



*MISSION: Our mission is to advance responsible and impactful business knowledge. To achieve our mission, we develop life ready graduates and build global and local partnerships through ethical and innovative practices.*

## OVERVIEW

**Course Description** All firms face decisions amongst alternatives when determining both how the firm will be financed and which projects offer the greatest return on investment. ACFI2080 expands across the financing decisions of firms, considers the implications of competitive markets for management, sources of long-term financing, alternative methods of raising capital and the impact of mergers and acquisitions. Students engage in problem solving and decision-making techniques reflective of current professional practice.

**Contact Hours** **Workshop**  
Face to Face On Campus  
Two (2) hour(s) per Week for Full Term

Students are expected to complete 4 hours of guided learning via online preparation, lectures, interactive workshops, tutorials, discussion groups or self-directed learning and an additional 6 hours of independent study per week.

**Unit Weighting** 10  
**Requisites** Students must have successfully completed ACFI2070 to enrol in this course.

**Workload** Students are required to spend on average 120-140 hours of effort (contact and non-contact) including assessments per 10 unit course.

**Please refer to the course CANVAS site for details of teaching staff for ALL course offerings. The primary contact for courses is the Course Coordinator, whose details are listed on the course CANVAS site.**

**Course Learning Outcomes** **On successful completion of this course, students will be able to:**

1. Identify and explain the sources of long-term financing that affect a firm's financing decision;
2. Apply and analyse capital structure theories to the financing decision of firms;
3. Critically appraise the efficient market hypothesis including the impact of behavioural finance on efficient markets;
4. Apply the theory of mergers and acquisitions and evaluate the evidence and its implications for management;
5. Examine the characteristics of firms in distress and its associated implications; and
6. Analyse, synthesise and evaluate the outcomes of financial problems.

# COURSE OUTLINE

# ASSESSMENT DETAILS

This course has 3 assessments. Each assessment is described in more detail in the sections below:

|   | Assessment Name          | Due Date                              | Involvement | Weighting | Learning Outcomes |
|---|--------------------------|---------------------------------------|-------------|-----------|-------------------|
| 1 | Mid-Semester Examination | Week 8 – Time & Date to be determined | Individual  | 25%       | 1, 2, 3           |
| 2 | Report                   | Monday, Week 11 by 11:59 pm SGT       | Individual  | 25%       | 3, 6              |
| 3 | Final Examination        | Formal Examination Period             | Individual  | 50%       | 1, 2, 3, 4, 5, 6  |

**Please note: students are advised that all assessments must be submitted in English. Assessment items not submitted in English will receive a mark of zero.**

**Results of individual assessment items and final results, including those provided via the Learning Management System (LMS) are 'unofficial results' until they are confirmed as finalised by the School Assessment Body and the Head of School or delegate. Finalised results are released directly to students on the Fully Graded Date of the relevant Semester/Trimester.**

|                         |  |
|-------------------------|--|
| <b>Late Submissions</b> | The mark for an assessment item submitted after the designated time on the due date, without an approved extension of time, will be reduced by 10% of the possible maximum mark for that assessment item for each day or part day that the assessment item is late.<br><b>Note:</b> this applies equally to week and weekend days. |
|-------------------------|--|

## Assessment 1 – Mid Semester Examination

|                            |  |
|----------------------------|--|
| <b>Assessment Type</b>     | In Term Test   |
| <b>Purpose</b>             | This quiz requires you to demonstrate knowledge of financial concepts: particularly related to sources of long-term financing, methods of raising capital, capital structure decisions and market efficiency.  |
| <b>Description</b>         | In this quiz you will be required to answer multiple-choice and short-answer questions. You will be required to apply critical thinking and analytical problem-solving skills to provide reasoned and appropriate responses to the questions.  |
| <b>Weighting</b>           | 25%  |
| <b>Length</b>              | 95 minutes (including reading time)  |
| <b>Due Date</b>            | Week 8 – In Class  |
| <b>Submission Method</b>   | In Class   |
| <b>Assessment Criteria</b> | The following five (5) criteria will be applied: <ul style="list-style-type: none"> <li>– Demonstrated understanding of theory and relevant concepts</li> <li>– Demonstrated ability to solve problems</li> <li>– Accuracy of information/argument.</li> <li>– Clarity of expression</li> <li>– Relevance of answer to the question</li> </ul> |
| <b>Return Method</b>       | In class   |
| <b>Feedback Provided</b>   | Returned Work - Feedback will be provided to students in the following ways: <ol style="list-style-type: none"> <li>1. Marked mid-semester quizzes will be returned to students.</li> <li>2. The solution will be made available to students on CANVAS to use as feedback for reflection and development.</li> <li>3. In class</li> </ol>      |

