

# Simply a Better Way to Learn!



B U S I N E S S   S K I L L S

## Business Financial Management

### Course Introduction

The Business Financial Management course teaches students about the fundamentals of business financial management, and helps them to develop core competencies to understand and analyze financial information presented in typical business scenarios. The course focuses on the principles of accounting and reporting of financial data to various outside parties, such as bankers and potential equity investors. Students learn what information is provided in financial statements, to use elements of financial statements in making constructive short-term and long-term business decisions, and how such decisions affect the bottom line.

Students are given ample opportunity to practice, apply, and develop their financial management skills through the completion of hands-on tasks. The focus of these tasks is to pinpoint and dissect items in the financial statement that identify waste or poor utilization of resources, implement corrective actions, and quantify the effect of such actions on financial performance.

A practice exercise and review questions are included at the end of each lesson to measure progress and reinforce the skills learned. There is also a lab exercise at the end of the course to provide further practice and review, to reinforce the topics learned throughout the course, and to help prepare students for the final exam.

### Course Prerequisite(s)

Business Essentials, Basic Bookkeeping Levels 1 & 2, and Microsoft Excel Level 1

### Course Aim

To provide a solid understanding of business financial management fundamentals.

### Of Interest to

Those who want to prepare for entry-level support and/or management trainee positions in business finance. It is also ideal for current or prospective entrepreneurs whose progress might otherwise be impeded by lack of financial management expertise.

### Course Breakdown

#### Lesson 1:

Understanding Financial Management; Roles and Responsibilities in the Finance Function; Overview of the Financial Management Process

#### Lesson 2:

Fundamental Conventions; The Chart of Accounts; The Accounting Cycle; Tax Accounting and Business Accounting

#### Lesson 3:

The Income Statement; The Statement of Retained Earnings; The Balance Sheet; The Statement of Changes in Financial Position; The Auditor's Report

#### Lesson 4:

Sources and Uses of Funds; Ratio Analysis; Common Size Statement Analysis; Financial Benchmarks; Limitations of Financial Ratios

#### Lesson 5:

Overview of Profit Planning; Break-Even Analysis; Cost Measurement

#### Lesson 6:

Cost of Capital and Capital Structure; Cost of Capital and the Leverage Concept; Time Value of Money

#### Lesson 7:

Evaluating Capital Projects; Reasons for Rejecting Capital Projects; The Capital Budgeting Process



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## **Lesson 8:**

Budgeting; Financial Planning; Controlling

## **Lesson 9:**

Financial Needs and Sources of Financing; Managing Working Capital, Cash, and Marketable Securities; Managing Accounts Receivable, Inventory, and Current Liabilities

## **Lesson 10:**

Understanding the Business Valuation; Documenting the Planning Assumptions; Price-Tagging an Ongoing Business

## **Lab Exercise**

## **Course Notes**

Course manual provided for on-going reference.

There is a final exam upon completion of the course. Participants who receive 75% or higher on their exam will receive a certificate.

