



## UNIT OUTLINE

### Personal Financial Planning 1

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<b>UNIT CODE AND TITLE</b>	BA521 Personal Financial Planning 1
<b>AUTHOR</b>	Ken Morris
<b>SCHOOL</b>	Business
<b>COURSE</b>	Bachelor of Commerce
<b>PRE-REQUISITE(S)</b>	None
<b>CO-REQUISITE(S)</b>	None
<b>DURATION</b>	One teaching period
<b>CREDIT POINTS</b>	15

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#### OBJECTIVES

This unit is designed as an introduction to the environment and principles of personal financial planning in Australia. The objective of this unit is to introduce students to the critical importance of planning financial affairs at an early stage, the alternative investment strategies and critical considerations in financial planning. More specifically, the unit is designed to enable students to:

#### Knowledge

- understand the process of personal financial planning
- understand the principles of personal taxation and recognise the taxation implications of investment alternatives
- understand the characteristics of various asset classes
- understand the characteristics of the major investment markets in Australia

#### Skills

- develop the fundamental skills and knowledge to commence planning personal financial dealings
  - determine appropriate strategies to achieve alternate financial goals
  - observe and analyse various trends in social and economic environments and the impact they may have on personal finance
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### Values/Attitudes

- value the importance of financial independence
- appreciate the importance of personal financial planning in a changing economic and social environment
- appreciate the importance of planning the personal financial affairs for different age groups
- appreciate the role that the taxation system plays in investment planning

### CONTENT

- The need for financial planning
- Planning, the economic environment and sources of finance
- Risk management and insurance
- Budgeting
- Investment strategy - direct and managed investments
- Superannuation and retirement issues (RBL and DSS)
- Tax planning
- Estate planning
- Salary packaging

### LEARNING TASKS AND ASSESSMENT

Learning Tasks	Assessment	Weighting
Lectures, at which students are introduced to unit topics.		
Prescribed reading, which is intended to reinforce and extend students' understanding of the unit topics.		
Tutorial preparation, in which students engage in a process of application by preparing answers to set questions.		
Tutorial discussion and correction.		
Completion of assessable tasks (tests and/or assignments) involving the application of finance knowledge and financial planning skills.	Tests and/or Written report(s) (maximum of two tasks)	30 – 40%
	Examination	60 – 70%

#### Additional assessment criteria:

It will be necessary for all assessable tasks to be submitted and a minimum **MN** grade attained in the final examination before an overall pass grading might be achieved.

## **METHODOLOGY**

Lectures, interactive tutorials, independent reading, assignment preparation.

## **REFERENCES**

Beal, D. and McLean, W. 2003, *Personal Finance*, 2nd edn, Wiley, Milton, Qld.

CCH and Macquarie Bank, 2004, *Australian master financial planning guide 2004/2005*, 7th edn, CCH, Sydney.

CCH and Macquarie Bank, 2002, *The Wealth Builder: Strategies, structures and plans for maximising personal wealth*, CCH, Sydney.

Clitheroe, P. 2003, *Making Money: the keys to financial success*, 6th edn, Viking, Ringwood, Victoria.

Clitheroe, P. 2001, *The road to wealth*, Viking, Ringwood, Victoria.

Kiyosaki, R. with Lechter, S. 1998, *Rich Dad Poor Dad*. TechPress Inc., Arizona.

Petty, J., Keown, A., Scott, D., Martin, J., Burrow, M., Martin, P. and Nguyen, H. 2006, *Financial Management*, 4th edn, Pearson, Frenchs Forest, NSW.

Taylor, S., Jachau, R., McDonald, T. and Houterman, B. 2005, *Financial Planning in Australia*, Lexis Nexis Butterworths, Chatswood, NSW.

Viney, C. 2003, *McGrath's Financial Institutions, Instruments and Markets in Australia*, 4<sup>th</sup> edn, McGraw Hill, Sydney.