## Assessment 2 - Report

|                        |   |
|------------------------|---|
| <b>Assessment Type</b> | Report  |
| <b>Purpose</b>         | The purpose of this assignment is to assess students' capacity to demonstrate their understanding of the efficient market hypothesis in a real-world setting.   |
| <b>Description</b>     | This assessment item relates to the following course learning outcomes: <ol style="list-style-type: none"> <li>1. Critically appraise the efficient market hypothesis including the impact of behavioural finance on efficient markets;</li> <li>2. Analyse, synthesise and evaluate the outcomes of a detailed financial problem.</li> <li>3. Reflect upon and interpret conclusions, communicating them in formats conducive to both audience and purpose.</li> </ol> |
| <b>Weighting</b>       | 25%   |

|                            |  |
|----------------------------|--|
| <b>Length</b>              | Maximum 2000 words   |
| <b>Due Date</b>            | Monday of Week 11 by 11:59 pm SGT  |
| <b>Submission Method</b>   | Online – via Turnitin  |
| <b>Assessment Criteria</b> | You will be assessed on the accuracy of your information and argument and clarity of expression.               |
| <b>Return Method</b>       | Online   |
| <b>Feedback Provided</b>   | Online - Feedback will be provided on the Course CANVAS site within two weeks of submission of the assignment. |

### Assessment 3 - Final Examination

|                            |   |
|----------------------------|---|
| <b>Assessment Type</b>     | Formal Examination  |
| <b>Purpose</b>             | The exam requires you to demonstrate knowledge of financial concepts' particularly related to the sources of long-term financing, methods of raising capital, capital structure decisions, market efficiency, mergers and acquisitions, and financial distress.   |
| <b>Description</b>         | <p>In this exam you will be required to answer multiple-choice and short-answer questions. You will be required to apply critical thinking and analytical problem-solving skills to provide reasoned and appropriate responses to the questions. Further information will be provided about the final exam and will be posted on CANVAS prior to the beginning of the last lecture.</p> <p>This course has a <b>RESTRICTED OPEN BOOK</b> examination. A memory aid is permitted. The memory aid is a single double sided A4 sheet of handwritten or typed notes for use during the examination. Note: memory aids must be left on the examination table and cannot be removed from the examination venue.</p> |
| <b>Weighting</b>           | 50%   |
| <b>Length</b>              | 120 minutes   |
| <b>Due Date</b>            | Formal Exam Period  |
| <b>Submission Method</b>   | Formal Examination  |
| <b>Assessment Criteria</b> | <p>The following five (5) criteria will be applied:</p> <ul style="list-style-type: none"> <li>– Demonstrated understanding of theory and relevant concepts</li> <li>– Demonstrated ability to solve problems</li> <li>– Accuracy of information/argument.</li> <li>– Clarity of expression</li> <li>– Relevance of answer to the question</li> </ul>   |
| <b>Return Method</b>       | Not Returned  |
| <b>Feedback Provided</b>   | No Feedback. Examination scripts will not be returned to students. Final examination scripts will be made available for review by students, upon request, in a controlled and monitored setting. Students are required to make requests, directly to the relevant course coordinator. Completed examination scripts are kept by the Newcastle Business School for a period of six (6) months only, from the relevant fully graded date. Requests made after the six (6) month period <b>cannot</b> be considered.   |

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# SYLLABUS

## Course Content

**Topics in the course include but are not limited to the following:**

1. Sources of long-term financing
2. Raising capital
3. Theories of capital structure
4. Market efficiency and implications of competitive markets for management
5. Mergers and acquisitions
6. Financial distress

## Course Materials

### Required Text:

Ross, S., Westerfield, R., Jaffe, J., and Jordan, B., *Corporate Finance*, 13<sup>th</sup> ed. (2022) – McGraw-Hill.

