



APPLIES TO ACADEMIC YEAR 2014/2015

## ELE 3743 Personal Finance

### Programme

Elective

### Responsible for the course

Ole Tellef Grundekjøn

### Department

Department of Accounting - Auditing and Law

### Term

According to study plan

### ECTS Credits

7,5

### Language of instruction

Norwegian

### Introduction

This is a practical and useful course which presents an individual's normal life cycle (from birth to death) involving economic threats and opportunities as well as necessary everyday law. The course covers financial needs (with necessary law) in a time perspective, including inheritance and inheritance issues, generation changes, National Insurance and pensions, tax, as well as legal issues as a consequence of marriage and cohabitation.

The course can not be taken by students in Bachelor Programme in Finance due to overlap with other courses in the program.

### Learning outcome

#### Acquired knowledge

After having completed the course the students shall have

- Learned about personal finance issues such as investment planning, loans, taxes, pensions, inheritance and economic consequences of break-ups
- Learned to see the connection between law and finance, and that a change in their personal lives may require financial and legal adjustments.

#### Acquired skills

After having completed the course the students shall be able to:

- Theoretically understand the subject and have a practical understanding of the methodology
- Show skills in planning, carrying out and evaluating personal financial situations in various stages of the life cycle.

#### Reflection

After the course the students shall be able to identify and analyse personal finance needs, evaluate risks and choose a joint venture partner and process leading to suitable and ethically sound solutions.

### Prerequisites

It is recommended that students have prior knowledge at the level of BØK 3411 Financial and Managerial Accounting I or equivalent.

### Compulsory reading

#### Books:

Hveem, Dag Jørgen ... [et al.]. 2013. Personlig økonomi 2013/2014. Cappelen akademisk  
Langfeldt, Sverre Faafeng og Tore Bråthen. 2014. Lov og rett for næringslivet. 21. utg. Universitetsforlaget :  
Focus Forlag

#### Other:

I tillegg til angitt litteratur kan det komme 1 - 5 relevante artikler. Publiseres på Itslearning  
Særtrykk av Skatteloven

### Recommended reading

#### Course outline

Financial life cycles and transactions

- Family budget
- Loan, financing and the concept of profitability
- The concept of interest, some financial mathematics
- Tenancy or ownership
- Basic saving philosophy, bank deposits, shares, bonds and funds
- Financial investments, saving and insurance
- Purchase and funding of private home

#### **Inheritance and inheritance issues**

- Inheritance and taxes
- Generation change, holiday cottage, house and other values

#### **Basic finance and taxation**

- Introduction to taxation concepts and tax rules
- Rules for personal taxation, income and property
- Tax on private homes

#### **National insurance and pensions**

- Pension contributions in the National Insurance Scheme
- Various forms of occupation pensions
- Survivor pensions
- Saving for retirement, paid-up policies

#### **Relevant legal issues**

- Minors, guardians and the Public Guardian's Office
- Financial consequences of marriage and cohabitation - during marriage/cohabitation and after a break-up.

#### **Computer-based tools**

No particular computer-based tools are used.

#### **Learning process and workload**

The course includes lectures, reviews of assignments organized by lecturer and self-tuition (reading of syllabus and solving of assignments).

Recommended workload

<b>Activity</b>	<b>Workload</b>
Attendance at lectures	35
Participation in assignment reviews	10
Preparations for lectures	60
Work on syllabus and assignment	60
Preparation for the exam	35
<b>Total recommended workload</b>	<b>200</b>

#### **Use of hours**

35 hours of lectures

10 hours of assignment reviews organized by lecturer.

#### **Examination**

A three-hour individual written exam concludes the course.

#### **Examination code(s)**

ELE 37431 - Written exam which accounts for 100% of the grade in the course ELE 3743, 7.5 ECTS.

#### **Examination support materials**

"Lov og rett i næringslivet", "Særtrykk av skatteloven" and/or "Norwegian Laws" and BI-defined exam calculator TEXAS INSTRUMENTS BA II Plus™.

Support materials at written examinations are explained under exam information on our web-site @BI. Please note use of calculator and dictionary <https://at.bi.no/EN/student-information/examination/support-materials>

#### **Re-sit examination**

A re-sit exam is offered in connection with the next scheduled course.

#### **Additional information**