



BUSINESS SCHOOL
Te Kura Pakihi

COURSE OUTLINE

FINC204 ***Personal Finance***

Summer School, 2017

This course outline contains information specific to this paper. For more general information common to your papers, please refer to the COMMERCE_UG_2017: Commerce Undergraduate Students site on Blackboard.

Paper Description and Aims

This paper aims to give students the knowledge and ability to plan, analyse and evaluate alternatives in the following areas: Using the services of financial institutions; Consumer purchasing decisions and consumer credit; Home ownership and mortgage financing; The types of insurance available, their benefits and limitations; The major investments available to personal investors (Fixed Income, Shares, Managed Funds and Property, including tax implications); Diversification of assets; Providing an Income in Retirement; Estate planning (wills, trusts and enduring powers of attorney).

Learning Outcomes

Upon successful completion of this paper, you should be able to:

- 1) Explain the role of financial institutions
- 2) Understand the time value of money;
- 3) Analyse and evaluate alternatives of consumer credit;
- 4) Understand the housing decision process;
- 5) Analyse the major investments available to personal investors;
- 6) Select appropriate insurance products to cover personal and property risks;
- 7) Assess the effectiveness of retirement strategies such as superannuation funds.
- 8) Explain the importance of estate planning.

Teaching Staff

Paper Coordinator

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Lecturer

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Office Hours: Wednesday 10am – 12noon

You should contact *the lecturer* with any administrative enquiries about the paper, e.g. tutorial changes, or requests for late submission of assignments.

Class Representatives

Class representatives are an important means of communication between students and staff. Contact details for your student class representatives can be found on the Blackboard page for this paper.

Course Delivery

Lecture Day/Time: Tuesday 2 – 3pm and Thursday 10 – 11.50pm
Room: BURNS4

Every week students must attend all lectures.

In line with the course objectives - to provide students with the knowledge and ability to analyse and evaluate alternatives - classes will be a combination of both lecture and tutorial style.

Lecture component will cover valuation techniques and material of an academic nature.

Tutorials will cover practical problems and students will be required to find out what alternatives solutions are available. In these sessions the class will be split into groups to work on real life case study problems. The key feature of tutorials, as opposed to lectures and individual study, is participation of all members of the tutorial group.

Students are expected to prepare for and attend all classes to gain full benefit from the course.

Course Learning Resources

There are no prescribed text books for this paper. However there are a number of applicable publications which it is recommended you seek out:

1. Personal finance articles on the NZ Herald website
2. National Business Review (NBR)
3. NZ Stock Exchange (NZX) website
4. Sorted: www.sorted.org.nz
5. Other material, of which you will be advised in lectures

Blackboard

<https://blackboard.otago.ac.nz/> provides you with access to course materials, class notices, and resources. Blackboard is used to email the whole class so it is important that you check your student email and *Blackboard* regularly.

Further information about student support, learning support and information, academic integrity and other University resources for students is available on the COMMERCE_UG_2017: Commerce Undergraduate Students site on Blackboard.

Student Webmail

IMPORTANT - DO THIS NOW:

Forward your University email address to an email address that you use regularly as follows:

1. [Log into your StudentMail account](#) using your student username and password
2. Click **Cog button (top right corner) > Options**
3. Under **Account**, select the **Forward your email** shortcut under the **Short Cuts** menu on the right side of the screen.
4. Under the Forwarding heading, type in the email address you want your email to be forwarded to. You can also choose to have a copy of these emails kept on your StudentMail account, so please check the box if you would like this.
5. Click the **Start forwarding** button.

Assessment

All material presented is examinable (except where stated otherwise) by assignments and the quizzes. All important assessment information such as due dates and times, content, guidelines and so on will be discussed at lectures and, where appropriate, detailed on Blackboard. *Students are responsible for ensuring that they are aware of this information, keeping track of their own progress, and catching up on any missed classes.*

Assessment		% of final grade	
Group Work – Case Study		50	
Individual Work – In Class quizzes (3 x 15%)		45	
Class Contribution		5	
Total		100	

Course Requirements

To pass the course you must obtain an average of a least 50% in the three quizzes and gain an overall grade of at least 50%

Referencing Style and Style Guide

Here is a link to the style guide: <http://slc.otago.ac.nz/find-online-resources/#writing>

Style guides are also available on the University Library website:

<http://www.otago.ac.nz/library/quicklinks/citation/index.html>

Course Calendar

Lecture/ Tutorial	Week Commencing	Lecture Topic	Tutorial Topic
	Tuesday 10 January	Introduction	Banking and Budgeting discussion
	Thursday 12 January	Time Value of Money 1	TVM practice
	Tuesday 17 January	Time Value of Money 2	Quiz 1
	Thursday 19 January	Rent v Buy, Amortisation	Mortgage discussion
	Tuesday 24 January	Property Investment	Property Investment discussion
	Thursday 26 January	Insurance	Insurance discussion
	Tuesday 31 January	Share and Bond Primer	Quiz 2
	Thursday 2 February	Portfolio Management and Superannuation	Investment Portfolios
	Tuesday 7 February	Estate Planning	Trusts
	Thursday 9 February	Checklists for case studies	Group Meetings
	Tuesday 14 February	Course studies	Quiz 3
	Thursday 16 February	Course review	Course review

**Summer School Classes Cease 17 February
University summer school Exam Period 18 - 23 February 2017**

Disclaimer

While every effort is made to ensure that the information contained in this document is accurate, it is subject to change. Changes will be notified in class and via Blackboard. Students are encouraged to check Blackboard regularly. It is the student's responsibility to be informed.