**ISBN:** 9781260772388

### Supplementary Text:

Peirson, G., Brown, R., Easton, S., Howard, P. and S. Pinder, *Business Finance*, 12<sup>th</sup> ed. (2015) – McGraw-Hill- city

**ISBN:** 978-1-74307-897-6

An additional readings list will be provided on the course CANVAS site.

# SCHEDULE

| Week | Topic   | Class Preparation   | Assessment   |
|------|---|---|--|
| 1    | Sources of Long-term Financing  | Read- Ross et al. Chapter 15                              |  |
| 2    | Raising Capital   | Read- Ross et al. Chapter 20                              |  |
| 3    | Capital Structure: Basic Principles                                     | Read- Ross et al. Chapter 16                              |  |
| 4    | Capital Structure: Limits to the Use of Debt                            | Read- Ross et al. Chapter 17                              |  |
| 5    | Market Efficiency - Part A<br>Introduction to Capital Market Efficiency | Read- Ross et al. Chapter 14<br>Peirson et al. Chapter 16 |  |
| 6    | Market Efficiency - Part A<br>Test of EMH and Evidence                  | Read- Ross et al. Chapter 14<br>Peirson et al. Chapter 16 |  |
| 7    | Market Efficiency - Part A<br>Test of EMH and Evidence (cont)           | Read- Ross et al. Chapter 14<br>Peirson et al. Chapter 16 |  |
| 8    | Mid-semester Examination  |   | <b>Assessment 1 due:</b> Mid-semester exam due in class - Week 8         |
| 9    | Market Efficiency - Part B<br>Behaviour Finance and Implications        | Read- Ross et al. Chapter 14<br>Peirson et al. Chapter 16 |  |
| 10   | Mergers and Acquisitions - Part A<br>Classification and Reasons for M&A | Read- Ross et al. Chapter 29                              |  |
| 11   | Mergers and Acquisitions – Part B<br>Valuation and Other Issues         | Read- Ross et al. Chapter 29                              | <b>Assessment 2 due:</b> Report due by 11:59 pm SGT on Monday of Week 11 |
| 12   | Financial Distress  | Read- Ross et al. Chapter 30                              |  |
| 13   | Revision  |   | Course Revision  |

**If a lecture/class is scheduled on a public holiday, a make-up lecture may be announced by the course coordinator on the course CANVAS site.**

# CONTACTS

## School Offices

### Newcastle Business School – Callaghan, Newcastle City & Online

NU Space  
409 Hunter Street  
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[nbs.enquiries@newcastle.edu.au](mailto:nbs.enquiries@newcastle.edu.au)  
+61 2 4921 5511

### Newcastle Business School - Ourimbah

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[cccbusiness-school@newcastle.edu.au](mailto:cccbusiness-school@newcastle.edu.au)  
+61 2 4349 4453

### Newcastle Business School - Sydney

55 Elizabeth Street  
Sydney  
[nbs-sydney@newcastle.edu.au](mailto:nbs-sydney@newcastle.edu.au)  
+61 2 82626432

### PSB Academy Enquiries

Log your question or request to the PSB Program Executives at the following website:  
<http://www.psb-academy.edu.sg/eng>  
+65 6390 9000

### Newcastle Australia Institute of Higher Education Pte Ltd

100 Victoria Street #13-01/02  
National Library Building  
Singapore  
[Singapore-StudentCentral@newcastle.edu.au](mailto:Singapore-StudentCentral@newcastle.edu.au)  
+65 6221 3306

