

Syllabus

for course at first level

Finance I
Finansiering I

7.5 Higher Education
Credits
7.5 ECTS credits

Course code:	FE1103
Valid from:	Spring 2014
Date of approval:	2011-07-08
Changed:	2013-12-02
Department	Stockholm Business School
Main field:	Företagsekonomi
Specialisation:	G1N - First cycle, has only upper-secondary level entry requirements

Decision

This syllabus was approved by the Director of Undergraduate Studies at Stockholm University School of Business 2011-07-08, revised 2013-12-02.

Prerequisites and special admittance requirements

Swedish upper secondary school courses English B, Mathematics C and Social Sciences A or equivalent.

Course structure

Examination code	Name	Higher Education Credits
1103	Finance I	7.5

Course content

The ability to assess the value of investments and financial assets, and thus the ability to discuss decisions, is an important aspect of business administration. FIN-I deals with quantitative methods in order to carry out this assessment.

The course covers basic investment appraisal and simple evaluation of businesses and financial assets (e.g. stocks), taking into account the value of money at different times. Issues relating to capital structure and corporate governance are also addressed. In addition to lectures, the course comprises voluntary accounting exercises and voluntary group exercises to be completed according to specific instructions. The course is examined on the basis of a written, individual examination. The final examination may also include assignments in the form of continuous preparation for and participation in the course's group exercises.

Learning outcomes

Intended Learning Outcomes

The overall aim of the course is to introduce students to basic concepts and quantitative methods that can be used to discuss and solve problems relating to investment appraisal and financial management in businesses and other organisations.

Upon completion of the course, students are expected to be able to:

Knowledge and understanding

1. Identify and define basic concepts and methods used to assess the profitability of investment projects;
2. Identify and define basic concepts and methods of financing, such as risk analysis, portfolio theory, options, stocks, and bonds;

Skills and abilities

3. Apply and perform calculations on the basis of different types of valuation models and other financial models;
4. Discuss the capital structure and dividend policy of a company;

Judgement and approach

5. Evaluate information from quantitative decision models in relation to other conditions of importance to a company's decisions on matters relating to investment and financing;
6. Combine different financial models for making financial decisions.

Education

The course consists of a combination of lectures, seminars and group work and requires a significant portion of self-study on the part of students. Assessment for the course will be continuous and is carried throughout the different activities of the course.

The course workload (model: 40 hours per week equivalent to 1,5 ECTS) is allocated as follows:

Teacher-led lectures: 32 hours

Teacher-led seminars: 7 hours

Optional calculation tutorials: 27 hours

Calculation exercises: 16 hours

Self-studies: 100 hours

Assessment: 16 hours

Total workload: 200 hours equivalent to 7,5 ECTS.

The language of instruction is Swedish.

Forms of examination

Assessment for the course will be continuous and is carried throughout the different course activities. Each assessment task is weighted in relation to its importance in the overall assessment of the course. The student's results from the different assessment tasks are added up to a total course score that will then translate into the final grade for the course.

Assessment tasks

The course contains the following weighted assessment tasks.

1. Individual final examination: assesses intended learning outcomes 3, 4, 5, 6; constitutes 75% of total course points.
2. Assessment task 2, MCQ-test, part 1: assesses intended learning outcomes 1, 3; constitutes 10% of total course points.
3. Assessment task 3, MCQ-test, part 2: assesses intended learning outcomes 2, 3; constitutes 10% of total course points.
4. Assessment task 4, seminars: assesses intended learning outcomes 1, 2, 3, 4, 5, 6; constitutes 5% of total course points.

Grading

After completion of the course, students will receive grades on a scale related to the intended learning outcomes of the course. Passing grades are A, B, C, D and E. Failing grades are Fx and F. A grade Fx can be completed for a grade E.

A course comprises 0–100 course points. Receiving a final passing grade requires ≥ 50 course points. The scale for the final grade is tied to fixed score intervals: A: 90-100; B: 80-89; C: 70-79; D: 60-69; E: 50-59; Fx: 45-49; F: 45. The grades correspond to the total score points a student obtains (over a total of 100) for all the weighted assessment tasks combined as part of the continuous assessment for the course.

Each assessment task is awarded 0–100 points. The score for a single assessment task is the number of points multiplied by its percentage weight, and the combined total of score points for all weighted assessment tasks for the course are added up to a final score between 0 and 100 which then translates into a corresponding final course grade between A and F.

