



## 1. General Course Information

### 1.1 Course Details

<b>Course Code:</b>	<b>2201AFE</b>
<b>Course Name:</b>	<b>Corporate Finance</b>
<b>Trimester:</b>	<b>Trimester 1, 2021</b>
<b>Program:</b>	Associate Degree in Commerce and Business
<b>Credit Points:</b>	10
<b>Course Coordinator:</b>	Eliot Sanft
<b>Document modified:</b>	11 September 2020

### Course Description

Corporate Finance is a 10 Credit Point course within the Associate Degree in Commerce and Business. The course is situated within the second year of the program. The Associate Degree in Commerce and Business is designed to provide students with a pathway to:

- further university studies in Commerce, Business and related degrees or
- direct employment

This course constructs a theoretical framework to view financial management decisions. It progresses from the acknowledgement that the financial dimension of decision making is only one area of concern, to develop a theory of capital asset pricing which describes a fundamental trade-off between risk and return.

### Assumed Knowledge

To successfully enrol in this Course, you must provide evidence that you have completed the following Courses:

- 1101AFE - Accounting Principles; or
- 1102AFE - Accounting for Decision Making

## 1.2 Teaching Team

Your lecturer/tutor can be contacted via the email system on the portal.

Name	Email
Eliot Sanft	eliot.sanft@staff.griffithcollege.edu.au

## 1.3 Staff Consultation

Your teacher is available each week for consultation outside of normal class times. Times that your teacher will be available for consultation will be given in the first week of lectures. A list of times and rooms will be published on the Griffith College Portal under the "Support and Services/Teacher Consultation Times" link.

## 1.4 Timetable

Your timetable is available on the Griffith College Portal at Class Timetable in Student and Services.

## 1.5 Technical Specifications

All students must have access to a computer or suitable mobile device.

## 2. Aims, Outcomes & Generic Skills

### 2.1 Course Aims

The course deals with the practical and theoretical aspects of economic decision making so that students can decide when an investment project is profitable and students are able to access the value of debt, equity in a firm. Students will learn the basic function of financial markets, the importance of cash flows, how to calculate future and present values, effective interest rates, investment projects, risk and return, and the role of debt in firm.

These skills are important for the understanding of accounting, marketing and management, as well as for students' individual economic decisions regarding matters like buying a car or a house, planning for children, retirement or starting up a firm.



### 2.2 Learning Outcomes

After successfully completing this course you should be able to:

1. Explain the process of capital budgeting and apply the techniques in the evaluation of projects to make correct investment decisions
2. Analyse the concept of capital structure and design solutions to long term financing decisions



## 2.3 Generic Skills and Capabilities

For further details on the Generic Skills please refer to the Graduate Generic Skills and Capabilities policy.

Griffith College aims to develop graduates who have an open and critical approach to learning and a capacity for lifelong learning. Through engagement in their studies, students are provided with opportunities to begin the development of these and other generic skills.

Studies in this course will give you opportunities to begin to develop the following skills:

Generic Skills and Capabilities		Taught	Practised	Assessed
Acquisition of discipline knowledge and skills with critical judgement		✓	✓	✓
Communication and collaboration			✓	✓
Self-directed and active learning		✓	✓	✓
Creative and future thinking		✓	✓	✓
Social responsibility and ethical awareness		✓	✓	✓
Cultural competence and awareness in a culturally diverse environment		✓	✓	



## 3. Learning Resources

### 3.1 Required Learning Resources

Course material such as learning experiences, learning content and course announcements will be made available through the course notes section of the Griffith College portal.

Required Text:

Ross, S., Drew, M., Walk, A., Westerfield, R., & Jordan, B. (2017). [Fundamentals of Corporate Finance](#) (7th ed.). North Ryde, NSW: McGraw-Hill.

### 3.2 Recommended Learning Resources

Clayman, M.R., Fridson, M.S. & Troughton, G. H. (2012). Chapter 1, Corporate Governance in Corporate Finance: a practical approach. John Wiley and Sons, Hoboken, New Jersey.

### 3.3 College Support Services and Learning Resources

The College provides many facilities and support services to assist students in their studies. Links to information about College support resources that are available to students are included below for easy reference.

[Digital Library](#) – Databases to which Griffith College students have access to through the Griffith Library Databases.

MyStudy – there is a dedicated website for this course via MyStudy on the Griffith College Portal.

