
MANAGING YOUR FINANCES

School of Business – Marketing and Management Studies

Course Number: MGT2205	Contribution to Program: Core	Educators: Ron Knowles ronknowles@rogers.com Elliot Finkleman finklee@algonquincollege.com
Applicable Program: Small and Medium Enterprise Management	AAL: 02	Approval Date: January 2007
Course Hours: Delivered: 64 Normative: 64	Prerequisites: ACC2210	Approved By: Title: Chair
	Corequisites: None	Approved for Academic Year: 2006-2007
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School of Business Web Site: http://www.algonquincollege.com/business/		

COURSE DESCRIPTION

Upon completion of this course, students are expected to prepare a financial plan for the opening, financial management and operations of a business. As such, they are required to create a financial plan for a start-up business which will include sources and applications of financing, an opening balance sheet, cash flow analysis, income statement and ending balance sheet. Major topics covered in this course are sources of financing, financial statement analysis, pricing, credit controls and inventory management

RELATIONSHIP TO PROGRAM LEARNING OUTCOMES

This is a vocational course that supports the following vocational program standards:	This course contributes to your program by helping you to achieve the following essential employability skills:
<ul style="list-style-type: none"> 1. Communicate business-related information persuasively and accurately in oral, written, and graphic formats. 6. Apply accounting and financial knowledge to the operation of an organization. 7. Apply knowledge of operations management to the operation of an organization. 8. Apply computer skills and knowledge of information technology to support the management of an organization. 9. Take into account the interrelationship among the functional areas of a business. 10. Work effectively with co-workers, supervisors, and others. 11. Apply research skills to gather and interpret available information. 14. Apply time management and organizational skills to facilitate the completion of tasks and to meet deadlines in a business environment. 15. Recognize the economic, social, political, and cultural variables which impact on a business. 	<ul style="list-style-type: none"> 1. Communicate clearly, concisely and correctly in the written, spoken, and visual form that fulfills the purpose and meets the needs of the audience. 2. Respond to written, spoken, or visual messages in a manner that ensures effective communication. 3. Execute mathematical operations accurately. 4. Apply a systematic approach to solve problems. 5. Use a variety of thinking skills to anticipate and solve problems. 6. Locate, select, organize, and document information using appropriate technology and information systems. 7. Analyze, evaluate and apply relevant information from a variety of sources. 9. Interact with others in groups or teams in ways that contribute to effective working relationships and the achievement of goals. 10. Manage the use of time and other resources to complete projects. 11. Take responsibility for one's own actions, decisions, and consequences.

COURSE CURRICULUM

1. Course Learning Requirements/Embedded Knowledge and Skills

Course Learning Requirements	Knowledge and Skills
When you have earned credit for this course you will have demonstrated an ability to:	
1. Understand the financial and economic concepts as they relate to small business financial management.	Basic financial principles Importance of finance Economic concepts of finance
2. Understand the need for and how to create a personal financial statement.	Create a personal financial statement Do a personal credit check
3. Understand the five basic elements or requirements of a financial plan.	Develop a basic understanding of the essential elements of a financial plan, how and why these elements are formulated Use the financial planning steps to develop financial plans
4. Understand the applications of funds required to open and manage a business.	Create a list of start-up business costs Perform an application of funds analysis Develop an application of funds statement
5. Understand the sources of financing available to small businesses.	Perform a sources of funds analysis including banks, angels, venture capital etc. Develop an sources of funds statement
6. Understand how to create and use balance sheets to test the financial health of a business.	Develop an opening balance sheet Develop a pro forma balance sheet
7. Understand how to create projected cash flow statements.	Develop a monthly cash flow statement Undertake a cash flow analysis Develop pricing strategies
8. Understand how to create pro forma income statements.	Develop a monthly income statement Develop a year-end income statement
9. Understand how to analyse financial statements.	Vertical and horizontal analysis Ratio analysis.
10. Understand the importance of profit, profitability and break-even analysis.	Profit analysis Profitability analysis Break-even analysis.

