



# FINC20018 *Managerial Finance*

## Term 1 - 2017

Profile information current as at 26/04/2024 12:42 am

All details in this unit profile for FINC20018 have been officially approved by CQUniversity and represent a learning partnership between the University and you (our student). The information will not be changed unless absolutely necessary and any change will be clearly indicated by an approved correction included in the profile.

## General Information

### Overview

This unit provides a fundamental understanding of corporate goals and the allocation of resources, the raising of funds and undertaking of investments by firms, as applicable in organisational management. You will be introduced to a range of financial decision making concepts such as financial goals, financial markets, financial mathematics, risk and return, asset pricing, capital budgeting, cost of capital, capital structure and dividend policy. This is a task oriented unit, which requires you to learn and apply basic financial tools and concepts for financial decision making. If you have successfully completed the unit FINC20006 you should not enrol in this unit.

### Details

Career Level: *Postgraduate*

Unit Level: *Level 9*

Credit Points: 6

Student Contribution Band: 10

Fraction of Full-Time Student Load: 0.125

### Pre-requisites or Co-requisites

There are no requisites for this unit.

Important note: Students enrolled in a subsequent unit who failed their pre-requisite unit, should drop the subsequent unit before the census date or within 10 working days of Fail grade notification. Students who do not drop the unit in this timeframe cannot later drop the unit without academic and financial liability. See details in the [Assessment Policy and Procedure \(Higher Education Coursework\)](#).

### Offerings For Term 1 - 2017

- Brisbane
- Distance
- Melbourne
- Sydney

### Attendance Requirements

All on-campus students are expected to attend scheduled classes - in some units, these classes are identified as a mandatory (pass/fail) component and attendance is compulsory. International students, on a student visa, must maintain a full time study load and meet both attendance and academic progress requirements in each study period (satisfactory attendance for International students is defined as maintaining at least an 80% attendance record).

### Website

[This unit has a website, within the Moodle system, which is available two weeks before the start of term. It is important that you visit your Moodle site throughout the term. Please visit Moodle for more information.](#)

## Class and Assessment Overview

### Recommended Student Time Commitment

Each 6-credit Postgraduate unit at CQUniversity requires an overall time commitment of an average of 12.5 hours of study per week, making a total of 150 hours for the unit.

### Class Timetable

#### [Regional Campuses](#)

Bundaberg, Cairns, Emerald, Gladstone, Mackay, Rockhampton, Townsville

#### [Metropolitan Campuses](#)

Adelaide, Brisbane, Melbourne, Perth, Sydney

### Assessment Overview

#### 1. **Written Assessment**

Weighting: 20%

#### 2. **Practical and Written Assessment**

Weighting: 20%

#### 3. **Group Discussion**

Weighting: 10%

#### 4. **Examination**

Weighting: 50%

### Assessment Grading

This is a graded unit: your overall grade will be calculated from the marks or grades for each assessment task, based on the relative weightings shown in the table above. You must obtain an overall mark for the unit of at least 50%, or an overall grade of 'pass' in order to pass the unit. If any 'pass/fail' tasks are shown in the table above they must also be completed successfully ('pass' grade). You must also meet any minimum mark requirements specified for a particular assessment task, as detailed in the 'assessment task' section (note that in some instances, the minimum mark for a task may be greater than 50%). Consult the [University's Grades and Results Policy](#) for more details of interim results and final grades.

## CQUniversity Policies

**All University policies are available on the [CQUniversity Policy site](#).**

You may wish to view these policies:

- Grades and Results Policy
- Assessment Policy and Procedure (Higher Education Coursework)
- Review of Grade Procedure
- Student Academic Integrity Policy and Procedure
- Monitoring Academic Progress (MAP) Policy and Procedure – Domestic Students
- Monitoring Academic Progress (MAP) Policy and Procedure – International Students
- Student Refund and Credit Balance Policy and Procedure
- Student Feedback – Compliments and Complaints Policy and Procedure
- Information and Communications Technology Acceptable Use Policy and Procedure

This list is not an exhaustive list of all University policies. The full list of University policies are available on the [CQUniversity Policy site](#).

