WILMINGTON UNIVERSITY
COLLEGE OF BUSINESS
BASIC COURSE INFORMATION

COURSE NUMBER: FIN 300

COURSE TITLE: Applied Concepts in Accounting & Finance

I. LEARNING OUTCOMES AND GOALS:

Goal A: The student will explain the role of finance and the operating environment of the firm, including how interest rates are determined.

Learning Outcomes: The student will:
A-1 Define the role finance plays in a company
A-2 Explain the difference between accounting and finance
A-3 Compare and contrast capital and money markets
A-4 Differentiate between maximizing profit and maximizing shareholder wealth
A-5 Discuss the role ethics plays in financial management
A-6 Understand the various components of interest rates and what affects these components
A-7 Understand the role the Federal Reserve plays in the determination of interest rates and why you, as the manager, should be interested.

Goal B: Understand the information contained in a company’s annual report.

Learning Outcomes: The student will:
B-1 Compare and contrast the contents of the stockholders’ annual report. Understand who uses this information and how it is used.
B-2 Compute basic financial ratios; prepare a common-sized income statement
B-3 Explain the significance of the data provided by the financial ratios
B-4 Discuss the ability of the company to control costs based upon an analysis of the common-sized income statement
B-5 Prepare a detailed financial analysis of a company and present a reasoned financial evaluation of the company

Goal C: Evaluate the financial planning process with respect to the formulation of operating plans and budgets.

Learning Outcomes: The student will:
C-1 Discuss the importance of an accurate sales forecast in preparing a cash budget
C-2 Prepare a cash budget with appropriate accompanying schedules
C-3 Evaluate the budget taking into account uncertainty of projected cash flows

Goal D: Explain the theory of the Time Value of Money and discuss its importance to factors affecting the company.

Learning Outcomes: The student will:
D-1 Understand the concepts of present and future values
D-2 Compute present and future values using single sum, annuities and mixed streams
D-3 Solve time value equations for payment, interest/discount rates and time

IDEA Objectives: E= 1
I= 2, 3
**Goal E:** Apply analytical techniques to understand cost/volume/sales relationships to include breakeven analysis.

**Learning Outcomes:** The student will:
- E-1 Discuss the role of breakeven analysis taking into account fixed and variable costs.
- E-2 Discuss the firm’s statement of cash flows, operating cash flow and free cash flow
- E-3 Discuss the major components of relevant cash flows, expansion versus replacement cash flows, sunk costs and opportunity costs

**Goal F:** Demonstrate a basic understanding of inventory management

**Learning Outcomes:** The student will:
- F-1 Compare and contrast FIFO and LIFO
- F-2 Discuss the pros of JIT

**Goal G:** Understand the basic concepts of capital budgeting and cost of capital

**Learning Outcomes:** The student will:
- G-1 Calculate basic payback, NPV and IRR
- G-2 Compute a company’s cost of capital
- G-3 Develop a decision model to determine project acceptance and the capital budget

**Goal H:** Understand the basic tools of short-term money and management

**Learning Outcomes:** The student will:
- H-1 Understand the importance of working capital management
- H-2 Understand the concepts relating to cash management

**Goal I:** Be familiar with current financial topics

**Learning Outcomes:** The student will:
- I-1 Be able to apply an historical perspective in discussing the factors affecting current speculative financial investments.
- I-2 Be able to discuss issues such as merger and international finance

**II. RATIONALE:**

It has been said that to really understand a business you need to understand the numbers. The “numbers” of course, are the financial numbers. This course serves as a springboard for understanding the financial health of a company – its strengths and weaknesses. It is critical that all managers understand how their decisions affect the company and often these decisions have financial consequences.