

Complete Business Math for Accountants

Part 1:

Evaluating the Cost of Bank Loans, Business Loans, Trade Credit, and Other Financing

Learning Objectives:

After completing this section, you should be able to:

1. Compute the cost of credit using different methods.
2. Calculate due dates.
3. Define and compute the cost of capital.

Part 2:

Budgeting and Profit Planning

Learning Objectives:

After completing this section, you should be able to:

1. Recognize the major steps in budget preparation.
2. Calculate a production budget.
3. Identify budget accuracy ratios.
4. Recognize importance of cash budgeting and the steps involved.

Part

3

Business Forecasting Methods

Learning Objectives:

After completing this section, you should be able to:

1. Identify different methods used for business forecasting.
2. Recognize how regression analysis can be used, and the implication of regression statistics.
3. Recognize the attributes of the Chi-Square test.

Part

4:

Managing Cash and Receivables

Learning Objectives:

After completing this section, you should be able to:

1. Identify components of the cash flow statement and different financing activities.
2. Recognize how to manage cash and accounts receivable properly.
3. Calculate cash flow from operations and average collection periods.

Part

5:

Controlling Inventory

Learning Objectives:

After completing this section, you should be able to:

1. Identify key concepts behind the economic order quantity (EOQ).
2. Calculate inventory reorder point.
3. Recognize the concepts of the ABC inventory control method.

Part

6:

Buying and Selling Products and Services

Learning Objectives:

After completing this section, you should be able to:

1. Recognize sales ratios used by management.
2. Calculate the relationships among price, costs, volume, and profit.
3. Identify how to calculate the break-even sales.
4. Recognize how the elasticity of demand affects total sales revenue.

Part

7:

Putting Money to Work

Learning Objectives:

After completing this section, you should be able to:

1. Recognize how the risk-return tradeoff is important in decision making.
2. Calculate payback periods for different projects.
3. Calculate the present value and identify how to calculate the present value of an annuity.
4. Calculate the profitability index.
5. Define internal rate of return and capitalization rate.

Part

8:

Scheduling, Planning, and Efficiency Measures and Charting

Learning Objectives:

After completing this section, you should be able to:

1. Recognize some commonly used operating ratios
2. Identify how to use charting to help communicate business operations

Part

9:

Preparing Financial Statements

Learning Objectives:

After completing this section, you should be able to:

1. Recognize the components of the balance sheet, including assets and equity.
2. Identify attributes of the income statement.

Part

10:

How Healthy Is The Business?

Learning Objectives:

After completing this section, you should be able to:

1. Recognize different ratios used in financial analysis, including liquidity, debt and profitability ratios.

Part

11:

Measuring Business Performance

Learning Objectives:

After completing this section, you should be able to:

1. Identify how management can use and improve ROI.
2. Compute residual income and identify how it is different than ROI.
3. Recognize how marginal analysis can be used for business decisions.

Part 12:

Averages, Expectations, and Variability in Business Activities

Learning Objectives:

After completing this section, you should be able to:

1. Calculate average (mean), median, and mode.
2. Compute standard deviation.
3. Recognize the coefficient of variation and the normal distribution.

Part 13:

Adequacy and Cost of Insurance Coverage

Learning Objectives:

After completing this section, you should be able to:

1. Recognize different types of insurance
2. Identify insurance terms such coinsurance and fair payment
3. Identify the basis for how much insurance is needed

Part

14:

Hiring and Compensating Employees

Learning Objectives:

After completing this section, you should be able to:

1. Recognize how to determine human resource needs
2. Identify attributes of a benefits packages

Recognize the cost factor of human resources and how it varies by organization types

Part

15:

Buying or Selling a Business

Learning Objectives:

After completing this section, you should be able to:

1. Recognize different methods used for determining the price of a business.