## Previous Student Feedback

### Feedback, Recommendations and Responses

Every unit is reviewed for enhancement each year. At the most recent review, the following staff and student feedback items were identified and recommendations were made.

#### Feedback from Have Your Say

##### Feedback

Students commended good teaching

##### Recommendation

Will continue to provide good teaching.

##### Action

All the lecturers are skilled teachers and will continue to serve the students as best they can.

## Unit Learning Outcomes

### On successful completion of this unit, you will be able to:

1. examine and describe financial goals in the context of modern firms and financial managers
2. analyse the role of financial markets and their functions in a developed economy
3. interpret the importance of applying time value of money and risk-return trade-off concepts in finance and how markets value financial instruments, and calculate the values of those instruments and other cash flows relevant to make financial decisions
4. analyse and evaluate fixed asset acquisition proposals and make value maximising capital budgeting decisions using appropriate capital budgeting techniques
5. compute overall costs of capital (and its components) and interpret its implications to financial decisions
6. critique and communicate the ways in which financing and dividend decisions are made to maximise the value of the firm.

## Alignment of Learning Outcomes, Assessment and Graduate Attributes



### Alignment of Assessment Tasks to Learning Outcomes

Assessment Tasks	Learning Outcomes					
	1	2	3	4	5	6
<b>1 - Written Assessment - 20%</b>	•	•	•	•	•	
<b>2 - Practical and Written Assessment - 20%</b>	•	•	•			
<b>3 - Group Discussion - 10%</b>	•	•	•	•	•	•
<b>4 - Examination - 50%</b>	•	•	•	•	•	•

### Alignment of Graduate Attributes to Learning Outcomes

Graduate Attributes	Learning Outcomes					
	1	2	3	4	5	6
1 - Knowledge	○	○	○	○	○	○
2 - Communication	○	○	○	○	○	○
3 - Cognitive, technical and creative skills						
4 - Research			○	○		
5 - Self-management		○				
6 - Ethical and Professional Responsibility	○					
7 - Leadership						
8 - Aboriginal and Torres Strait Islander Cultures						

### Alignment of Assessment Tasks to Graduate Attributes

Assessment Tasks	Graduate Attributes							
	1	2	3	4	5	6	7	8
1 - Written Assessment - 20%	○	○			○			
2 - Practical and Written Assessment - 20%	○	○		○	○	○		
3 - Group Discussion - 10%	○	○		○				
4 - Examination - 50%	○				○			

## Textbooks and Resources

### Textbooks

FINC20018

#### Prescribed

#### Financial Management: Principles and Applications

Edition: 6th (2011)

Authors: Petty, J., Titman, S., Keown, A., Martin, P., Martin, J., Burrow, M. & Nguyen, H.

Pearson Australia

Australia

ISBN: 9781442539174

Binding: Paperback

[View textbooks at the CQUniversity Bookshop](#)

### IT Resources

#### You will need access to the following IT resources:

- CQUniversity Student Email
- Internet
- Unit Website (Moodle)

## Referencing Style

All submissions for this unit must use the referencing style: [American Psychological Association 6th Edition \(APA 6th edition\)](#)

For further information, see the Assessment Tasks.

## Teaching Contacts

**Angelique McInnes** Unit Coordinator

[a.mcinnnes@cqu.edu.au](mailto:a.mcinnnes@cqu.edu.au)

## Schedule

### Week 1 - 06 Mar 2017

Module/Topic	Chapter	Events and Submissions/Topic
<b>Getting started - Principles of Finance</b> <b>Firms and the financial markets</b>	<i>1 and 2</i>	

### Week 2 - 13 Mar 2017

Module/Topic	Chapter	Events and Submissions/Topic
<b>Understanding financial statements, taxes and cash flows</b> <b>Financial analysis - Sizing up firm performance</b>	<i>3 and 4</i>	Assessment item 3 - Participate in Workshop/Online Moodle Forum

### Week 3 - 20 Mar 2017

Module/Topic	Chapter	Events and Submissions/Topic
<b>The time value of money - The basics</b> <b>The time value of money - Annuities and other topics</b>	<i>5 and 6</i>	Assessment item 3 - Participate in Workshop/Online Moodle Forum

