve financial management problems (Assignment, Take-home Exam, Exam)
5. demonstrate an awareness of ethical issues involved in the preparation of financial statements and the code of ethics of relevant professional bodies (Assignment, Take-home Exam, Exam)
6. demonstrate an ability to communicate a financial analysis to an audience of stakeholders in a potential project or decision makers (Assignment, Take-home Exam, Exam).

TOPICS

	Description	Weighting (%)
1.	Introduction to financial decision making	3.00
2.	Financial mathematics	12.00
3.	Capital budgeting	10.00
4.	Risk and return	15.00
5.	Cost of capital	10.00
6.	Capital structures and financing decisions	15.00
7.	Equity analysis and dividend policies	10.00
8.	Long-term finance	10.00
9.	Short-term finance and cash management	10.00
10.	Business finance	5.00

TEXT and MATERIALS required to be PURCHASED or ACCESSED

ALL textbooks and materials are available for purchase from USQ BOOKSHOP (unless otherwise stated). Orders may be placed via secure internet, free fax 1800642453, phone 07 46312742 (within Australia), or mail. Overseas students should fax +61 7 46311743, or phone +61 7 46312742. For costs, further details, and internet ordering, use the 'Textbook Search' facility at <http://bookshop.usq.edu.au> click 'Semester', then enter your 'Course Code' (no spaces).

Ross, SA, Traylor, RM & Bird, RG 2008, *Essentials of corporate finance*, McGraw-Hill, North Ryde, New South Wales.

(1st Australian and New Zealand edn)

REFERENCE MATERIALS

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

Ball, R, Brown, P, Finn, F & Officer, R 1989, *Share markets and portfolio theory: readings and Australian evidence*, 2nd edn, University of Queensland Press, St Lucia, Queensland.

Bishop, S, Faff, R, Oliver, B & Twite, G 2003, *Corporate finance*, 5th edn, Prentice Hall, Frenchs Forest, New South Wales.

Brealey, R, Myers, S & Allen, F 2008, *Principles of corporate finance*, 9th edn, McGraw-Hill/Irwin, Boston, Massachusetts.

Elton, E, Gruber, M, Brown, S & Goetzmann, W 2007, *Modern portfolio theory and investment analysis*, 7th edn, John Wiley & Sons, Hoboken, New Jersey.

Frino, A, Kelly, S, Comerton-Forde, C, Cusack, T & Wilson, K 2006, *Introduction to corporate finance*, 3rd edn, Pearson Education, Frenchs Forest, New South Wales.

Gitman, L 2009, *Principles of managerial finance*, 12th edn, Prentice Hall, Boston, Massachusetts.

Peacock, R, Martin, P, Burrow, MJ, Petty, JW, Keown, AJ, Scott, DF Jnr & Martin, JD 2003, *Financial management*, 3rd edn, Pearson Education, Frenchs Forest, New South Wales.

Peirson, G, Brown, R, Easton, S & Howard, P 2002, *Peirson and Bird's business finance*, 8th edn, McGraw-Hill, Roseville, New South Wales.

Ross, S, Thompson, S, Christensen, M, Westerfield, R & Jordan, B 2007, *Fundamentals of corporate finance*, 4th edn, McGraw-Hill, Macquarie Park, New South Wales.

(Australian edn)

Summers, J & Smith, B 2006, *Communication skills handbook: how to succeed in written and oral communication*, 2nd edn, John Wiley & Sons, Milton, Queensland.

Yip, HY 2005, *Spreadsheet applications to securities valuation and investment theories*, John Wiley & Sons, Milton, Queensland.

STUDENT WORKLOAD REQUIREMENTS

ACTIVITY	HOURS
Assessments	40.00
Directed Study	75.00
Private Study	50.00

ASSESSMENT DETAILS

Description	Marks out of	Wtg (%)	Due date
TAKE-HOME EXAM	45.00	45.00	18 May 2009 (see note 1)
2 HOUR EXAM	55.00	55.00	END S1 (see note 2)

NOTES

1. The release date of the take-home exam and instructions which include the allowed completion time will be announced in due course. No late submission of take-home exams without prior approval of the examiner will be accepted. The examiner may allow group work for take-home exams.
2. The exam is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date after the timetable has been finalised.

