



**BUSINESS 2257
ACCOUNTING AND BUSINESS ANALYSIS
2018-2019**

CONTACT INFORMATION

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CLASS INFORMATION

Section 550

Tuesday and Thursday

10:30-12:00

Room W116

Section 551

Tuesday and Thursday

2:30-4:00

Room W116

COURSE DESCRIPTION

This course presumes no prior knowledge of business administration. It is required by other faculties for some of their programs and is the only university prerequisite for entrance into the Honors Business Administration program at Ivey Business School. Students will learn how to develop financial statements and assess their uses and limitations. Students will also learn various quantitative and qualitative decision-making tools and apply these tools using case studies. An emphasis will be placed on smaller businesses and the course will be highlighted by an entrepreneurial feasibility study.

COURSE LEARNING OBJECTIVES

By the end of this course, students should be able to:

1. Analyze and record accounting transactions.
2. Prepare and analyze financial statements using current accounting methods.
3. Apply analytical management tools that assist in business decision-making, often with incomplete or imperfect information.
4. Assess the feasibility of undertaking a new business enterprise.
5. Demonstrate effective written and oral communication skills.
6. Demonstrate expected workplace behaviour; for example, participation, leadership, collaboration, engagement and attendance.

COURSE PREREQUISITES AND ANTIREQUISITES

Prerequisite(s)

Five courses at University level.

COURSE MATERIALS

1. Text — *Financial Accounting: Tools for Decision-Making, Custom Text for Business 2257*, A Wiley Canadian Custom Publication for Western University, 2016.
2. Casebook — *Business 2257* (one volume for first term, one volume for second term)
 - The course casebook and handouts are protected under copyright law and are considered mandatory fees by UWO Senate and the Board of Governors.
3. Super-T Worksheets

COURSE STRUCTURE AND CONTENT

The course is divided into two segments: the first segment deals with the preparation of financial statements; the second segment focuses on the analysis of quantitative and qualitative data needed to make business decisions.

The Preparation of Financial Statements Segment (First Term)

International financial reporting standards (IFRS) and generally accepted accounting methods of presenting the financial condition and performance of a firm will be outlined and discussed in a series of questions, exercises, problems and cases. In addition to manipulating, correcting and summarizing data to produce financial statements, students will be expected to recognize the uses and limitations of these statements.

Analysis and the recording of accounting transactions using the T-account system will be the primary tool used in this segment of the course.

The Business Analysis and Managerial Accounting Segment (Second Term)

This portion of the course emphasizes the interpretation and use of the accounting information developed in the first term. From the decision-maker's perspective, students are expected to analyze the financial and non-financial aspects of a given firm and to evaluate future courses of action. This material is more subjective than the preceding term and requires students to make decisions using incomplete and imperfect information.

The second term uses primarily cases based on small- to medium-sized businesses as teaching vehicles for applying the following concepts.

Business Planning

1. Cost Behaviour

This section involves the classification of costs according to their behaviour with respect to the sales volume of a firm. Such analysis is useful for preparing financial projections and budgets, controlling and monitoring performance and making operating decisions. An understanding of cost behaviour is fundamental to quantitative analysis in the second term.

2. Marketing Management

The basic tenets around how to establish a marketing strategy are studied to understand the “fit” between a product or service and its intended consumers.

3. Cash Management

This section is divided into two segments—past and future. The statement of cash flows (past) helps answer questions about cash usage and cash sources during past accounting periods. The cash budget (future) is a tool used in forecasting cash needs and surpluses in order to help manage a firm’s future cash position.

4. Financial Management and Planning

This section introduces ratio analysis and projected financial statements. These tools enable a manager to assess the financial condition of a firm, plan for future financing needs and choose appropriate financing sources, in an effort to make sound business decisions.

Managerial Accounting

Cost-volume classifications, overhead allocation rates and risk/return analysis, addressed earlier in the course, are used again as analytical tools when making decisions such as the setting of retail selling prices, evaluating segment performance, and assessing short-term opportunities (the differential cash flow model).

Comprehensive Cases

The course will conclude with comprehensive cases that integrate the material covered in the second term.

TEACHING METHODOLOGY AND EXPECTATIONS OF STUDENTS

This course is taught primarily by the case method, which requires a much greater involvement of students in class than does the traditional lecture method. Students are expected to be fully engaged in the entire learning process. This means devoting time and energy to preparation before class, listening to others during class discussions and engaging in class discussions. Collective reasoning and discovery are critical to the successful application of the case method. Prior to any case discussion, engaging in discussions with (or examining notes from) others who may have already experienced the case class is a clear violation of our norms.

The workload for this course is heavy and students spend a considerable amount of time in

preparing for each session since emphasis is upon day-to-day preparation for each class. Students have consistently rated Business 2257 as one of their heaviest courses.

Detailed note-taking during class can often be distracting for others and counterproductive to your own learning. Instead, try to be selective in taking notes during class. It is a good idea to consolidate what you have learned at the end of each class or at the end of the day. To respect the intellectual property and integrity of materials presented in class, phones, cameras and any other recording devices are not to be used in the classroom.