Week 4 - 27 Mar 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>An introduction to risk and return</b> <b>Risk and return- Capital market theory</b>	7 and 8	Assessment item 3 - Participate in Workshop/Online Moodle Forum
Week 5 - 03 Apr 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Debt valuation and interest rates</b>	9	Assessment item 3 - Participate in Workshop/Online Moodle Forum
Vacation Week - 10 Apr 2017		
Module/Topic	Chapter	Events and Submissions/Topic
Week 6 - 17 Apr 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Share valuation</b>	10	Assessment item 3 - Participate in Workshop/Online Moodle Forum
Week 7 - 24 Apr 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Investment decision criteria</b> <b>Analysing project cash flows</b>	11 and 12	Assessment item 3 - Participate in Workshop/Online Moodle Forum
Week 8 - 01 May 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Risk analysis and project evaluation</b>	13	Assessment item 3 - Participate in Workshop/Online Moodle Forum
Week 9 - 08 May 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>The Cost of Capital</b>	14	<b>Assessment 1: Written Assessment</b> Due: Week 9 Monday (8 May 2017) 5:00 pm AEST
Week 10 - 15 May 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Capital-structure policy</b>	15	Assessment item 3 - Reflection Report Question 1 and "Have Your Say" on Moodle <b>Assessment 2: Case Study</b> Due: Week 10 Friday (19 May 2017) 5:00 pm AEST
Week 11 - 22 May 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Dividend Policy</b>	16	<b>Assessment 3: Continuous Workshop Performance and Reflection Report</b> Due: Week 11 Friday (26 May 2017) 6:00 pm AEST
Week 12 - 29 May 2017		
Module/Topic	Chapter	Events and Submissions/Topic
<b>Revision</b>		Revision and exam related discussion
Review/Exam Week - 05 Jun 2017		
Module/Topic	Chapter	Events and Submissions/Topic

Module/Topic	Chapter	Events and Submissions/Topic
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## Term Specific Information

### **IMPORTANT!**

#### **Please note:**

#### **The textbook as per this electronic Course Profile:**

PETTY, W., TITMAN, S., KEOWN, A., MARTIN, J., MARTIN, P., BURROW, M. & NGUYEN, H. 2012. Financial Management: Principles and Applications, French Forest, NSW, Australia, Pearson Australia.

#### **is no longer available and has been superseded by:**

TITMAN, S., MARTIN, T., KEOWN, A. J. & MARTIN, J. D. 2016. Financial Management: Principles and Applications, Melbourne, Pearson Australia

**Therefore, Titman et al. (2016) will be the prescribed textbook for this course for Term 1 2017 AND NOT** Petty et al. (2012).

## Assessment Tasks

### 1 Assessment 1: Written Assessment

#### **Assessment Type**

Written Assessment

#### **Task Description**

Assessment 1 is a group assessment to be completed in a group of 2 students for on-campus students. Working in group is to promote collaborative learning and knowledge sharing to enhance the learning experience.

Distant learning students (FLEX) also have the **option** to collaborate and work in a group of 2. For the distant learning students where this may pose some difficulty, they may submit their assessments individually.

A list of 8 calculation and theory questions from the prescribed textbook will be posted on the Moodle site with the relevant instructions.

In this assessment, you should aim to make use of at least recent primary scientific peer-reviewed journal articles, to obtain the best possible mark. We expect **a minimum of 8 different peer-reviewed references** as part of developing and demonstrating your research skills.

Please note the following details:

As a guideline, the length of the theory part of **each question should be around 350 words** or so, including **in-text references**.

Diagrams should be used to illustrate specific aspects but please ensure correct citations. In other words, please reference all sources of diagrams used, unless they are original and composed by you. This is to ensure academic integrity.

Please avoid images with very large file sizes, as this will make your essay too large to upload/download (save any images as lower resolution, to decrease the file size).

The list of references should form the last page or two, at the end of the assessment. Referencing should be in a consistent style - APA formats only.

