



**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 of a business.

**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 cash accounting and accrual accounting.
- Differentiate between depreciation methods, capital cost allowance, amortization.
- Explain the meaning of Deferred Taxes.
- Differentiate between net income after taxes and cash flow

2. Analyze and prepare The Cash Flow Statement.

Potential Elements of the Performance:

- Explain the importance of managing Cash Flow.
- Identify the key elements of Cash 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 cash flow by comparing two consecutive balance sheets.

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.

#### 4. Working Capital Management.

##### Potential Elements of the performance:

- Define the meaning and importance of the cash conversion cycle.
- Discuss managing cash and cash equivalents.
- Discuss various techniques related to accounts receivable management.
- Explain strategies used to manage inventory.
- Demonstrate how current liability accounts can be managed to improve the cash flow cycle.

#### 5. Cost of Capital and Capital Structure.

##### Potential Elements of the performance:

- Explain the structure and cost concepts.
- Clarify the meaning of the cost of financing, why it is useful and how it is calculated.
- Explain the economic value added concept.
- Explain the components of the weighted average cost of capital.
- Explain the concept of leverage analysis.

#### 6. Profit Planning and Decision-Making

##### Potential Elements of the performance:

- Explain the various cost concepts related to break-even analysis.
- Draw the break-even chart and calculate the break-even point.
- Differentiate between the different types of cost concepts.

#### 7. Time Value of Money

##### Potential elements of the performance:

- Differentiate between time value of money versus inflation and risk.
- Explain financial tools used to solve time-value-of-money problems.
- Differentiate between future values of single sums and future values of annuities.
- Differentiate between present values of single sums and present values of annuities.
- Solve capital investment problems using time-value-of-money concepts.

## 8. Capital Budgeting

Potential elements of the performance:

- Explain the capital budgeting process.
- Evaluate capital investment decisions by using time-value-of-money yardsticks.
- Assess capital investment decisions.

**III. TOPICS:**

1. Accounting and Financial Statements: Chapter 2
2. The Cash Flow Statement: Chapter 3
3. Financial Statement Analysis: Chapter 4
4. Working Capital Management: Chapter 6
5. Cost of Capital and Capital Structure: Chapter 8
6. Profit Planning and Decision-Making: Chapter 9
7. Time Value of Money: Chapter 10
8. Capital Budgeting: Chapter 11

**IV. REQUIRED RESOURCES/TEXTS/MATERIALS:**

Finance for Non-Financial Managers 5<sup>th</sup> Edition , Pierre G. Bergeron,  
Thomson/Nelson Publishers.

**V. EVALUATION PROCESS/GRADING SYSTEM:**

Students will be evaluated as follows:

- Test #1 (34% of grade)
- Test #2 (33% of grade)
- Test #3 (33% of grade)

**TESTS:**

Dates of tests will be announced at least two weeks in advance. **Students are required to write all tests as scheduled!! There are no Supplementary exams or re-writes of individual tests.**

The following semester grades will be assigned to students:

<u>Grade</u>	<u>Definition</u>	<u>Grade Point Equivalent</u>
A+	90 – 100%	
A	80 – 89%	4.00
B	70 - 79%	3.00

C	60 - 69%	2.00
D	50 – 59%	1.00
F (Fail)	49% and below	0.00
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.

Attendance:

Attendance is critical to successfully completing the course.

Submitting Assigned Work:

All assignments must be submitted to the professor at the beginning of class on the due date. Once the class starts, any assignment which has not been submitted will be considered late. Assignments may be submitted in advance; assignments will not be accepted after the stated deadline.

**It is the student's responsibility to ensure that the professor receives the completed assignment on time. Do not place the assignment in the professor's mailbox and do not deliver it to his/her office during class.**

Return of Students' Work:

Tests, quizzes, assignments, etc. will be returned to students during one of the normal class times. Any student not present at that time must pick up his/her test, etc. at the professor's office within three weeks of that class. Tests, etc. not picked up within the three weeks will be discarded. End of semester tests, etc. will be held for three weeks following the end of the semester. If they have not been picked up within that three-week period, they will be discarded.

Students are required to retain their tests, quizzes, assignments, etc. in the event that there is a disagreement with the mark received and the mark recorded by the professor. If the student is not able to present the instrument in question, the professor's recorded mark will stand.

Classroom Decorum:

Students will respect the diversity and the dignity of those in the classroom. Student will respect the professor's right and duty to teach and students' right to learn without interference. Students who cause any interference with the objectives of the class will be asked to leave the classroom.

If a student is asked to leave the classroom a second time, he/she must make an appointment with the Chair of the Business Studies Department who will decide if the student will be permitted to return to class.

Students attending this class do so to study Business Finance. Therefore, no other activity will be permitted. Student's who wish to engage in other activities will be asked to leave the classroom, as described above.

It is the professor's intention to maintain proper classroom decorum at all times in order to provide the best possible learning and teaching environment.

**CELL PHONES ARE TO BE TURNED OFF DURING CLASS. NO USE OF CELL PHONES IS ALLOWED DURING CLASS. ANY STUDENT NOT ABIDING BY THIS POLICY WILL BE ASKED TO LEAVE THE CLASSROOM.**

**VII. PRIOR LEARNING ASSESSMENT:**

Students who wish to apply for advance credit transfer (advanced standing) should obtain an Application for Advance Credit Form from the program coordinator (for course-specific courses), or the course coordinator (for general education courses), or the program's academic assistant. Students will be required to provide an unofficial transcript and course outline related to the course in question.

Credit for prior learning will also be given upon successful completion of a challenge exam or portfolio.