# ADDITIONAL INFORMATION

## Grading Scheme

This course is graded as follows:

| Range of Marks | Grade                 | Description  |
|----------------|-----------------------|--|
| 85-100         | High Distinction (HD) | Outstanding standard indicating comprehensive knowledge and understanding of the relevant materials; demonstration of an outstanding level of academic achievement; mastery of skills*; and achievement of all assessment objectives.          |
| 75-84          | Distinction (D)       | Excellent standard indicating a very high level of knowledge and understanding of the relevant materials; demonstration of a very high level of academic ability; sound development of skills*; and achievement of all assessment objectives.  |
| 65-74          | Credit (C)            | Good standard indicating a high level of knowledge and understanding of the relevant materials; demonstration of a high level of academic achievement; reasonable development of skills*; and achievement of all learning outcomes.            |
| 50-64          | Pass (P)              | Satisfactory standard indicating an adequate knowledge and understanding of the relevant materials; demonstration of an adequate level of academic achievement; satisfactory development of skills*; and achievement of all learning outcomes. |
| 0-49           | Fail (FF)             | Failure to satisfactorily achieve learning outcomes. If all compulsory course components are not completed the mark will be zero. A fail grade may also be awarded following disciplinary action.  |

\*Skills are those identified for the purposes of assessment task(s).

|                                     |  |
|-------------------------------------|--|
| <b>Communication Methods</b>        | Communication methods used in this course include: <ul style="list-style-type: none"> <li>- CANVAS Course Site: Students will receive communications via the posting of content or announcements on the CANVAS course site.</li> <li>- Email: Students will receive communications via their student email account.</li> <li>- Face to Face: Communication will be provided via face to face meetings or supervision.</li> </ul>   |
| <b>Course Evaluation</b>            | Each year feedback is sought from students and other stakeholders about the courses offered in the University for the purposes of identifying areas of excellence and potential improvement.   |
| <b>Oral Interviews (Vivas)</b>      | As part of the evaluation process of any assessment item in this course an oral examination (viva) may be conducted. The purpose of the oral examination is to verify the authorship of the material submitted in response to the assessment task. The oral examination will be conducted in accordance with the principles set out in the <a href="#">Oral Examination (viva) Procedure</a> . In cases where the oral examination reveals the assessment item may not be the student's own work the case will be dealt with under the <a href="#">Student Conduct Rule</a> .  |
| <b>Academic Misconduct</b>          | All students are required to meet the academic integrity standards of the University. These standards reinforce the importance of integrity and honesty in an academic environment. Academic Integrity policies apply to all students of the University in all modes of study and in all locations. For the Student Academic Integrity Policy, refer to <a href="https://policies.newcastle.edu.au/document/view-current.php?id=35">https://policies.newcastle.edu.au/document/view-current.php?id=35</a> .  |
| <b>Adverse Circumstances</b>        | The University acknowledges the right of students to seek consideration for the impact of allowable adverse circumstances that may affect their performance in assessment item(s). Applications for special consideration due to adverse circumstances will be made using the online Adverse Circumstances system where: <ol style="list-style-type: none"> <li>1. the assessment item is a major assessment item; or</li> <li>2. the assessment item is a minor assessment item and the Course Co-ordinator has specified in the Course Outline that students may apply the online Adverse Circumstances system;</li> <li>3. you are requesting a change of placement; or</li> <li>4. the course has a compulsory attendance requirement.</li> </ol> Before applying you must refer to the Adverse Circumstances Affecting Assessment Items Procedure available at: <a href="https://policies.newcastle.edu.au/document/view-current.php?id=236">https://policies.newcastle.edu.au/document/view-current.php?id=236</a> |
| <b>Important Policy Information</b> | The Help button in the Canvas Navigation menu contains helpful information for using the Learning Management System. Students should familiarise themselves with the policies and procedures at <a href="https://www.newcastle.edu.au/current-students/no-room-for/policies-and-procedures">https://www.newcastle.edu.au/current-students/no-room-for/policies-and-procedures</a> that support a safe and respectful environment at the University.  |

*This course outline was approved by the Head of School. No alteration of this course outline is permitted without Head of School approval. If a change is approved, students will be notified and an amended course outline will be provided in the same manner as the original.*

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