UNIVERSITY OF AMSTERDAM

Amsterdam Business School

2015-2016

MIF Pre-Course Training

1   Introduction and Overview

Welcome to the MIF pre-course training!

The purpose of the MIF pre-course training is to prepare you for the MIF course programme and to bring you up to speed with fundamentals of finance, financial accounting, and quantitative methods and research skills. The MIF pre-course training takes place during the summer months (and, if you wish to start earlier, spring months).

On-campus presence is not required, as courses are facilitated entirely through an online learning platform. The programme is designed in a way such that you can study at your own pace – whereever and whenever you want. Full-time delegates holding a research university bachelor's degree (or higher) in finance or economics/business with substantial coverage of corporate finance, investments, financial accounting, and econometrics and/or statistics/quantitative methods will be exempted from the MIF pre-course training. **However, we would recommend all incoming delegates to use the platform in order to review and update your background and knowledge before the start of the regular MIF course programme.**

The MIF pre-course training consists of three courses, and each course will be completed by an on-campus written exam at Amsterdam Business School. For each course there will be one retake exam that will take place during the second half of September.

2   What courses does the MIF pre-course training offer?

The MIF pre-course training consists of three courses, (i) Fundamentals of Finance, (ii) Financial Accounting, and (iii) Quantitative Methods & Research Skills.

The *Fundamentals of Finance* course covers basic corporate finance and investments. Topics include:
- Time Value of Money and Interest Rates
- Investment Decision Rules (Net Present Value, Internal Rate of Return)
- Capital Budgeting
- Valuation of Bonds and Stocks
- Risk & Return, Pricing of Risk, Capital Asset Pricing Model
- Estimating the Cost of Capital
- Capital Structure in Perfect Markets (Modigliani-Miller)
- Debt and Taxes, Weighted Average Cost of Capital

The *Financial Accounting* course covers the following topics:
- Financial statements and the fundamental accounting equation
- Accounts, debits, and credits
- Revenue and cost recognition; matching principle
- Current assets: accounts receivable and inventory
- Long-term assets: investments, PPE, and intangibles
- Current liabilities, long-term obligations, and corporate equity accounting
- Financial analysis and the statement of cash flows

The *Quantitative Methods & Research Skills* course covers the following topics:
- Data, research questions, and research design
- Review of probability, inferential statistics, and data analysis
- Basic econometrics (OLS, hypothesis testing)

3   What is the workload of the MIF pre-course training?

The pre-course training is designed such that you can complete all courses over a period of 2-3 months with a weekly workload of about 10-15 hours. This is rough indication—no universal and precise answer can be given, as it will depend very much on your background.

4   Is the MIF pre-course training mandatory?

Candidates holding a Bachelor of Science (BSc) of Bachelor of Arts (BA) degree (or higher) from a university programme in finance/business/economics with substantial coverage of corporate finance, investments/asset pricing, financial accounting, and econometrics and/or statistics/quantitative methods will be exempted from the MIF pre-course training. All other

candidates may have to complete part or all of the MIF pre-course training. Table 1 gives you an overview of our exemptions policy.

	Fundamentals of Finance	Quantitative Methods & Research Skills	Financial Accounting
"Matching" university bachelor's degree or higher*	Exempted	Exempted	Exempted
"Non-matching" university bachelor's degree or higher	Exemption may be granted (depends on academic background)	Exemption may be granted (depends on academic background)	Exemption may be granted (depends on academic background and/or relevant work experience)

* A "matching" university bachelor's degree is a research university bachelor's degree from a programme in finance, business, or economics with substantial coverage of corporate finance, investments/asset pricing, financial accounting, and econometrics and/or statistics/quantitative methods.

Table 1: MIF Pre-Course Training Exemptions Policy

5 How is the MIF pre-course training organized?

The MIF pre-course training does not require on-campus presence, as courses are facilitated through an online learning platform. The programme is designed in way such that you can study completely at your own pace. All courses are completed by on-campus exams at Amsterdam Business School. Exams are graded on a pass/fail basis; in case of a "fail" you will have to do a retake exam. For each course, there will be one retake exam that will take place during the second half of September.