Note: Further support on referencing is given on the Moodle site for this course.

Please save, upload and submit your file online via Moodle in Word format (.doc or .docx) and not in pdf format with appropriate layout and use of headings/sub-headings.

Please note students working as a group: **Only one member is to submit the assessment.**

This assessment is worth 20% of the total mark for this unit.

#### **Assessment Due Date**

Week 9 Monday (8 May 2017) 5:00 pm AEST

#### **Return Date to Students**

Monday (22 May 2017)

#### **Weighting**

20%

#### **Assessment Criteria**

A rubric in the mark sheet is provided so that you can understand how the marks are distributed and awarded for each question. Please follow the guidelines in the mark sheet rubrics

For calculation questions, marks will be awarded for the accuracy in the calculations, showing the right formulae to be used, the steps shown in arriving at the answers, concise description, the correct answers and any diagrams/figures/tables/timelines as required and where applicable.

Correct answers alone will give you 50% of the total mark.

Marks will also be awarded for clarity of explanations and expressing yourself in your own words.

For theory questions, marks will be awarded to clarity of explanation, using your own words as far as possible instead of copying from published sources, concise description and correctness of answers. Where copying from other sources resulted in high percentage similarity, marks will be deducted.

The assignment will be marked out of 100 marks, but will be scaled down to 20.

### Referencing Style

- [American Psychological Association 6th Edition \(APA 6th edition\)](#)

### Submission

Online

### Learning Outcomes Assessed

- examine and describe financial goals in the context of modern firms and financial managers
- analyse the role of financial markets and their functions in a developed economy
- interpret the importance of applying time value of money and risk-return trade-off concepts in finance and how markets value financial instruments, and calculate the values of those instruments and other cash flows relevant to make financial decisions
- analyse and evaluate fixed asset acquisition proposals and make value maximising capital budgeting decisions using appropriate capital budgeting techniques
- compute overall costs of capital (and its components) and interpret its implications to financial decisions

### Graduate Attributes

- Knowledge
- Communication
- Self-management

## 2 Assessment 2: Case Study

### Assessment Type

Practical and Written Assessment

### Task Description

Assessment 2 is a group assessment to be completed in a group of 2 students for on-campus students. Working in group promotes collaborative learning and knowledge sharing to enhance the learning experience.

Distant learning students (FLEX) also have the **option** to collaborate and work in a group of 2. For the distant learning students where this may pose some difficulty, they may submit their assessments individually.

The assessment comprises two case studies, which must be separated into **two separate reports**, but documented into **one word document** (.doc or .docx). Please include an introduction and conclusion for each report.

The objective of the case study is to introduce you to applying some of the theories, concepts and techniques that are needed to make financial decisions in an ever-changing and increasingly competitive business environment.

In this assessment, you should aim to make use of recent primary scientific **peer-reviewed** journal articles, to obtain the best possible mark.

We expect a minimum of **5 different peer-reviewed references** for case study 1 and at least another **5 different peer-reviewed references** for case study 2 as part of developing and demonstrating your research skills.

Please note the following details:

As a guideline, the length of the theory part and the analysis of case 1 should be approximately **1,500 words** (or not longer than 4 pages) and for case 2 should be approximately **750 words** (or no longer than 1 1/2 pages). The word limit includes **peer-reviewed in-text references**.

Please use diagrams to illustrate relevant aspects and please ensure you correctly cite/reference all sources of diagrams used, unless they are original and composed by you. This is an important aspect of academic integrity.

Please avoid images with very large file sizes, as this will make your essay too large to upload/download (save any images as lower resolution, to decrease the file size).

The list of references should form the last page or two, at the end of the assessment. Referencing should be in a consistent style - only APA formats is accepted.

Note: Further support on referencing is given on the Moodle site for this course.

Please save, upload and submit your file online via Moodle in Word format (.doc or .docx) and not in pdf format with appropriate layout and use of headings/sub-headings.

Please note students working as a group: **Only one member is to submit the assessment.**

This assessment is worth 20% of the total mark for this unit.

