



Business

MASTER OF COMMERCE (APPLIED FINANCE)

Duration: 1.5 –5 years

Intake: January, April, July, October

Campus: The University of Adelaide – Singapore Campus

Number of Courses: 12 courses

Fee per Module: S\$2,407.50 (incl. 7% GST)

Application Fee: S\$107 (incl. 7% GST) upon application submission. The application fee will be fully refunded if unsuccessful in meeting the entry requirements.

Total Tuition Fee: S\$28,890 (incl. 7% GST)

Prerequisites/Entry Criteria:

- Have qualified for an Ordinary degree of the University of Adelaide in an appropriate field of study, or a degree of another institution accepted by the Faculty for the purpose as equivalent.

Extra Admission Requirements: For non-English speaking background applicants, minimum English language proficiency is required, as follows:

- IELTS of at least 6.5 with minimum of 6.0 in all bands; or
- Paper-based TOEFL of 573 with minimum of 4.5 in Test of Written English (TWE); or
- Computer-based TOEFL of 230 with minimum Essay rating of 4.5; or
- Internet-based TOEFL of 90 with minimum of 20 in all bands

Faculty: Professions

School: Business

Website: www.adelaide.edu.au/sg

Email: registrar@naaec.com.sg

Program Overview: The program is designed to provide analytical tools and new skills in the field of finance to candidates possessing undergraduate degrees in finance or non-finance disciplines. It will provide the foundation for a career as an analyst, consultant or manager in the financial services sector comprising banks, investment institutions, capital market dealers, and financial planning consultancy.

Assessments: Assignments and examination

Likely Careers: Financial services analyst, consultant or manager. Diverse career paths are found in areas such as investing, treasury, risk management and corporate restructuring.

Professional Accreditation: Provides the grounding to proceed to the professional studies of the Chartered Financial Analysts Institute (CFA).

CORE COURSES

Foundation Courses:

Accounting Concepts and Methods

Economic Principles

Principles of Finance

Quantitative Methods

Four financial courses, from the following Finance Core Courses list:

Equity Valuation and Analysis

Fixed Income Securities

Options, Futures and Risk Management

Portfolio Theory and Management

* Plus two from the following Finance Elective list:

Corporate Investment and Strategy

International Finance

Money Banking and Financial Markets IIID

Corporate Finance Theory

Treasury and Financial Risk Management (M)

ELECTIVE COURSES

Two electives may be chosen from another discipline within the Master of Commerce programs. The accounting course not already selected from the six core accounting courses may be included as the elective

Commercial Law and Information Systems

Corporate Law

Intermediate Financial Reporting

Management Accounting

Advanced Financial Accounting

Auditing and Assurance Services

Income Taxation

Business Taxation and GST

Financial Statement Analysis

* Not all electives are offered each year.

MBA electives are available to students that have at least 2 years of managerial experience.

COURSE DESCRIPTION

Foundation Courses

Accounting Concepts and Methods: This course introduces students to the fundamentals of financial accounting practice. It develops students' understanding of key accounting concepts, recording methods and measuring and disclosing requirements. Topics include an introduction to accounting information in decision contexts, the conceptual framework. Income Statement and Balance Sheet, recording financial transactions, adjusting entries and the accounting cycle, inventory, revaluations, cost of acquisition, depreciation, introductory financial statement analysis, organisational structures (sole proprietors, partnerships, companies, not for profit), cash flow statements, and other selected issues relating to financial reporting standards.

Economic Principles: Participants in this course will develop the essential ability to understand economic events, analyse their impact on the financial markets and financial instruments, and propose appropriate courses of action. To do this, the student should understand the basic principles of macroeconomics and microeconomics and be conversant with the various economic indicators used. Also, the student should be able to utilize the tools of economic analysis to perform company and industry competitive analysis.

Principles of Finance: Risk and return are key concepts in investment. This module discusses the measurement of risk and return. The relationship between risk and return is examined through the various methods of valuation and asset pricing models. Capital budgeting techniques cost of capital and issues of capital structure are also covered as these enable the student to assess the investment plans of companies.