Each course will have its own folder on a dedicated website at "blackboard", Amsterdam Business School's e-learning environment (http://blackboard.ic.uva.nl). At this website, you will find a study guide/plan, reading material, web resources, etc. The Fundamentals of Finance course will make use of MyFinanceLab, an online learning facility by Pearson Education. You will have to complete and submit several assignments through this facility.

6 Do I have access to the courses if I am exempted from the MIF pre-course training?

Yes, all incoming delegates will have access to the pre-course training online platform (blackboard site). In fact, we strongly recommend all delegates to use the platform in order to review their knowledge and background before the start of the regular MIF course programme. For more specific information, see the blackboard site. You will receive an access code to the blackboard site once you are registered to the MIF programme.

7 Do I need to purchase books for the MIF pre-course training?

7.1 Fundamentals of Finance

The *Fundamentals of Finance* course requires you to purchase the following book:

Berk/DeMarzo, 2013, *Corporate Finance*, 3nd edition, Pearson Education
(including MyFinanceLab student access code card)

Make sure that you purchase the book together with the sealed MyFinanceLab access code card. The access code card gives you access to MyFinanceLab, an online learning facility of Pearson Education, which the Fundamentals of Finance course will make use of. Both the book and MyFinanceLab will be used in various courses of the MIF programme. The Fundamentals of Finance course has a specific online course at MyFinanceLab. You will have to register to this course using your MyFinanceLab student access code card. See the blackboard site for more information on this and how to register.

The book is available for purchase at, for example, Amazon.co.uk. See here the link:

http://www.amazon.co.uk/Corporate-Finance-MyFinanceLab-Pearson-Etext/dp/0273792083/ref=sr_1_2?ie=UTF8&qid=1393854445&sr=8-2&keywords=berk+demarzo

Amazon.co.uk will ship the book worldwide, except for the US and Canada (if you reside in those countries you may have to purchase the US edition from, e.g., Amazon.com). The book is also available at bol.com (an online bookstore in The Netherlands).

Important note: The book's authors have several other textbooks in corporate finance, such as "Corporate Finance: The Core", "Fundamentals of Financial Management", and "Fundamentals of Corporate Finance". These books differ from the book mentioned above (titled "Corporate Finance"), so be careful to not accidentally purchase the wrong book.

7.2 Financial Accounting

The *Financial Accounting* course will make use of an online course in financial accounting. Purchase of an accounting textbook is not required.

7.3 Quantitative Methods & Research Skills

The *Quantitative Methods & Research Skills* course does not require purchase of a book. A will be made available at the blackboard course site. You will be asked to review this reader and practice your knowledge doing some exercises. The following topics will be covered:
- Economic Questions and Data
- Review of Probability and Statistics
- Basic Econometrics
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8   What are the systems requirements for the MIF pre-course training?

To follow the MIF pre-course training you need to have access to the Internet, a PC or Mac, Excel, and a printer (ideally).

9   Is there an additional fee for the MIF pre-course training?

There is no additional fee for the MIF pre-course training. However, upon admission to the MIF programme, we require payment of a non-refundable enrollment fee to secure your place in the MIF programme. The enrollment fee is to be paid before the deadline mentioned in your admission letter and is part of your overall tuition fee. The remainder of your tuition fee is to be paid in installments over the course of the programme. In the unlikely event that you do not pass the MIF pre-course training, the enrollment fee, being non-refundable, cannot be refunded.

While the enrollment is normally non-refundable, we do refund this fee if it turns out that you cannot participate in the MIF programme due to higher forces, circumstances outside your control (such as inability to obtain the necessary visa even though you have taken great care in managing the corresponding process), or exceptional personal circumstances (such as illness). Whether a refund can be given is at the discretion of the Programme Management. The Programme Management may ask for supporting evidence and/or certificates.