Course guide
240811 - 240811 - Economic and Financial Analysis in Business

Last modified: 11/12/2023

Unit in charge: Barcelona School of Building Construction
Teaching unit: 1039 - UPF - Universitat Pompeu Fabra.

Degree: MASTER'S DEGREE IN OCCUPATIONAL HEALTH AND SAFETY (Syllabus 2016). (Compulsory subject).

Academic year: 2023 **ECTS Credits:** 3.0 **Languages:** Spanish

LECTURER

Coordinating lecturer: Castillo López, César

Others: No aplicable.

PRIOR SKILLS

Not necessary

REQUIREMENTS

Not necessary

DEGREE COMPETENCES TO WHICH THE SUBJECT CONTRIBUTES

Specific:
1. Be able to promote conducts, habits, consumption and health life styles, with the active participation of the workers as main role of the own health. Be able to promote the preventing culture within the company and the creation of health environments.
2. Identify and distinguish the different integration models for the prevention in the management of the company.

TEACHING METHODOLOGY

The 75 hours of work that the student will dedicate, will have the following distrbution:

- 12 hours where the professor will show the basic information of the theoretical parts of the course included in the program, including exercises. There will be 8 sessions of one and a half hours each one.
- 7 hours and a half where the practices related to the theory will be resolved for the student individually with previous preparation. When the class is finished the professor will pick up the practices. There will be 5 sessions of one and hours each one.
- 6 hours and a half of inividual class with the students to resolve doubts and make a follow-up in the process of learning. It will be half an hour of these sessions during the 13 weeks the subject lasts.
- 8 hours where the students will make the two group projects that are delivered outside of class.
- 41 hours where the students should read the materials of the subject, prepare the practices, and invest time in preparing the final exam.

The material with the concepts of the subject will be available in the virtual campus at the beginning of the subject. The theory, practices will be detailled in the part of "content", and the two group projects in the part of "plannification of activities".

LEARNING OBJECTIVES OF THE SUBJECT

- Knowledge:

1. Direct and manage companies.
2. Understand corporate finance: the financial value chain.
3. Understand economic-financial information. Accounting cycle.
4. Prepare a balance sheet: assets, liabilities and equity.
5. Prepare a profit and loss account: income and expenses.
6. Understand costs, margins and break-even point.
7. Know the main instruments of analysis.
8. Carry out a wealth analysis.
9. Conduct a financial analysis.
10. Conduct a profitability analysis
11. Understand the middle periods. Cycle of exploitation.
12. Prepare an economic-financial plan.
13. Define the life cycle of a business.
14. Identify sources of funding.

STUDY LOAD

Type	Hours	Percentage
Hours large group	27,0	36.00
Self study	48,0	64.00

Total learning time: 75 h

CONTENTS

Business management and finance

Description:
Business management. Corporate finance: value chain.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Financial information

Description:
Economic and financial information. Accountancy cycle. Balance sheet: assets, liabilities and equity.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Practice 1

Description:
Elaboration of a balance sheet through the presented notes of a company. The objective is to become familiar with the economic-financial concepts that make up the assets and liabilities of the balance sheet and to know what each of them contains.

The assessment criterion for evaluation will be:
- 100% Preparation of the Balance Sheet. In the qualification it will be valued the absence of errors, the adequate placement of each one of the items within the correct patrimonial mass, that the assets and liabilities and net match.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Profit and loss account

Description:
Profit and loss account. Incomes and outcomes. Costs, margins and breakeven.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Practice 2

Description:
Reconstruction and analysis of a profit and loss account based on the information presented, analyzing each of the income and expense components. The typology of the company's costs will be identified.

The assessment criterion for its evaluation will be:
- 100% Correct preparation without errors and analysis without contradictions. The coherence of the written report, the comments of the calculations and the calculations made will be valued.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

financial statement analysis

Description:
Main analysis instruments. Balance sheet analysis.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Financial analysis

Description:
Financial analysis through ratios.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Practice 3

Description:
Analysis of a case with the financial statements for two years of a company, in which an analysis of the balance sheet and the profit and loss account must be carried out through the studied indicators and ratios.

Assessment:
• 100% Preparation of the analysis of financial statements without errors regarding the calculations carried out as the explanations of the indicators and ratios used. In addition, the conclusion of the analysis will be assessed, in which the strengths and weaknesses of the company and its economic and financial situation will be discussed.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Profitability analysis

Description:
Profitability analysis: ROA and ROE.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Operating cycle periods

Description:
Periods and operating cycle.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Practice 4

Description:
In this practice, in addition to the analysis of the economic and financial information carried out in practice 3, non-financial aspects themselves will be taken into account (related with occupational safety and health points), which will affect the interpretation of analysed indicators and ratios, and that will allow us to develop new non-financial indicators to make decisions when assessing the correct situation of the company and recommendations on how to resolve possible imbalances.

