



Business and Economics

FINANCE 251 : Financial Management (15 POINTS)

Course Prescription

Focuses on practical aspects of corporate finance. Topics covered include: concepts of value creation, risk and required rates of return, financial maths, capital budgeting, capital structure and dividend policies.

Course Overview

This is an introductory course in finance that focuses on the practical aspects of corporate finance. The course will cover the mathematics of finance, security valuation, investment and financing decisions, risk and return trade-off, and the fundamentals of international financial management. The goal is to equip students with the basic skills by introducing a set of concepts that are necessary and will be supplemented and extended in FINANCE 261 and the stage three finance courses (e.g., FINANCE 351, FINANCE 361, and FINANCE 362).

Course Requirements

Prerequisite: ACCTG 102, STATS 108

Capabilities Developed in this Course

- Capability 1: Disciplinary Knowledge and Practice
- Capability 2: Critical Thinking
- Capability 3: Solution Seeking
- Capability 4: Communication and Engagement
- Capability 6: Social and Environmental Responsibilities

Graduate Profile: [Bachelor of Commerce](#)

Learning Outcomes

By the end of this course, students will be able to:

1. Identify economic and social objectives of companies and outline the role of financial management and financial markets in the context of achieving the objectives. (Capability 1 and 6)
2. Explain and apply processes and time-value-of-money techniques in determining the value of financial and

business assets, and critically analyze the relationship between risk and return in the context of determining cost of capital for asset valuation. (Capability 1 and 2)

3. Explain orally and communicate clearly and persuasively key concepts relevant to valuing assets and making short-term and long-term financing, investment, and risk management decisions. (Capability 1 and 4.1)
4. Work collaboratively and individually to conduct capital budgeting analysis and apply financial problem solving skills to evaluate long-term investment decisions. (Capability 3 and 4.3)
5. Explain and communicate clearly and persuasively different working capital management and long-term financing strategies and conduct cost-benefit analysis for making short-term and long-term financing decisions. (Capability 3 and 4.2)
6. Develop simple risk management strategies and explain the complexity of conducting international managerial finance and risk management. (Capability 1 and 3)

Assessments

Assessment Type	Percentage	Classification
Assignments	20%	Group & Individual Coursework
Participation	10%	Peer Coursework
Test	20%	Individual Test
Final Exam	50%	Individual Examination
4 types	100%	

Assessment Type	Learning Outcome Addressed					
	1	2	3	4	5	6
Assignments	✓	✓		✓	✓	
Participation			✓	✓		
Test	✓	✓				
Final Exam		✓		✓	✓	✓

Workload Expectations

This course is a standard 15 point course and students are expected to spend 20 hours per week involved in each 15 point course that they are enrolled in.

For this course, you can expect 6 hours of lectures, a 1 hour tutorial, 7 hours of reading and thinking about the content and 6 hours of work on assignments and/or test preparation.

Delivery Mode

Campus Experience

Attendance is expected at scheduled activities including tutorials to complete components of the course.

Lectures will be available as recordings. Other learning activities including tutorials will not be available as recordings.

Attendance on campus is required for the test and exam.

The activities for the course are scheduled as a standard weekly timetable.

Learning Resources

Parrino, Au Yong, Dempsey, Morkel-Kingsbury, Ekanayake, James & Murray (2019)
Fundamentals of Corporate Finance. 3rd Ed. Wiley: Australia

Student Feedback

At the end of every semester students will be invited to give feedback on the course and teaching through a tool called SET or Qualtrics. The lecturers and course co-ordinators will consider all feedback and respond with summaries and actions.

Your feedback helps teachers to improve the course and its delivery for future students.

Class Representatives in each class can take feedback to the department and faculty staff-student consultative committees.

Digital Resources

Course materials are made available in a learning and collaboration tool called Canvas which also includes reading lists and lecture recordings (where available).

Please remember that the recording of any class on a personal device requires the permission of the instructor.

Academic Integrity

The University of Auckland will not tolerate cheating, or assisting others to cheat, and views cheating in coursework as a serious academic offence. The work that a student submits for grading must be the student's own work, reflecting their learning. Where work from other sources is used, it must be properly acknowledged and referenced. This requirement also applies to sources on the internet. A student's assessed work may be reviewed against online source material using computerised detection mechanisms.

Inclusive Learning

All students are asked to discuss any impairment related requirements privately, face to face and/or in written

form with the course coordinator, lecturer or tutor.

Student Disability Services also provides support for students with a wide range of impairments, both visible and invisible, to succeed and excel at the University. For more information and contact details, please visit the [Student Disability Services' website](http://disability.auckland.ac.nz) <http://disability.auckland.ac.nz>

Special Circumstances

If your ability to complete assessed coursework is affected by illness or other personal circumstances outside of your control, contact a member of teaching staff as soon as possible before the assessment is due.

If your personal circumstances significantly affect your performance, or preparation, for an exam or eligible written test, refer to the University's [aegrotat or compassionate consideration page](https://www.auckland.ac.nz/en/students/academic-information/exams-and-final-results/during-exams/aegrotat-and-compassionate-consideration.html) <https://www.auckland.ac.nz/en/students/academic-information/exams-and-final-results/during-exams/aegrotat-and-compassionate-consideration.html>.

This should be done as soon as possible and no later than seven days after the affected test or exam date.

Learning Continuity

In the event of an unexpected disruption we undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies. You will be kept fully informed by your course co-ordinator, and if disruption occurs you should refer to the University Website for information about how to proceed.

Student Charter and Responsibilities

The Student Charter assumes and acknowledges that students are active participants in the learning process and that they have responsibilities to the institution and the international community of scholars. The University expects that students will act at all times in a way that demonstrates respect for the rights of other students and staff so that the learning environment is both safe and productive. For further information visit [Student Charter](https://www.auckland.ac.nz/en/students/forms-policies-and-guidelines/student-policies-and-guidelines/student-charter.html) <https://www.auckland.ac.nz/en/students/forms-policies-and-guidelines/student-policies-and-guidelines/student-charter.html>.

Disclaimer

Elements of this outline may be subject to change. The latest information about the course will be available for enrolled students in Canvas.

In this course you may be asked to submit your coursework assessments digitally. The University reserves the right to conduct scheduled tests and examinations for this course online or through the use of computers or other electronic devices. Where tests or examinations are conducted online remote invigilation arrangements

may be used. The final decision on the completion mode for a test or examination, and remote invigilation arrangements where applicable, will be advised to students at least 10 days prior to the scheduled date of the assessment, or in the case of an examination when the examination timetable is published.