IMPORTANT ASSESSMENT INFORMATION

- 1 Attendance requirements:
It is the students' responsibility to attend and participate appropriately in all activities (such as lectures, tutorials, laboratories and practical work) scheduled for them, and to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.
- 2 Requirements for students to complete each assessment item satisfactorily:
To satisfactorily complete an individual assessment item a student must achieve at least 50% of the marks. (Depending upon the requirements in Statement 4 below, students may not have to satisfactorily complete each assessment item to receive a passing grade in this course.)
- 3 Penalties for late submission of required work:
Assignments: If students submit assignments after the due date without prior approval of the examiner, then a penalty of 5% of the total marks gained by the student for the assignment may apply for each working day late up to ten working days at which time a mark of zero may be recorded. Take-home exams: The penalty for late submission of take-home exams without prior approval of the examiner is 100% of the total marks allocated to the take-home exam.
- 4 Requirements for student to be awarded a passing grade in the course:
To be assured of receiving a passing grade a student must achieve at least 50% of the total weighted marks available for the course.
- 5 Method used to combine assessment results to attain final grade:
The final grades for students will be assigned on the basis of the aggregate of the weighted marks obtained for each of the summative assessment items in the course.
- 6 Examination information:
This is a restricted examination. The only materials that candidates may use during this examination are: writing materials (non-electronic and free from material which could give the student an unfair advantage in the examination); calculators which cannot hold textual information (students must indicate on their examination paper the make and model of any calculator(s) they use during the examination).
- 7 Examination period when Deferred/Supplementary examinations will be held:
Any Deferred or Supplementary examinations for this course will be held during the next examination period.
- 8 University Regulations:
Students should read USQ Regulations 5.1 Definitions, 5.6 Assessment, and 5.10 Student Academic Misconduct for further information and to avoid actions which might contravene university regulations. These regulations can be found at <http://www.usq.edu.au/corporateservices/calendar/part5.htm>. Students should also read the Faculty of Business Policies and Procedures which can be found at <http://www.usq.edu.au/business/aboutfob.htm>.

ASSESSMENT NOTES

- 1 Assignments: (i) The due date for an assignment is the date by which a student must despatch the assignment to the USQ. The onus is on the student to provide proof of the despatch date, if requested by the examiner. (ii) The examiner may grant an extension of the due date of an assignment in extenuating circumstances. All applications of extension must be accompanied by supporting documents to substantiate the claims of students. In

- all circumstances, no assignments will be accepted two calendar weeks after the due date. (iii) If requested, students will be required to provide a copy of an assignment submitted for assessment purposes. This should be despatched to the USQ within 24 hours of receipt of a request being made. (iv) The examiner will not accept submission of assignments by facsimile. (v) In the event that a due date for an assignment falls on a local public holiday in their area, such as a show holiday, the due date for the assignment will be the next day. Students are to note on the assignment cover the date of the public holiday for the examiner's convenience.
- 2 Take-home exams: (i) The due date for a take-home exam is the date by which a student must despatch the take-home exam to the USQ. The onus is on the student to provide proof of the despatch date, if requested by the examiner. (ii) The examiner may grant an extension of the due date of a take-home exam in extenuating circumstances. All applications of extension must be accompanied by supporting documents to substantiate the claims of students. In all circumstances, no take-home exam will be accepted after the due date. (iii) If requested, students will be required to provide a copy of a take-home exam submitted for assessment purposes. This should be despatched to the USQ within 24 hours of receipt of a request being made. (iv) The examiner will not accept submission of take-home exams by facsimile. (v) In the event that a due date for a take-home exam falls on a local public holiday in their area, such as a show holiday, the due date for the take-home exam will be the next day. Students are to note on the take-home exam cover the date of the public holiday for the examiner's convenience.
 - 3 Course weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper. The examination may test material already tested in assignments.
 - 4 Referencing in assignments: Harvard (AGPS) is the referencing system required in this course. Students should use Harvard (AGPS) style in their assignments to format details of the information sources they have cited in their work. The USQ library provides advice on how to format information sources using this system. Details can be found at http://www.usq.edu.au/library/help/ehelp/ref_guides/harvard.htm and http://www.usq.edu.au/library/help/ehelp/ref_guides/harvardonline.htm.

OTHER REQUIREMENTS

- 1 Computer, e-mail and Internet access: Students are required to have access to a personal computer, e-mail capabilities and Internet access to USQConnect. Current details of computer requirements can be found at <http://www.usq.edu.au/ict/students/standards/default.htm>.
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