

## **ERA104      Financial plan**

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### **5 ECTS**

#### **Objectives – Course description**

Understand the financial structure of a company and make a diagnosis in line with the Entrepreneurial Project

- Carry out a financial analysis
- Draw up a financial plan for a company.
- Interpret financial information in context.
- Understand and apply predictive financial models of failure.

#### **Learning content**

The main focus of the course is on the analysis of the company's balance sheet and income statement and the development of financial plans.

The course will cover the following topics

- The analysis of the resources, uses and costs of the company
- Analysis using the ratio method (structural ratios (FR, BFR, etc.), management ratios (EBIT, EBITDA, stock turnover, etc.) and profitability ratios (break even point, ROI, ROE, etc.)
- The financial plan (the projected balance sheet, the projected income statement, etc.)
- The economic definition of a company in difficulty
- The NBB Financial Health Indicator (FHI2013) & Modelling (predictive financial models of failure: Beaver ratio, Altman method, Collongues method and Conan & Holder scoring)

#### **Learning outcome**

At the end of this course, the student will demonstrate that he is able to make a financial analysis

- Acquire the reflex to find out about the financial situation of companies and the current financial situation.
- Know how to read and present the information contained in the annual accounts and annual reports of a company (identify the key elements of an income statement or a balance sheet; calculate ratios to analyse a given situation (ROI, cash flow, break even point,...); understand the direct and indirect costs of payroll...)
- Analyse and take a critical look (by identifying the elements of interest) at the financial structure of a company.
- Develop a professional and responsible approach to the relationship between a business enterprise and its financial partners.
- Find, read and decode a number of financial documents (credit openings, financial articles,...)

#### **Learning material**

Complementary materials (e.g. syllabi, books or more voluminous materials distributed by CIACO)

Materials available on Moodle. (including guidelines for the work)

Personal notes of the student

A computer is essential for the course.

**Evaluation**

30% Continuous assessment in the first semester Written and/or oral test

70% End of first term assessment Written and/or oral test