

# BUSA90094 Financial Management

<b>Credit Points:</b>	12.5																								
<b>Level:</b>	9 (Graduate/Postgraduate)																								
<b>Dates &amp; Locations:</b>	2015, Parkville This subject commences in the following study period/s: July, Parkville - Taught on campus. November, Parkville - Taught on campus.																								
<b>Time Commitment:</b>	Contact Hours: 30 hours Total Time Commitment: Not available																								
<b>Prerequisites:</b>	One of: <table border="1" data-bbox="386 584 1485 1133"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>BUSA90351 World of Management</td> <td>Not offered 2015</td> <td>12.50</td> </tr> <tr> <td>BUSA90350 World of Management</td> <td>Not offered 2015</td> <td>12.50</td> </tr> <tr> <td>BUSA90352 World of Management</td> <td>Not offered 2015</td> <td>12.50</td> </tr> <tr> <td>BUSA90354 World of Management</td> <td>Not offered 2015</td> <td>12.50</td> </tr> <tr> <td>BUSA90353 World of Management</td> <td>Not offered 2015</td> <td>12.50</td> </tr> <tr> <td>BUSA90480 Leadership</td> <td>January, March, June, August, September</td> <td>6.25</td> </tr> <tr> <td>BUSA90481 Social Responsibility and Ethics</td> <td>January, March, June, September</td> <td>6.25</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	BUSA90351 World of Management	Not offered 2015	12.50	BUSA90350 World of Management	Not offered 2015	12.50	BUSA90352 World of Management	Not offered 2015	12.50	BUSA90354 World of Management	Not offered 2015	12.50	BUSA90353 World of Management	Not offered 2015	12.50	BUSA90480 Leadership	January, March, June, August, September	6.25	BUSA90481 Social Responsibility and Ethics	January, March, June, September	6.25
Subject	Study Period Commencement:	Credit Points:																							
BUSA90351 World of Management	Not offered 2015	12.50																							
BUSA90350 World of Management	Not offered 2015	12.50																							
BUSA90352 World of Management	Not offered 2015	12.50																							
BUSA90354 World of Management	Not offered 2015	12.50																							
BUSA90353 World of Management	Not offered 2015	12.50																							
BUSA90480 Leadership	January, March, June, August, September	6.25																							
BUSA90481 Social Responsibility and Ethics	January, March, June, September	6.25																							
<b>Corequisites:</b>	None																								
<b>Recommended Background Knowledge:</b>	None																								
<b>Non Allowed Subjects:</b>	None																								
<b>Core Participation Requirements:</b>	<p>&lt;p&gt;For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.&lt;/p&gt;                     &lt;p&gt;It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: &lt;a href="http://services.unimelb.edu.au/disability"&gt;http://services.unimelb.edu.au/disability&lt;/a&gt;&lt;/p&gt;                 </p>																								
<b>Contact:</b>	Program Services <b><a href="mailto:programservices@mbs.edu">programservices@mbs.edu</a> (mailto:programservices@mbs.edu)</b>																								
<b>Subject Overview:</b>	<p>This course is an introduction to the theory and practice of finance. The unifying theme of this subject is value:</p> <ul style="list-style-type: none"> <li># How to <i>value</i> financial assets such as bonds and shares;</li> <li># How to <i>value</i> (today) the (future) cash flows from the investment projects that firms undertake;</li> <li># How to choose projects that increase the <i>value</i> of the firm to shareholders; and</li> <li># How to finance those projects so that shareholder <i>value</i> is maximised.</li> </ul>																								

	Lectures and cases will introduce discounting and interest rate mathematics, principles of valuation, the weighted average cost of capital, and capital structure of firms. Along the way we will develop knowledge and intuition about the purpose of the different components of the financial systems (financial markets, financial intermediaries and financial instruments) and how those components create value
<b>Learning Outcomes:</b>	At the conclusion of the subject, students should understand the following concepts: <ul style="list-style-type: none"> <li># Time value of money and discounted cash flow approach to valuing projects, shares, bonds, and enterprises;</li> <li># The basic functioning and purpose of capital markets (markets for stocks, bonds and other securities);</li> <li># The effects of information asymmetry in the financial system;</li> <li># Diversification and transfer of risk;</li> <li># The capital structure problem and cash payout choices faced by corporations; and</li> <li># How firms use weighted average cost of capital in choosing projects</li> </ul>
<b>Assessment:</b>	3 x syndicate case reports (10%) Throughout subject 4 homework sets (12.5%) Throughout subject Test 1 (10%) 30 minutes Test 2 (17.5%) 45 minutes Final examination (50%) 90 minutes Hurdle Requirement End of subject
<b>Prescribed Texts:</b>	None
<b>Breadth Options:</b>	This subject is not available as a breadth subject.
<b>Fees Information:</b>	Subject EFTSL, Level, Discipline & Census Date, <a href="http://enrolment.unimelb.edu.au/fees">http://enrolment.unimelb.edu.au/fees</a>