**Assessment Due Date**

Week 10 Friday (19 May 2017) 5:00 pm AEST

**Return Date to Students**

Week 12 Friday (2 June 2017)

**Weighting**

20%

**Assessment Criteria**

A mark sheet is provided in Moodle to show how marks are awarded.

A rubric in the mark sheet is provided so that you can understand how the marks are distributed and awarded for each question. Please follow the guidelines in the mark sheet rubrics.

For calculation questions, marks will be awarded for the accuracy in the calculations, showing the right formulae to be used, the steps shown in arriving at the answers, concise description, the correct answers and any diagrams/figures/tables/timelines as required and where applicable.

For theory questions, marks will be awarded for clarity of explanation, using your own words as far as possible instead of copying from published sources, concise description and correctness of answers. Where copying from other sources results in high percentage similarity, marks will be deducted. Please write the reports using your own words. Do not use direct quotes, unless it is for example a definition that loses its meaning if you had to define the concept in your own words.

First year on campus students are strongly urged to consult student services on how to use proper referencing.

The assessment will be graded out of 80 marks, which will be scaled down to 20 marks.

**Referencing Style**

- [American Psychological Association 6th Edition \(APA 6th edition\)](#)

**Submission**

Online

**Submission Instructions**

Individually or group (maximum of three (3) students) submission

**Learning Outcomes Assessed**

- examine and describe financial goals in the context of modern firms and financial managers
- analyse the role of financial markets and their functions in a developed economy
- interpret the importance of applying time value of money and risk-return trade-off concepts in finance and how markets value financial instruments, and calculate the values of those instruments and other cash flows relevant to make financial decisions

**Graduate Attributes**

- Knowledge
- Communication
- Research
- Self-management
- Ethical and Professional Responsibility

### 3 Assessment 3: Continuous Workshop Performance and Reflection Report

**Assessment Type**

Group Discussion

**Task Description**

For **On Campus students**, from Week 2 to Week 11 inclusive, your performance will be assessed on an ongoing basis by your lecturer/tutor.

Please note the tutorial questions in the weekly activity document on Moodle and you are expected to prepare them for the workshop. There is the advantage of your required attendance in the workshop in order that you can be assessed on the participation in face-to-face workshops with your lecturer.

From W2 to W9, 6 marks will be allocated and from W10 to W11, 2 marks will be allocated for each week.

For W10 and W11, you will be required as part of class participation/discussion projects to provide a one page handwritten reflection report in class and it is therefore important that you attend the workshop in W10 and W11 in order for you to get part or all of the 4 marks.

For **Distance Learning students**, you will be required to submit a 2 to 3 page reflection report in Week 11 by email to your unit coordinator or uploading via Moodle for review. The reflection report, which requires a short introduction and conclusion, but no executive summary, is to address the following issues:

1. What you have learned and achieved in this unit from week 2 to week 11 ?

2. How you perceive the knowledge gained from this unit can help you to understand the financial and business environment better ?

**Assessment Due Date**

Week 11 Friday (26 May 2017) 6:00 pm AEST

**Return Date to Students**

Week 12 Friday (2 June 2017)

**Weighting**

10%

**Assessment Criteria**

One of the objectives for this assessment is to allow us to have a well-documented and systematic processes for determining the process of you gaining knowledge in this course.

**On Campus students ONLY:**

This assessment focuses on your participation in group discussion during the workshop from Week 2 to Week 11. Your weekly attendance in the workshop will help you in attaining the maximum mark for each of the week. The rubric for the mark is 0.75 mark each week from W2 to W9 and 2 marks each week for W10 and W11. The total grade for this assessment is 10.

In W10 and W11, in addition to your class participation, you are to provide an **individual handwritten answer in class during the workshop** to the same 2 questions as FLEX students and at the same time complete the "Have Your Say" survey on the Moodle site in the computer lab or on your mobile devices.

The first question is to be answered in W10 and the second question in W11. Handwritten answers to both these questions should not be longer than 1 page. The questions and paper for both these questions will be given to you during the workshop in W10 and W11. You must attend the workshop in W10 and W11 to score part or all of the 4 marks for this assessment item. These questions cannot be completed at home and submitted outside the workshop hours.

