

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ON

COURSE OUTLINE

COURSE TITLE: Financial Analysis

CODE NO: ENT 104

SEMESTER: One

PROGRAM: Entrepreneurship Certificate Program

PROFESSOR: Stan Pratt

DATE: October 1993

PREVIOUS OUTLINE DATED: October 1992

APPROVED:

Rose Caicco
Rose Caicco, Dean
School of Business
& Hospitality

Date

93/10/07

COURSE NAME: Financial Analysis

CODE NO.: ENT 104

TOTAL CREDIT HOURS: 56

PREREQUISITE(S): None

I. PHILOSOPHY/GOALS:

This course provides the framework for understanding and applying accounting concepts in preparation for the completion of a Business Plan. The student will learn how to prepare certain sections of the financial business plan. The student will also be introduced to the accounting cycle as it applies to a small-to-medium-sized business entity and to the preparation of Financial Statements and basic concepts and methods of Accounting Control.

II. STUDENT PERFORMANCE OBJECTIVES:

Upon successful completion of this course the student will:

1. Set up a basic accounting system for maintaining financial records and daily recording of business transactions.
2. Understand the flow of financial information from the initial recording of transactions to the preparation of Financial Statements for the business entity.
3. Understand the importance of a System of Internal Control and the vital role of financial statements in management's decision-making process.
4. Perform Bank Reconciliations and identify the methods used for inventory valuations and their effects on income.

III. TOPICS TO BE COVERED:

A. UNDERSTANDING THE PROCESS OF ACCOUNTING

Meigs - Chapter 1 - Accounting: The Language of Business

- What is Accounting?
- Generally Accepted Accounting Principles
- Development of Accounting Standards
- Accounting as the Basis for Business Decisions
- Internal Control
- Financial Statements: The Starting Point in the Study of Accounting
- Use of Financial Statements by Outsiders

COURSE NAME: Financial Analysis

CODE NO.: ENT 104

III. TOPICS TO BE COVERED (CONT'D):

Meigs - Chapter 2 - Recording Changes in Financial Position

- The Role of Accounting Records
- The Ledger/The Journal/The Trial Balance
- The Accounting Cycle: An Introduction

Meigs - Chapter 3 - Measuring Business Income

Meigs - Chapter 4 - Completion of the Accounting Cycle

- Accounting Periods
- Adjusting Entries
- Work Sheet
- The Accounting Cycle

Meigs - Chapter 5 - Merchandising Companies

- Summary of Merchandising Transactions
- Sales Taxes
- Perpetual Inventory Systems
- Analyzing the Income Statement
- Classified Financial Statements

Meigs - Chapter 6 - Internal Control & Accounting Systems

- Internal Control
- Guidelines to Achieving Strong Internal Control
- The Role of Business Documents
- (An Overview of) Special Journals and the Subsidiary Ledgers
- Advantages (and some disadvantages) of Computer-Based Systems

B. INTRODUCTION TO SPECIFIC BALANCE SHEET/INCOME STATEMENT ACCOUNTS

Meigs - Chapter 7 - The Control of Cash Transactions

- Petty Cash/Bank Current Accounts
- Making Deposits/Writing Cheques
- Control Features of Bank Chequing Accounts
- Bank Statements/Reconciling the Bank Balance

NOTE: YOUR PROFESSOR RESERVES THE RIGHT TO MODIFY THE COURSE AS NECESSARY (IN HIS/HER JUDGMENT) TO BEST SERVE THE NEEDS OF THE CLASS AND PROGRAM.

