

I. COURSE DESCRIPTION:

This course enables the student the opportunity to acquire the knowledge to understand the concepts utilized in the preparation of financial analysis and the utilization of financial information in the management decision-making process. Students will be able to identify and prepare financial analysis utilized by managers in the decision-making and control process.

II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:

Upon successful completion of this course, the student will demonstrate the ability to:

1. Interpret and understand the primary Financial Statements used by firms in the financial decision-making process.

Potential Elements of the Performance:

- Interpret the information contained in the Balance Sheet, Income Statement and Retained Earnings Statement.
- Understand the bookkeeping and accounting cycle.
- Differentiate between case accounting and accrual accounting.
- Differentiate between depreciation methods, capital cost allowance, and amortization.
- Explain the meaning of Deferred Taxes.

This learning outcome will constitute 15% of the course's grade.

2. Analyze Changes in Financial Statement; A Funds Flow perspective.

Potential Elements of the Performance:

- Identify the key elements of funds flow.
- State the basic rules that can be used to identify funds flow.
- Examine the changes in the flow of funds in financial statements.
- Analyse funds flow by comparing two consecutive balance sheets.
- Prepare and explain the statement of changes in financial position.

This learning outcome will constitute 10% of the course's grade.

3. Use financial statement analysis to evaluate the financial performance of a business.

Potential Elements of the Performance:

- Perform a Common-Size and Horizontal analysis of a company's Financial Statements.
- Analyse financial statements by using meaningful ratios.
- Analyse the relationships that exist between several categories of ratios to determine the financial performance of a company.
- Identify the limitations of financial ratios.
- Understand the use of financial benchmarks as a method of

improving a company's financial performance

This learning outcome will constitute 15% of the course's grade.

4. Use break-even analysis to facilitate Profit Planning and Decision-Making.

Potential Elements of the Performance:

- Differentiate between cost behaviour, fixed, variable and semi-variable costs.
- Explain the relevance of break-even analysis.
- Explain the break-even analysis in terms of the contribution margin, the relevant range and the relevant costs.
- Differentiate between different types of cost concepts such as discretionary costs, committed costs, direct and indirect costs, controllable and non controllable costs.
- Calculate the break-even point, the cash break-even point and the profit break-even point.
- Construct a break-even chart.

This learning outcome will constitute 10% of the course's grade.

5. Apply several of the methods provided in the calculation of the Time Value of Money to financial decision-making processes.

Potential Elements of the Performance:

- Differentiate between time value of money and inflation.
- Differentiate between time value of money and risk.
- Calculate the future value and present value of an investment (lump sum and annuities).
- Use financial tables to solve time value of money problems.

This learning outcome will constitute 10% of the course's grade.

6. Understand the purpose and need for a Capital Investment Strategy and prepare a Capital Budget.

Potential Elements of the Performance:

- Define the concept of Capital Budgeting for a Firm.
- Prepare a Capital Budget.
- Calculate the Cost of Capital for a Firm.
- Calculate the Net Operating Cash Flow for a Project.
- Calculate the Net Present Value of an Investment
- Calculate the Internal Rate of Return for a Firm.
- Use the Payback of an Investment method to screen investment choices.

This learning outcome will constitute 15% of the course's grade.

7. Understand the budgeting process; financial planning and controlling.

Potential Elements of the Performance:

- Describe the reasons for budgeting and the responsibility-centre concept.
- Prepare an Operating Budget, Capital Budget and Complementary Budgets.
- Describe financial planning in terms of preparing pro-forma

financial statements.

- Prepare a Pro- Forma Income Statement, Balance Sheet and Cash Flow.
- Understand why cost accounting is essential for managers.
- Describe Cost Accounting, Cost Accounting systems, activity-based costing and variance reporting.
- Identify the importance of controlling, the control system and the different types of controls.

This learning outcome will constitute 15% of the course's grade.

III. TOPICS:

1. Financial Statements; Chapter 2
2. Analyzing changes in Financial Statements; Chapter 3
3. Financial Statement Analysis; Chapter 4
4. Profit, Profitability and Break-Even Analysis; Chapter 5
5. Time value of money; Chapter 7
6. Capital Investment Decisions; Chapter 8
7. Budgeting, Financial Planning, and Control; Chapter 9
8. Working Capital Management; Chapter 11

IV. REQUIRED RESOURCES/TEXTS/MATERIALS: **Finance for Non-Financial Managers, 4th edition; Pierre G. Bergeron Thomson Nelson Publishers ISBN #0176224661**

V. EVALUATION PROCESS/GRADING SYSTEM:

TESTS:

All students will be required to complete THREE TESTS during the term. Each test is weighted as follows:

Test #1:Reference material is from Chapters 2,3,4 Test weight factor 34%

Test #2:Reference material is from Chapters 5,7,8 Test weight factor 33%

Test #3:Reference material is from Chapters 9,11 Test weight factor 33%

Supplementary Test:

If a student misses a regularly scheduled test during the semester, consideration will be provided at the end of the semester. A student will qualify to write the supplementary test at the end of the semester if they have attended a minimum of 80% of the classes during the semester. The supplementary test will be comprehensive in scope. The grade received on the supplementary test will replace the zero grade issued for the missed tests. No individual re-writes of missed tests will be provided.

The following semester grades will be assigned to students:

Grade	<u>Definition</u>	<i>Grade Point Equivalent</i>
A+	90 – 100%	4.00
A	80 – 89%	3.00
B	70 - 79%	2.00
C	60 - 69%	1.00
D	50 – 59%	0.00
F (Fail)	49% and below	
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field /clinical placement or non-graded subject area.	
U	Unsatisfactory achievement in field/clinical placement or non-graded subject area.	
X	A temporary grade limited to situations with extenuating circumstances giving a student additional time to complete the requirements for a course.	
NR	Grade not reported to Registrar's office.	
W	Student has withdrawn from the course without academic penalty.	

VI. SPECIAL NOTES:

Special Needs:

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with your professor and/or the Special Needs office. Visit Room E1101 or call Extension 2703 so that support services can be arranged for you.

Retention of Course Outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

Communication:

The College considers **WebCT/LMS** as the primary channel of communication for each course. Regularly checking this software platform is critical as it will keep you directly connected with faculty and current course information. Success in this course may be directly related to your willingness to take advantage of the **Learning Management System** communication tool.

Plagiarism:

Students should refer to the definition of “academic dishonesty” in *Student Code of Conduct*. Students who engage in academic dishonesty will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course/program, as may be decided by the professor/dean. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, it is the policy of the department to employ a documentation format for referencing source material.

Course Outline Amendments:

The professor reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Substitute course information is available in the Registrar's office.

VII. PRIOR LEARNING ASSESSMENT:

Students who wish to apply for advanced credit in the course should consult the professor. Credit for prior learning will be given upon successful completion of a challenge exam or portfolio.

VIII. DIRECT CREDIT TRANSFERS:

Students who wish to apply for direct credit transfer (advanced standing) should obtain a direct credit transfer form from the Dean's secretary. Students will be required to provide a transcript and course outline related to the course in question.