Assessment tasks 1, 2 & 3 are assessed on a 100-point scale.

Assessment task 4 is assessed on a 100-point scale in two intervals:

- Pass: 50% = 100 points.

- Weak: 50% = 0 points.

The student is responsible for completing the course's assessment tasks: that a sufficient amount of course points is earned and a passing course grade is obtained. The course's final assessment task can be taken twice: 1) during the course's first scheduled occasion; and, if a passing result (≥ 50 course points) was not achieved at the first occasion, 2) at the course's second, scheduled occasion. All other assessment tasks are offered once during the course.

A passing grade (A–E) in the course is obtained when a student has achieved ≥ 50 course points.

A failing grade (Fx or F) in the course is obtained when a student has not achieved ≥ 50 course points:

- If 45–49 course points are achieved, a grade Fx is obtained, which can be completed for a grade E within 3 semester weeks after receiving instructions from the course director. If a complementary task is not completed within this time limit, and the course's two final assessment tasks have been accomplished, the course grade Fx is confirmed, implying that the student must re-register for the course and that previously acquired course points are forfeited. Note that first-time registered students have priority access to the seminar groups.

- If 45 course points are achieved, a grade F is obtained, implying that the entire course must be retaken and that previously acquired course points are forfeited.

Re-registration implies that:

- first-time registered students have priority access to the course's group registration;

- the final assessment task can be re-assessed without attendance at any of the course's other learning activities and without points from the course's other assessment tasks accredited.

Students receiving a passing grade may not retake the final examination or complete a previously not completed assessment task to attain a higher grade. A passing grade may not be turned into a failing grade upon the request of a student.

Assessment criteria

Assessment criteria are designed as overall assessments, combined qualitative descriptions of what the student is expected to do in order to demonstrate how well the course's learning outcomes are achieved. The assessment criteria are based upon the general abilities as expressed in the degree objectives of the Higher Education Ordinance (appendix 2, System of Qualifications). The list of abilities below is a compilation of these degree objectives. To pass the course (grade E) students should demonstrate general ability to:

- recall, understand and explain course content, the course subject and its scientific basis and methodology;

- apply course content;
- critically analyse course content;
- problematise course content;
- orally and in writing, present and discuss course content;
- assess course content in terms of scientific, social, and ethical aspects;
- relate course content to current social issues;
- meet standards of written presentation and formal accuracy.

The following assessment criteria are used to decide to what extent students have demonstrated these abilities and hence fulfil the course's intended learning outcomes, whereby a grading decision can be made. A higher grade-level presupposes the abilities at lower levels.

A (Excellent)

The student demonstrates ability to evaluate and relate to the content of the course from a comprehensive, critically reflective perspective, as well as to transfer and apply insights in new, meaningful contexts.

B (Very Good)

The student demonstrates ability to, from an overarching and coherent perspective of the field, understand and use concepts to explain how different aspects of the course relate to each other, interconnect and become meaningful.

C (Good)

The student demonstrates ability to discuss the content, tasks and complex issues dealt with in the course from several well-developed but mainly independent perspectives.

D (Satisfactory)

The student demonstrates satisfactory ability to discuss the content, tasks and complex issues dealt with in the course in a way that, albeit in-depth and elaborate, is decidedly one-dimensional.

E (Sufficient)

The student demonstrates sufficient ability to discuss the content, tasks and complex issues dealt with in the course in a way that is decidedly one-dimensional.

Fx (Fail)

The student's knowledge, skills and abilities display minor flaws, overall or in significant parts.

F (Fail)

The student's knowledge, skills and abilities display major flaws, overall or in significant parts.

Interim

If the course is discontinued, or its contents are substantially altered, students have the right to be examined according to this syllabus once per semester for three further semesters.

Limitations

The course cannot be included as part of a degree in conjunction with other similar courses accomplished at other universities in Sweden or abroad.

Required reading

Required Reading

- Berk – DeMarzo (2013), Corporate Finance, Pearson 3rd Global Edition.
ISBN-10: 0273792024 or ISBN-13: 9780273792024. Also available with a vocabulary list

(Swedish/English): ISBN 9781782731788.

The following chapters are covered in the course: 1-11, 14, 15, 17, 20, 21 and 29.

Recommended Reading

- A selection of academic articles (updated each semester, see the study guide).