Attendance at all classes in this course is expected; however, circumstances may arise which make it impossible for you to attend. If you are unable to attend a class, you are expected to advise your instructor in advance. Under University regulations, your instructor can determine at what point absenteeism has become excessive and approach the Dean who may prevent you from writing the final exam, thus preventing you from passing the course.

Additionally, at the instructor's discretion, any student who misses more than 25% of scheduled classes will receive a class contribution grade of "0" for the course.

EVALUATION

All components of evaluation must be completed for a student to be eligible for a passing grade in the course. There will be no reweighting of components within the course. Please note that grades cannot be adjusted on the basis of student need. Your grade in the course will be the grade that you earn based on your demonstrated understanding of the course content. Extra credit assignments are not available and exams cannot be rewritten to obtain a higher grade. Additionally, students must pass at least one of the following individual timed testing points to be eligible to receive a passing grade: mid-term exam, mid-year exam, or final exam.

Mid-term Exam	Saturday, October 20, 2018	20%
Mid-year Exam	December Exam Period	25%
Feasibility Study*	Wednesday, February 13, 2019 (due by 3:00 p.m.)	20%
Final Exam	April Exam Period	25%
Class Contribution		<u>10%</u>
		100%

* *Ten marks (of 100) of the written report mark will be deducted for the first 24 hours during which the report is late. Ten marks (of 100) of the written report mark will be deducted for the second 24 hours during which the report is late. The weekend following the due date will constitute one 24-hour period resulting in an additional penalty of 10 marks (of 100) of the written report mark. Those late reports handed in on the Monday must be submitted during administrative office hours (9:00 a.m. to 3:00 p.m.). Reports will not be accepted between Friday at 3:00 p.m. and Monday at 9:00 a.m.; therefore, any report submitted by 3:00 p.m. Friday will be reduced by 20 points of 100 and those submitted any time after 3:00 p.m. Friday and before 3:00 p.m. Monday will be reduced a total of 30 points of 100. There are no exceptions. Plan to hand in the report early; there is no penalty for being early. Reports exceeding the page limit or which are not formatted as described in "The Feasibility Study"*

(see First Term Casebook) will be subject to a penalty of 10 marks (of 100) of the written report mark. Specifically, a 10% penalty of the report's worth will be applied if the word count is exceeded and a 10% penalty of the report's worth will be applied if the number of exhibits is exceeded as specified in this same document. Additionally, any violation of the rules stated in the document "The Feasibility Study" will be subject to penalty. Students should consult their instructors if they have any doubts regarding penalties.

EVALUATION COMPONENT DESCRIPTIONS

Exams

Exams will be based on all readings, assignments, and course material; consequently, not all material that students are expected to understand will be explicitly covered in class. The only electronic equipment allowed during exams is a standard electronic calculator.

The mid-term and mid-year exams will require students to analyze and record accounting transactions. The preparation and analysis of financial statements may also be required.

The final exam will consist of a case and will require students to apply analytical management tools that assist in business decision-making, often with incomplete or imperfect information.

Feasibility Study

The group project integrates many concepts taught in the course. Students work in groups of five to seven people (depending on class size) to undertake a feasibility study of a new enterprise and must complete a written report and give an oral presentation to the class. Field research and investigation are necessary. The project involves a significant amount of time (outside of regular classes) during the second term. Students should be cautioned that there will be out-of-pocket costs associated with the project; however, students are encouraged to keep these costs to a minimum.

If it is brought to the attention of an instructor that a student has not contributed sufficiently to the feasibility study project, the student may receive a grade penalty. This grade penalty will be at the discretion of the instructor and may be based on feedback received from other group members or from a peer evaluation form.

Each group must have a minimum of four group members speak during the class presentation. Students who are absent without documentation will receive a mark of "0" on the presentation portion of the feasibility study.

Students may not pay any person or tutorial service, workshop or other organization for assistance or advice in researching or writing the feasibility study report.

In the past, several projects have been implemented by students and have developed into successful small businesses. All projects submitted will be kept on file at Huron.

Class Contribution

Contribution by each and every student is a cornerstone of any effective case method learning experience. Active class involvement augments the learning experience, increases assimilation of material and stimulates the level of class discussion. Students' contributions to this course are initiated through thorough class preparation. Cases should be analyzed, related to readings, lectures and experience.

Contribution is expected to be relevant to the current discussion and includes answering questions, volunteering answers, advancing the discussion to a new issue, developing one side of an argument, clarifying difficult concepts and asking questions pertinent to the topic. Students should be prepared to start the class, lead the discussion, develop agendas and suggest topics of importance. Just as important is listening attentively to your classmates and critiquing ideas constructively.

SCHEDULE OF CLASSES

Detailed schedules outlining each session's topic, assigned readings, textbook/case study assignment material, etc. will be available in OWL.

ACADEMIC POLICIES

An appendix that outlines various academic policies and other important information is available in OWL.