

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ONTARIO



COURSE OUTLINE

COURSE TITLE: Business Finance

CODE NO. : BUS206 **SEMESTER:** 10W

PROGRAM: 2035/2102

AUTHOR: J. Cavaliere BBA, MBA

DATE: 01-01-2010 **PREVIOUS OUTLINE DATED:** 01-01-2009

APPROVED: "Penny Perrier" Dec 10/09

CHAIR

DATE

TOTAL CREDITS: 4

PREREQUISITE(S): ACC107, ACC123

HOURS/WEEK: 4

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For additional information, please contact Penny Perrier, Chair
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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 5th 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%	4.00
A	80 – 89%	3.00
B	70 - 79%	2.00
C	60 - 69%	1.00
D	50 – 59%	

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:

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.

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.

Prior Learning Assessment:

Students who wish to apply for advance credit transfer (advanced standing) should obtain an Application for Advance Credit from the program coordinator (or the course coordinator regarding a general education transfer request) or academic assistant. Students will be required to provide an unofficial transcript and course outline related to the course in question. Please refer to the Student Academic Calendar of Events for the deadline date by which application must be made for advance standing.

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

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

Disability Services:

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

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*. A professor/instructor may assign a sanction as defined below, or make recommendations to the Academic Chair for disposition of the matter. The professor/instructor may (i) issue a verbal reprimand, (ii) make an assignment of a lower grade with explanation, (iii) require additional academic assignments and issue a lower grade upon completion to the maximum grade “C”, (iv) make an automatic assignment of a failing grade, (v) recommend to the Chair dismissal from the course with the assignment of a failing grade. 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.

Student Portal:

The Sault College portal allows you to view all your student information in one place. **mysaultcollege** gives you personalized access to online resources seven days a week from your home or school computer. Single log-in access allows you to see your personal and financial information, timetable, grades, records of achievement, unofficial transcript, and outstanding obligations, in addition to announcements, news, academic calendar of events, class cancellations, your learning management system (LMS), and much more. Go to <https://my.saultcollege.ca>.

Electronic Devices in the Classroom:

Students who wish to use electronic devices in the classroom will seek permission of the faculty member before proceeding to record instruction. With the exception of issues related to accommodations of disability, the decision to approve or refuse the request is the responsibility of the faculty member. Recorded classroom instruction will be used only for personal use and will not be used for any other purpose. Recorded classroom instruction will be destroyed at the end of the course. To ensure this, the student is required to return all copies of recorded material to the faculty member by the last day of class in the semester. Where the use of an electronic device has been approved, the student agrees that materials recorded are for his/her use only, are not for distribution, and are the sole property of the College.

Electronic devices used to record instruction are not allowed in the classroom with the exception of issues related to accommodations of disability. Formal accommodation documentation must be provided by the student from the Disability Services Department prior to requesting the recording of instruction.

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 Department who will decide if the student will be permitted to return to class.

Students attending this class do so to study Introduction to Management; 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.

Cell Phones must be turned off during class time. If a student does not follow this policy they will be asked to leave the classroom.

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.

Attendance:

Sault College is committed to student success. There is a direct correlation between academic performance and class attendance; therefore, for the benefit of all its constituents, all students are encouraged to attend all of their scheduled learning and evaluation sessions. This implies arriving on time and remaining for the duration of the scheduled session. ***It is the departmental policy that once the classroom door has been closed, the learning process has begun. Late arrivers will not be granted admission to the room.***

Students are expected to attend all scheduled classes. Attendance will be taken for each class on a sign in basis. In all cases, attendance of less than 80% of the scheduled classes is not acceptable.

Return of Students' Tests, Exams and Assignments:

Tests and assignments 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 or assignment at the professor's office within two weeks of that class. Tests and assignments not picked up within the two weeks will be discarded. End of semester tests and assignments will be held for two weeks following the end of the semester. If they have not been picked up within that two-week period, they will be discarded.

Students are required to retain their tests and assignments 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 test/assignment in question, the professor's recorded mark will stand.

Tuition Default:

Students who have defaulted on the payment of tuition (tuition has not been paid in full, payments were not deferred or payment plan not honored) *will* be removed from placement and clinical activities. This may result in loss of mandatory hours or incomplete course work. Sault College will not be responsible for incomplete hours or outcomes that are not achieved or any other academic requirement not met as of the result of tuition default. Students are encouraged to communicate with Financial Services with regard to the status of their tuition prior to this deadline to ensure that their financial status does not interfere with academic progress.

Contact Information:

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