You are also requested to complete the Have Your Say survey during the workshops in these 2 weeks on the Moodle site- if you have not already done so in your own time.

**FLEX students ONLY:**

Distant learning (FLEX) students are to submit a 2 to 3 page reflection report based on the 2 questions provided in the eCP by Week 11 Friday (26-May-2017) 06:00 PM AEST.

This is to provide the course coordinator an understanding on what you have learned and how well you are preparing for the exam. You can submit anytime from week 9 to week 11 and your grade will be posted on gradebook approximately within 2 days of your submission.

This reflection report is to be uploaded on the Moodle site. You will be provided a grade out of 10 for the reflection report.

You are also encouraged to complete the Have Your Say survey on the Moodle site to provide feedback.

**Referencing Style**

- [American Psychological Association 6th Edition \(APA 6th edition\)](#)

**Submission**

Offline

**Submission Instructions**

Email by Distant Learning Students

**Learning Outcomes Assessed**

- examine and describe financial goals in the context of modern firms and financial managers
- analyse the role of financial markets and their functions in a developed economy
- interpret the importance of applying time value of money and risk-return trade-off concepts in finance and how markets value financial instruments, and calculate the values of those instruments and other cash flows relevant to make financial decisions
- analyse and evaluate fixed asset acquisition proposals and make value maximising capital budgeting decisions using appropriate capital budgeting techniques
- compute overall costs of capital (and its components) and interpret its implications to financial decisions
- critique and communicate the ways in which financing and dividend decisions are made to maximise the value of the firm.

**Graduate Attributes**

- Knowledge
- Communication
- Research

# Examination

**Outline**

Complete an invigilated examination.

**Date**

During the examination period at a CQUniversity examination centre.

**Weighting**

50%

**Length**

180 minutes

**Exam Conditions**

Closed Book.

**Materials**

Calculator - non-programmable, no text retrieval, silent only

Dictionary - non-electronic, concise, direct translation only (dictionary must not contain any notes or comments).

## Academic Integrity Statement

As a CQUniversity student you are expected to act honestly in all aspects of your academic work.

Any assessable work undertaken or submitted for review or assessment must be your own work. Assessable work is any type of work you do to meet the assessment requirements in the unit, including draft work submitted for review and feedback and final work to be assessed.

When you use the ideas, words or data of others in your assessment, you must thoroughly and clearly acknowledge the source of this information by using the correct referencing style for your unit. Using others' work without proper acknowledgement may be considered a form of intellectual dishonesty.

Participating honestly, respectfully, responsibly, and fairly in your university study ensures the CQUniversity qualification you earn will be valued as a true indication of your individual academic achievement and will continue to receive the respect and recognition it deserves.

As a student, you are responsible for reading and following CQUniversity's policies, including the [Student Academic Integrity Policy and Procedure](#). This policy sets out CQUniversity's expectations of you to act with integrity, examples of academic integrity breaches to avoid, the processes used to address alleged breaches of academic integrity, and potential penalties.

**What is a breach of academic integrity?**

A breach of academic integrity includes but is not limited to plagiarism, self-plagiarism, collusion, cheating, contract cheating, and academic misconduct. The Student Academic Integrity Policy and Procedure defines what these terms mean and gives examples.

**Why is academic integrity important?**

A breach of academic integrity may result in one or more penalties, including suspension or even expulsion from the University. It can also have negative implications for student visas and future enrolment at CQUniversity or elsewhere. Students who engage in contract cheating also risk being blackmailed by contract cheating services.

**Where can I get assistance?**

For academic advice and guidance, the [Academic Learning Centre \(ALC\)](#) can support you in becoming confident in completing assessments with integrity and of high standard.

**What can you do to act with integrity?**



**Be Honest**

If your assessment task is done by someone else, it would be dishonest of you to claim it as your own



**Seek Help**

If you are not sure about how to cite or reference in essays, reports etc, then seek help from your lecturer, the library or the Academic Learning Centre (ALC)



**Produce Original Work**

Originality comes from your ability to read widely, think critically, and apply your gained knowledge to address a question or problem