[Academic Integrity Tutorial](#) - this tutorial helps students to understand what academic integrity is and why it matters. You will be able to identify types of breaches of academic integrity, understand what skills you will need in order to maintain academic integrity, and learn about the processes of referencing styles.

Services and Support provides a range of services to support students throughout their studies including academic advice and assignment help from Student Learning Advisors, and personal and welfare support from Student Counsellors.

[Jobs and Employment](#) in the Student Hub can assist students with career direction, resume and interview preparation, job search tips, and more.

[IT Support](#) provides details of accessing support, information on s numbers and internet access and computer lab rules.

### 3.4 Other Information about your Learning

#### **Attendance**

You are expected to actively engage in all learning experiences and learning activities which underpin the learning content in this course. You are expected to engage with the learning content and learning activities outside of timetabled class times. This requires you to be an active agent of your learning. You are expected to bring all necessary learning resources to class such as the required textbook and /or Workbook. In addition, you are encouraged to BYOD (bring your own device) to class such as a laptop or tablet. This is not a requirement as computer lab facilities are available on campus, however, the use of such devices in the classroom is encouraged with appropriate and considerate use principles being a priority.

#### **Preparation and Participation in Learning**

In order to enhance your learning, you need to prepare before participating in the learning experiences. Absorb the learning content and complete the learning activities that are provided online before you attend the scheduled learning experiences. Make sure you complete the learning activities set each week, they are designed to support your learning. Active participation in your learning will enhance your success. Ask questions when something is unclear or when you want to bring some issue to your teacher's attention; respond to questions to test your knowledge and engage in discussion to help yourself and others learn.

#### **Consultation Sessions**

Teachers offer extra time each week to assist students outside the classroom. This is known as 'consultation time.' You may seek assistance from your teacher on email or in person according to how the teacher has explained this to the class. Attendance during consultation time is optional but you are encouraged to use this extra help to improve your learning outcomes.

#### **Course Learning Materials**

Learning materials are made available to you in MyStudy on the Griffith College Portal. The learning materials are arranged in Modules. In each Module you will find the learning content, learning activities and learning experiences. Actively working your way through these course learning materials together with your teacher will prepare you to succeed when completing the evidence of learning (assessment).

**Self-Directed Learning**

You will be expected to learn independently. This means you must organise and engage with the course learning content even when you are not specifically asked to do so by your teacher. The weekly guide will be helpful to organise your learning. This involves revising the weekly course learning material and completing the learning activities. It also means you will need to find additional information to evidence your learning (assessment) beyond that given to you, and to construct your own response to a question or topic. All of this requires careful planning of your time. Expect to spend, on average, at least 10 hours per week including class time for each of your courses.

**Program Progression**

You are reminded that satisfactory Program Progression requires that attendance in classes is maintained at equal to or greater than 80%, and that GPA is maintained at equal to or greater than 3.5 [please see Griffith College Policy Library - [Program Progression Policy](#) - for more information].






**Teacher and Course Evaluation**

Your feedback is respected and valued by your teachers. You are encouraged to provide your thoughts on the course and teaching, both positive and critical, directly to your lecturer and tutor or by completing course and lecturer evaluations via Griffith College's evaluation tool whenever these are available.



## 4. Learning Content, Learning Activities and Learning Experiences

### 4.1 Modules for Learning and Weekly Learning Content, Learning Activities and Learning Experience


	 Learning Content	 Learning experiences	 Learning activities	 Evidence of learning	 Learning outcome
<b>Module 1: Project Analysis and Evaluation</b>					
1	<b>Introduction to Corporate Finance</b>  <b>Chapters 1, 2 &amp; 3</b>	Discussion: Finance as a major; role of finance manager Activity: Prepare financial statements	Videos Course Outline Prepare for in-class discussion and activities		1
2	<b>Corporate Governance</b>  <b>Clayman, Fridson</b> <b>Ch 1</b>	Discussion: Agency Problem Activity: Review the independence of directors of a plc	Videos Prepare for in-class discussion and activities	Topic 1 questions	1
3	<b>Simple and Compound Interest</b>  <b>Ch 5</b>	Discussion: Time value of money Activity: Present and future values, single/multiple cash flows	Videos Prepare for in-class discussion and activities	Short Report: Corporate Governance  Topic 2 questions	1
4	<b>Valuing Shares and Bonds</b>  <b>Ch 6</b>	Discussion: Present Value of an Investment Activity: Valuing Shares and Bonds	Videos Prepare for in-class discussion and activities	Quiz 1 Weeks 1 – 3 (5%) Topic 3 questions	1
5	<b>Net Present Value and other Investment Criteria</b>  <b>Ch 7</b>	Discussion: Project Evaluation Activity: Should I buy a Business	Videos Prepare for in-class discussion and activities	Topic 4 questions	1
6	<b>Making Capital Investment Decisions</b>  <b>Ch 8 and 9</b>	Discussion: Sensitivity and Scenario Analysis Activity: Best Case Worst Case Analysis	Videos Prepare for in-class discussion and activities	Quiz 2 Weeks 4 – 5 (5%)  Topic 5 questions	1
7	<b>First Exam Revision</b>  <b>Ch 1, 2, 3, 5, 6, 7, 8 and 9</b> <b>Clayman and Fridson Ch 1</b>	Practice Exam	Exam revision	First Exam Weeks 1 – 5 (30%)  Topic 6 questions	1