2. Learning Resources

1. **Required Text:** *Small Business an Entrepreneur's Plan*, by Ron Knowles
Please note: This text was purchased last semester. Do not buy it again.
2. Other readings to be assigned
3. Course notes to be supplied as required

3. Teaching/Learning Methods¹

During this course you are likely to experience:

- Group and teamwork activities
- Online exercises and assignments
- Internet research
- Self-directed learning
- Lectures and demonstration of problems

1. This is a *hybrid* course with two hours of online instruction and two hours of in-class instruction per week. The onus is on all students to continually complete their modules, exercises, and readings prior to class.

4. Learning Activities and Assessment

Samples of learning activities include:

- Lecture related reading assignments
- Completion of assigned material and exercises
- Completion of a financial plan to open a business
- Online research and assignments

5. Evaluation Breakdown

The following will provide evidence of your learning achievement:

Three in-class tests (3 x 15%)	45%
Major financial project (3 installments—3 x 10%)	30%
Case analysis/presentation	5%
Participation	20%
Total	<u>100%</u>

6. Prior Learning Assessment

- Portfolio approach
- Interview

RELATED INFORMATION

7. Consultation

If a student is having difficulty with any part of this course, it is your responsibility to seek help. Please do not hesitate to do so.

Ron Knowles, office B147b
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8. Evaluation of Faculty

“It is Algonquin College's policy to give students the opportunity to complete a course assessment survey in each course that they take which solicits their views regarding the curriculum, the professor and the facilities.”

9. Students With Disabilities

If you are a student with a disability please identify your needs to the professor and/or the Centre for Students with Disabilities (CSD) so that support services can be arranged for you. You can do this by making an appointment at the CSD, Room C142, Ext. 7683 or arranging a personal interview with the professor to discuss your needs.

Students, it is your responsibility to retain course outlines for possible future use to support applications for transfer of credit to other educational institutions.

10. Student Academic Responsibilities

- attending classes regularly
- maintaining a written record of all class work
- knowing due dates for assignments and meeting these dates
- handing in assignments that are the student's own work (The College policy on plagiarism is stated in Algonquin College Directive "A").

11. MGT2205–Course Outline

Week	Content	Source/Evaluation
Week 1	Welcome and introduction Review course outline, expectations and evaluation criteria.	Blackboard Handouts
Week 2	Getting started—positioning yourself Discuss test #1—due week 5	Class notes, text—Chapters 9 & 10 Online resources Participation—2 marks
Week 3	Application of funds	Class notes, text—Chapter 9 Online resources Participation—2 marks
Week 4	Sources of funds	Class notes, text—Chapter 10 Participation—2 marks
Week 5	Test #1, major financial project, installment #1	Class notes, text—Chapters 9 & 10
Week 6	Creating an opening balance sheet Balance sheet analysis Return and discuss test #1 Discuss test #2—due week 9	Class notes, text—Chapter 9 Online resources Participation—2 marks
Week 7	Creating a cash flow	Class notes, text—Chapter 9 Participation—2 marks
Week 8	Creating an income statement Income statement analysis	Class notes, text—Chapter 9 Online resources Participation—2 marks
Study Break (Feb. 26-March 2)—Enjoy		
Week 9	Test #2, major financial project, installment # 2	Class notes, text—Chapters 9 & 10
Week 10	Ending balance sheet Return and discuss test #2	Class notes, text—Chapter 9 Online resources Participation—2 marks
Week 11	Ratios Business valuation	Class notes Online resources Participation—2 marks

Week 12	Student case study presentations	Participation—2 marks
Week 13	Test #3, major financial project, installment #3 Student case study presentations	Participation—2 marks
Week 14	Student case study presentations	Class presentations
Week 15	Final wrap-up	Class presentations
Week 16	Examination week	