Quantitative Methods: The purpose of this course is to provide the students with basic mathematical and statistical concepts to analyse, value, and manage investment portfolios. Students are also exposed to more advanced topics of data analysis. Emphasis is placed on the extensive use of computer statistical packages e.g. SAS, SPSS, to perform data analysis. Students are expected to have hands-on experience in application of quantitative methods to problems of investment.

Finance Core Courses

Equity Valuation and Analysis

Prerequisite: *Principles of Finance, Quantitative Methods (M), Accounting Concepts and Methods*
This module enables the student to analyse stocks from a fundamental perspective. After completing the module, the student should be able to derive an intrinsic value for a stock. The student should also be able to discuss the qualitative factors like the strengths and weaknesses and the competitive environment in which the company operates. Special situations like corporate restructuring or mergers and acquisitions are



discussed. As many companies are not publicly listed, the valuation of such companies as well as the role of venture capital needs to be examined. This module also provides an overview of the equity market and discusses alternative trading methods.

Fixed Income Securities

Prerequisite: Principles of Finance

This module covers the valuation of fixed-income securities. As the pricing of bonds depend on interest rate changes, the term structure of interest rates is examined. The varieties of debt instruments are discussed as well as the different types of risk, e.g. default and country risk. Immunisation strategies are also analysed. Institutional aspects of the fixed income market like credit ratings are also covered.

Options, Futures and Risk Management

Prerequisite: Equity Valuation and Analysis, Fixed Income Securities, Corporate Finance Theory

This module introduces students to derivative instruments and the markets they trade in. The student will also learn how these instruments are priced and used for both speculation and hedging. In particular, the use of derivatives to limit risk exposure will be examined in depth.

Portfolio Theory and Management

Prerequisite: Equity Valuation and Analysis, Fixed Income Securities, Corporate Finance Theory

Portfolio management begins with management objectives. This is followed by the construction of the appropriate portfolio to reflect those objectives. A key issue in portfolio management is the asset allocation problem. Further, the relative merits and value of the various investment styles and strategies are also discussed. As the market or other circumstances change there is a need to monitor and rebalance the portfolio. Another aspect of portfolio management is the managing of portfolio risk. Various approaches to solve this problem are considered including the use of derivatives. As the computer is used extensively in portfolio management, the use of IT is also included.

Treasury and Financial Risk Management (M)

Assumed Knowledge: at least two courses at finance specialisation level. The course examines the process and instruments used in treasury management and their application in hedging risk and creating risk profiles. *Topics:* money market instruments and management including yield curve, convexity and price value of basis point, bond portfolio management, bond hedging and trading; derivatives including futures, interest rate swaps, currency swaps, credit derivatives; the management of market, credit, liquidity and operations risks, and computing the value of risk. These issues are examined from the view point of both financial and non-financial organisations.

Finance Elective Courses (choose 2)*

Corporate Investment & Strategy (M)

This course examines techniques and issues in corporate finance with a focus on corporate investment decisions. Topics include stock valuation using free cash flow technique, valuation of growth opportunities, determining sustainable growth rates, estimation of beta using online data, techniques for evaluating international investment proposals, application of option pricing models in a corporate setting, and evaluation of techniques for measuring financial performance.

International Finance: The course has two major elements: the first is the management of exchange rate risk; the second is global financing and investment decisions. The emphasis is on the financial management of an international business. Participants will learn about the mechanisms commonly used to manage the

problem of foreign exchange risk; how decisions such as a cross listing on a major stock exchange can lead to an increase in business value; and consider some of the main issues which arise when a company pursues a strategy of global expansion. International parity relations; international debt and equity markets; foreign exchange spot and derivatives markets; and international financing and capital budgeting decisions are amongst those topics that will be discussed.

Money Banking and Financial Markets: This course links the fields of macroeconomics and finance. It provides coverage of economic principles that underlie the operation of banks and other financial institutions. The role of money in the economy and the impact of monetary policy on the macro-economy are emphasised, as is understanding the foreign exchange market and international finance. More broadly, this course will develop simple economic tools which will allow students to systematically analyse some of the important monetary and financial problems and developments in the world economy (such as crises in emerging economies). This course provides a smooth transition for those intending to pursue economics at the professional level.