	<b>Module 2: Financing Projects</b>				
<b>8</b>	<b>Efficient Market Hypothesis</b>  <b>Ch 10</b>	<i>Discussion:</i> Capital Market History <i>Activity:</i> An Efficient Stock Market	<i>Videos</i> Prepare for in-class discussion and activities		
<b>9</b>	<b>Risk, Return and the Security Market Line</b>  <b>Ch 11</b>	<i>Discussion:</i> Relationship between Risk and Return <i>Activity:</i> When is an asset Over or Undervalued?	<i>Videos</i> Prepare for in-class discussion and activities	Topic 8 questions	2
<b>10</b>	<b>Cost of Capital</b> <b>Capital Market Structure</b>  <b>Ch 17 and 19</b>	<i>Discussion:</i> Cost of Equity and Debt <i>Activity:</i> Capital Structure of a plc	<i>Videos</i> Prepare for in-class discussion and activities	Quiz 3 Weeks 8 – 9 (5%)  Topic 9 questions	2
<b>11</b>	<b>Dividends and Dividend Policy</b>  <b>Ch 18</b>	<i>Discussion:</i> Who gets the gain from project  <i>Activity:</i> Dividends vs Share buyback	<i>Videos</i> Prepare for in-class discussion and activities	Topic 10 questions	2
<b>12</b>	<b>Second Exam revision</b>  <b>Ch 10, 11, 17, 18 and 19</b>	Practice Exam	Exam Revision	Topic 11 questions  Quiz 4 Weeks 10 – 11 (5%)  Second Exam (50%)	2



## 5. Evidence of Learning (Assessment Plan)

### 5.1 Evidence of Learning Summary

	 Evidence of learning	 Weighting	 Learning outcome	 Due Date
1	Online Quizzes x4	20%	1 and 2	Weeks 4, 6, 10, 12
2	First Exam	30%	1	Week 7
3	Second Exam	50%	2	Exam Period

### 5.2 Evidence of Learning Task Detail

**Online Quiz:** Students will be required to complete four (4) online quizzes, each worth 5%. This assessment item will be worth 10% for Module 1 and 10% for Module 2. Quiz 1 will be held in week 4 and cover chapters 1,2,3 and 5 from the textbook and chapter 1 from Clayman and Fridson. Quiz 2 will be held in week 6 and will cover chapters 6 and 7. Quiz 3 will be held in week 10 and will cover chapters 8, 9,10 and 11. Quiz 4 will be held in week 13 and will cover chapter 17,18 and 19. Students will have 1 hour to complete each quiz.

#### **First Exam:**

The first exam has a duration of 2 hours with a perusal time of 10 minutes, during which you can write on the exam paper. It consists of multiple-choice questions that are both theory and calculation and short answer questions covering corporate governance (Week 2) and making capital investment decisions (Week 5), the material covered in Chapters 1,2,3,5,6 and 7 of the textbook and Chapter 1 of Clayman and Fridson.

#### **Second Examination:**

The second exam is conducted during the formal examination period at the end of trimester. It will be of 2 hours duration with a 10 minute perusal. The exam covers the topics in Module 2 of the course which address financing capital expansion, in particular Chapters 8, 9, 10 to 11 and 17 to 19. It consists of problem-solving and short-answer questions.