Assessment:
• 100% Analysis of financial statements without errors regarding the calculations performed, non-financial indicators analysed, as well as explanations of these indicators and the situation of the company itself. The conclusion of the analysis will be valued in which the strengths and weaknesses of the company will be commented, and the coherence in all the analysis.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Financial plan

Description:
Economic and financial plan.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Business creation

Description:
Life cycle of a business. Sources of funding.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

Practice 5

Description:
Carrying out a small financial plan when carrying out an occupational safety and health project and how to consider the necessary sources of financing depending on the company's situation.

Assessment:
• 100% Preliminary analysis of the company's situation, analysis of the total cost of the project (or investment necessary to make) and analysis of the ideal sources of financing that we will use. Consistency between the three parts of the analysis will be assessed, as it is important to maintain the same decision-making line at the business level.

Full-or-part-time: 1h 30m
Theory classes: 1h 30m

ACTIVITIES

FIRST ACTIVITY: FINANCIAL STATEMENT ANALYSIS

Description:
Analysis of a company's financial statements to determine its situation from a patrimonial, financial and economic perspective. It is a matter of finding the weaknesses and strengths that the company has in order to be able to make decisions regarding the best options available according to the data presented. The activity will be carried out through the presentation of a case to be solved.

Specific objectives:
Develop an analysis of financial statements.

The evaluation criteria for its evaluation will be:
• 50% numerical analysis performed through the different techniques proposed.
• 50% Interpretation and conclusions of the analysis.

Material:
Teaching materials, Theory and practices, from session 1 to session 7. See the "content" part.

Delivery:
It will be delivered in the 10th session.

Full-or-part-time: 4h
Guided activities: 4h

SECOND ACTIVITY: FINANCIAL ANALYSIS AND PLANNING

Description:
Analize the differents classes of costs that are consumed periodically and present the two traditional systems: Full Cost and Direct Cost. Justify numerically the differences of the results in each period when comparing both costs systems.

Specific objectives:
Present an analysis and financial planning.

The evaluation criteria for its evaluation will be:
• 30% Analysis of profitability and average periods.
• 30% Calculation of financing needs.
• 40% Interpretation and conclusions of the funding source according to the data presented and calculated.

Material:
Teaching materials, theory and practices, from session 8 or session 13. See the "content" part.

Delivery:
It will be delivered the day of the final exam.

Full-or-part-time: 4h
Guided activities: 4h

GRADING SYSTEM

The subject will be evaluated according the following criteria:

- The assistance and participation (10%).
- Resolved and delivered practices during the progammed sessions (20%) (1).
- Resolved and delivered practices outside of class (20%) (2).
- Final exam theory and practice (50%)(3).

The grade for the course will be obtained by the sum of the grades obtained in each of the above criteria.

(1) In the 20% of practicals, 4-5 practicals are included; each of them is equivalent to 4% of the total.

(2) Included in the 20% out-of-class deliverables are 2 deliverables, each of which is equivalent to 10% of the total.

Practicals and out-of-class deliverables will be graded based on the degree to which students meet the knowledge objectives.

(3) The final exam, which will contain a theoretical-practical test and practice, will be graded according to the results obtained according to the score established in the exam itself.

EXAMINATION RULES.

The practices programmed in class are individual.

The two activities delivered outside of class will be made in groups with a maximum of 4 people each one. The first activity will be delivered at the 10th session and the other activity before the day of the final exam.

BIBLIOGRAPHY

Basic:
- Jordan, B.D.; Jaffe, J.F.; Westerfield, R.W.; Ross, S.A.. Finanzas corporativas. 11a ed.. McGraw-Hill, 2018. ISBN 9781456277772.
- Brealey, Richard A.; Myers, Stewart C.; Marcus, Alan J.. Fundamentos de finanzas corporativas. 5a ed.. Aravaca (Madrid): McGraw-Hill, cop. 2007. ISBN 8448156617.
- Amat Salas, Oriol. Comprender la contabilidad y las finanzas. 3a ed.. Barcelona: Gestión 2000, cop. 2008. ISBN 9788496612952.
- Amat Salas, Oriol. Análisis económico-financiero [on line]. 20a ed.. Barcelona: Gestión 2000, cop. 2008 [Consultation: 02/11/2017]. Available on: http://site.ebrary.com/lib/cbuc/docDetail.action?docID=10327874. ISBN 9788496612945.

RESOURCES

Other resources:
Handouts, cases and exercises.