Corporate Finance Theory

Prerequisite: Principles of Finance, Accounting Concepts and Methods

This course will focus on the investment and financing decisions and policies of corporations. There will be a focus on theory, and it emphasises skills in developing economic explanations for financial phenomena. Additionally, the course will aim to provide some opportunities for the practical implementation of the main concepts covered.

Elective Courses (choose 2)*

Commercial Law and Information Systems

This course is designed to provide students with an understanding of the legal framework for business entities, particularly in relation to their commercial transactions. The course also introduces students to business information systems, including roles and types of information systems, software and technological developments.

Corporate Law

Prerequisite: Commercial Law and Information Systems

The course will help students understand the laws relating to business structures including sole traders, partnerships, joint ventures and trusts. *Topics:* constitutional background and history of companies legislation, the concept of corporate personality, distinguishing features of different types of companies, authority of agents to bind the company, pre-registration contracts, company capital, management of the company, company financial reporting, auditors and directors duties, members' rights, voluntary administration, receivers, and winding up of companies.

Intermediate Financial Reporting (M)

Prerequisite: Accounting Concepts and Methods This course extends students knowledge of corporate external financial reporting. It focuses on corporate disclosure and measurement issues and practices in a regulated environment. Topics include measurement of income, assets, and liabilities (including provision accounting), accounting for Income Tax, non-current assets (acquisition, subsequent cost or revaluation model, impairment of individual assets and cash generating units), intangible assets and goodwill, accounting for leases, employee benefits and share based payments, foreign currency transactions, and accounting for financial instruments (including hedging).

Management Accounting

Prerequisite: Accounting Concepts and Methods

The course introduces students to contemporary management accounting concepts and techniques. Topics: the role of accountants in internal decision-making, tools used to design and develop costing systems, preparation of budgets and their role as a planning and control tool, other decision-making tools including CVP analysis, pricing decisions, inventory issues and costs of quality.

Advanced Financial Accounting

Prerequisite: Intermediate Financial Reporting

This course focuses on the theory and practice of corporate investments and transactions between the company and other parties (for example related parties and superannuation funds). It investigates various theories and their applications relating to management incentives for the provision of corporate information and its use in capital markets. Topics include company consolidations (pre-acquisition, intra-group transactions, minority interest), associates and joint ventures, foreign currency translations, related parties, segment reporting and superannuation.

Auditing and Assurance Services

Prerequisite: Intermediate Financial Reporting

The course examines the principles and practices of internal and external auditing. Topics: auditing as a component of recurrent and strategic activities, risk assessment, internal control, systems evaluation, forensic accountability, and contemporary audit issues and challenges.

Income Taxation: The objective of the course is to help students understand the fundamental concepts of income tax law. Topics: jurisdiction to tax, assessable income, including capital gains and losses, non-assessable income, deductions, tax accounting, tax entities, anti-avoidance, and tax administration.

Business Taxation and GST: The objective of the course is to help students understand the law and application of key types of business tax and the goods and services tax. The course aims to build upon the concepts covered in Income Tax Law (M) and this subject, or an equivalent undergraduate Income Tax Law subject, is assumed knowledge. Topics to be covered include: an Introduction to Business Taxes, including a review of the taxation of business income and a review of recent business tax reforms; Business Tax Entity Issues, including taxation of entity distributions, treatment of losses and entity consolidations; Capital Gains Tax Special Topics, including roll-over relief and the application of the Small Business CGT concessions; Goods and Services Tax fundamental concepts; Remuneration Taxes, including fringe benefits tax and superannuation guarantee charge; State Business Taxes, including land tax, payroll tax and stamp duties and International tax issues. The course will apply the concepts to facilitate tax Planning, and in particular with respect to highlighting the various issues on the acquisition and disposal of a business.

Financial Statement Analysis

Prerequisite: Accounting Concepts and Methods

This module comprises Singaporean, Asian and international case studies based on listed companies in various industries. The cases require participants to analyse and interpret financial and non-financial information from the perspectives of investment and credit analysts. In the process, participants learn how to construct and interpret projected statements of income, financial positions and cash flows.