

**COURSE FIN3070: FINANCIAL PLANNING****Level:** Advanced**Theme:** User/Analyst**Prerequisite:** FIN3060 Financial Analysis**Description:** Students explain the value of financial planning for a business. They explore the impact of economic trends, changing world markets and tax implications, all of which must be considered when preparing financial forecasts. The concept of market research is also discussed.**Parameters:** Access to computers and software.**Curriculum and Assessment Standards**

| General Outcomes  | Assessment Criteria and Conditions   | Suggested Emphasis                               |
|---|--|--|
| <p><i>The student will:</i></p> <ul style="list-style-type: none"> <li>explain the value of financial planning</li> <li>design a forecast that incorporates internal and external factors</li> <li>demonstrate basic competencies.</li> </ul> | <p><i>Assessment of student achievement should be based on:</i></p> <ul style="list-style-type: none"> <li>given appropriate data, writing an introduction explaining the need for financial planning and preparing a financial forecast for a new business and/or an existing business.</li> </ul> <p><i>Assessment Tool</i><br/><i>Assessment Tool for Financial Management Documents/Components, FINDOC-A</i></p> <p><i>Standard</i><br/><i>Rating of 3</i></p> <ul style="list-style-type: none"> <li>observations of individual effort and interpersonal interaction during the learning process.</li> </ul> <p><i>Assessment Tool</i><br/><i>Basic Competencies Reference Guide and any assessment tools noted above</i></p> | <p>20</p> <p>80</p> <p>Integrated throughout</p> |

| Concept            | Specific Outcomes   | Notes |
|--------------------|---|-------|
| Financial Planning | <p><i>The student should:</i></p> <ul style="list-style-type: none"> <li>explain financial planning and its value in achieving the financial and operational goals of an organization.</li> </ul> |       |

**COURSE FIN3070: FINANCIAL PLANNING** (continued)

| Concept                   | Specific Outcomes  | Notes   |
|---------------------------|--|---|
| External Factors          | <p><i>The student should:</i></p> <ul style="list-style-type: none"> <li>• describe the factors that affect market demand; e.g., geographic area, competitors, target-share, environmental factors</li> <li>• describe the effects of political decisions on world markets and/or local markets</li> <li>• explain the ramifications of world markets on local business forecasting</li> <li>• describe the impact of economic trends, such as interest rates, inflation, competition, technology and labour market on financial planning</li> <li>• relate financial planning to tax implications.</li> </ul> | <p>Contact Chamber of Commerce and other groups to get local information.</p> |
| Internal Factors          | <ul style="list-style-type: none"> <li>• explain how long-term goals may be affected by sources of funding; e.g., equity financing, debt financing (short-term, long-term), leasing/buying assets</li> <li>• explain the impact of internal factors; e.g., use of technology, price changes, labour problems</li> <li>• describe planning business transactions to minimize or postpone income taxes</li> <li>• describe the financial factors to be considered when preparing a contract bid.</li> </ul>  |   |
| Budgeting and Forecasting | <ul style="list-style-type: none"> <li>• describe the benefits that a company may derive from a formal budgeting process</li> <li>• explain what information is required to prepare a forecast for a business including:               <ul style="list-style-type: none"> <li>– a capital plan</li> <li>– an operating forecast</li> <li>– a pro forma balance sheet</li> </ul> </li> <li>• prepare a forecast for a new business with data supplied.</li> </ul>   |   |