### 5.3 Late Submission

An evidence of learning (assessment) item submitted after the due date, without an approved extension from the Course Coordinator, will be penalised. The standard penalty is the reduction of the mark allocated to the assessment item by 5% of the maximum mark applicable for the assessment item, for each working day or part working day that the item is late. Evidence of learning items submitted more than five working days after the due date are awarded zero marks.

Please refer to the Griffith College website - Policy Library > [Assessment Policy](#) for guidelines and penalties for late submission.

### 5.4 Other Information about Evidence of Learning

#### **Retention of Originals**

You must be able to produce a copy of all work submitted if so requested. Copies should be retained until after the release of final results for the course.



## Requests for extension

To apply for an extension of time for an evidence of learning item, you must submit an [Application for Extension of Assignment](#) form to your teacher at least 24 hours before the date the assignment is due. Grounds for extensions are usually: serious illness, accident, disability, bereavement or other compassionate circumstances and must be able to be substantiated with relevant documentation [e.g. [Griffith College Student Medical Certificate](#)]. Please refer to the Griffith College website - [Policy Library](#) - for guidelines regarding extensions and deferred assessment.

## Return of Evidence of Learning Items

1. Marks awarded for in-trimester evidence of learning items, except those being moderated externally with Griffith University, will be available on the Student Portal within fourteen [14] days of the due date. This does not apply to the final evidence of learning item in this course (marks for this item will be provided with the final course result).
2. Students will be advised of their final grade through the Student Portal. Students can review their final exam papers after student grades have been published. Review of final exam papers will not be permitted after the final date to enrol.
3. Marks for **all** evidence of learning items including the final exam (if applicable) will be recorded in the Moodle Course Site and made available to students through the Moodle Course Site.

*The sum of your marks of evidence of learning items in this course does not necessarily imply your final grade for the course. Standard grade cut off scores can be varied for particular courses, so you need to wait for the official release of grades to be sure of your grade for this course.*

## 6. Policies & Guidelines

Griffith College assessment-related policies can be found in the [Griffith College Policy Library](#) which include the following policies:

[Assessment Policy](#), [Special Consideration](#), [Deferred Assessment](#), [Alternate Exam Sitings](#), [Medical Certificates](#), [Academic Integrity](#), [Finalisation of Results](#), [Review of Marks](#), [Moderation of Assessment](#), [Turn-it-in Software Use](#). These policies can be accessed within the [Policy Library](#)

**Academic Integrity** Griffith College is committed to maintaining high academic standards to protect the value of its qualifications. Academic integrity means acting with the values of honesty, trust, fairness, respect and responsibility in learning, teaching and research. It is important for students, teachers, researchers and all staff to act in an honest way, be responsible for their actions, and show fairness in every part of their work. Academic integrity is important for an individual's and the College's reputation.

All staff and students of the College are responsible for academic integrity. As a student, you are expected to conduct your studies honestly, ethically and in accordance with accepted standards of academic conduct. Any form of academic conduct that is contrary to these standards is considered a breach of academic integrity and is unacceptable.

Some students deliberately breach academic integrity standards with intent to deceive. This conscious, pre-meditated form of cheating is considered to be one of the most serious forms of fraudulent academic behaviour, for which the College has zero tolerance and for which penalties, including exclusion from the College, will be applied.

However, Griffith College also recognises many students breach academic integrity standards without intent to deceive. In these cases, students may be required to undertake additional educational activities to remediate their behaviour and may also be provided appropriate advice by academic staff.

As you undertake your studies at Griffith College, your lecturers, tutors and academic advisors will provide you with guidance to understand and maintain academic integrity; however, it is also your responsibility to seek out guidance if and when you are unsure about appropriate academic conduct.

In the case of an allegation of a breach of academic integrity being made against a student he or she may request the guidance and support of a Griffith College Student Learning Advisor or Student Counsellor.

Please ensure that you are familiar with the Griffith College Academic Integrity Policy; this policy provides an overview of some of the behaviours that are considered breaches of academic integrity, as well as the penalties and processes involved when a breach is identified.

For further information please refer to the Griffith College website - Policy Library > [Academic Integrity Policy](#)

### **Reasonable Adjustments for Assessment – The Disability Services policy**

The [Disability Services policy](#) (accessed within the [Policy Library](#)) outlines the principles and processes that guide the College in making reasonable adjustments to assessment for students with disabilities while maintaining academic robustness of its programs.

### **Risk Assessment Statement**

There are no out of the ordinary risks associated with this course.

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