Summer School Programme

COURSE CONTENT OUTLINE

Course title: Principles of Finance Summer School
Academic Course Director: Dr Lara Cathcart
Category: Finance
Code: PFSSC
Direct contact hours: 45 hours
Academic level: Equivalent to an undergraduate course
Suggested credit level: 3 - 4 US credits / 7.5 ECTS’s*
Entry requirement: A level maths or equivalent (B grade minimum)

*A student’s home institution will determine how much credit is awarded.

COURSE AIMS

This course serves as an introduction to the core concepts in finance. Students taking this course should expect to learn the nature and workings of financial markets and their use by corporations, investors and others. They will acquire some skills in modern valuation techniques, including the pricing of fixed-income securities, equities and derivatives. They will learn about the principles of finance, including arbitrage, market efficiency, asset pricing models and portfolio theory.

COURSE OBJECTIVES

1. Understand the basic principles of finance; the time value of money, the notion of compound interest, the definition of the internal rate of return, the valuation of financial instruments and the perpetual growth model.

2. Apply the criteria that companies use to make investment decisions

3. Understand the concepts of market efficiency, portfolio risk and diversification.

4. Understand the principal functions of capital markets.

5. Understand the distinct features of main financial instruments including debt, equity and financial derivatives.

6. Understand the general principles of the pricing and use of financial instruments.

LEARNING OUTCOMES

By the end of this course students will develop an understanding of the rapidly evolving and exciting theory of finance and the relevance of theory for financial and investment decision making

TEACHING SCHEDULE

Page 1 of 2
<table>
<thead>
<tr>
<th>Week 1</th>
<th>Week 2</th>
<th>Week 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lecture</td>
<td>3 x 3 hours</td>
<td>4 x 3 hours</td>
</tr>
<tr>
<td>Workshop</td>
<td></td>
<td>6 (2 hours)</td>
</tr>
<tr>
<td>Examination</td>
<td></td>
<td>1 x 1.5 hours</td>
</tr>
</tbody>
</table>

Guest speakers and academic excursions complete the programme. Students will be expected to attend these as well as complete over 50 hours of independent study.

**TEACHING METHODS**

The course will be delivered by a mix of face-to-face lectures and workshops. Materials will be made available through the Business School's bespoke online learning environment, the Hub.

Workshops will use case studies, structured discussions and in-class exercises to demonstrate the application of concepts delivered in lectures.

**ASSESSMENT**

- MCQ quizzes – (30% of final mark)
- 1 final individual examination – (70% of final mark)

Imperial College London will issue an official transcript with a final overall numerical mark – a breakdown of results will not be provided.

**READING LIST**

**Key Textbooks**


**Media Sources – essential weekly reading**

- Times / FT / Economist – all have online versions

**PASTORAL SUPPORT**

A full welcome and orientation will be provided at the beginning of the programme.

The Business School will provide dedicated pastoral care with highly experienced faculty. Summer School Ambassadors will also play a key role in welcoming and engaging with the students.

*Imperial College London reserves the right to change or alter the courses offered without notice.*

Page 2 of 2