



**I. COURSE DESCRIPTION:**

This course enables the student the opportunity to obtain a broad understanding of Financial Management. Students are introduced to 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 analytical data used by businesses in the financial management of their operations.

**II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:**

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

**1. Understand the Financial Management Function****Potential Elements of the Performance:**

- Discuss the role of the finance function within a business.
- Identify and discuss possible objectives for a business.
- Explain the four financial objectives of a business.
- Describe the three major types of business decisions.

**2. Apply the Fundamental Accounting Principles to Financial Management****Potential Elements of the Performance:**

- Understand asset, liability, shareholder's equity, working capital, revenue, expense and dividend as accounting terms.
- Contrast cash accounting with accrual accounting.
- Discuss the matching principle and explain the difference between revenues/expenses and cash flows.
- Prepare and explain the main purpose of each of the four main financial statements: income statement, statement of retained earnings, balance sheet and cash flow statement.
- Explain the difference between depreciation and capital cost allowance.
- Describe how corporate taxes are determined.

**3. Prepare a Statement of Cash Flows****Potential Elements of the Performance:**

- Explain the importance of managing cash
- Analyze cash flows by comparing two consecutive statements of financial position.
- Prepare a Statement of Cash Flows

#### 4. Analyze and Interpret Financial Statements

##### Potential Elements of the Performance:

- Identify the major categories of ratios that can be used for analysis purposes.
- Calculate important ratios for assessing the financial performance of a business and explain the significance of the ratios calculated.
- Use horizontal and vertical analysis to assess the trends in financial performance of a company.
- Discuss the limitations of ratios as a tool of financial analysis.

#### 5. Use Cost concepts to prepare Break-Even Analysis

##### Potential Elements of the Performance:

- Describe the cost concepts related to break-even analysis.
- Draw the break-even chart and calculate the break-even point, the cash break-even point and the profit break-even point.
- Differentiate between different types of cost concepts.

#### 6. Understand the concepts used to manage Working Capital

##### Potential Elements of the Performance:

- Explain the meaning of working capital and how it can be measured.
- Discuss the flow of cash via the cash conversion cycle.
- Describe strategies for managing inventories.
- Explain how to manage current liability accounts to improve the cash flow cycle.

#### 7. Understand how a business is financed

##### Potential Elements of the Performance:

- Identify the main sources of external financing available to a business and explain the advantages and disadvantages of each source.
- Discuss the factors to be taken into account when choosing an appropriate source of financing.
- Identify the main sources of internal financing available to a business.

## 8. Understand the Time-Value-Of-Money Concept

### Potential Elements of the Performance:

- Explain the time value of money and how it is affected by interest rates, risk and inflation.
- Calculate the future value of an investment today and calculate the present value of a future payment or future receipt.
- Calculate the present value of a series of equal future payments and calculate the future value of a series of equal investments.

### III. TOPICS:

1. Overview of Financial Management: Chapter 1
2. Accounting and Financial Statements: Chapter 2
3. Statement of Cash Flows: Chapter 3
4. Financial Statement Analysis: Chapter 4
5. Break-Even Analysis: Chapter 5
6. Working Capital Management: Chapter 6
7. Sources and Forms of Financing: Chapter 8
8. Time-Value-Of-Money Concept: Chapter 10

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

Finance For Non-Financial Managers, 7<sup>th</sup> Edition, Nelson Publishers  
Pierre G. Bergeron  
ISBN: 9780176530839

A Financial Calculator is required

### V. EVALUATION PROCESS/GRADING SYSTEM:

Students will be evaluated as follows:

- Test #1: Chapters: 1, 2 & 3 (34% of grade)
- Test #2: Chapters: 4, 5, & 6 (33% of grade)
- Test #3: Chapters: 8, 10 (33% of grade)

### TESTS:

All tests will consist primarily of application questions. Dates of tests will be announced approximately two weeks in advance. **Students are required to write all tests as scheduled.**

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%	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:

### 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.

**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.

**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.**

### 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

**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**. Results and grades are posted on LMS. 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.

Contact Information:

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**VII. COURSE OUTLINE ADDENDUM :**

The provisions contained in the addendum located on the portal form part of this course outline.