COURSE DESCRIPTION
SUBJECT: BALANCE-SHEET ANALYSIS
ACADEMIC COURSE: 3º SEMESTER: 1º
DEGREE: BUSINESS MANAGEMENT
MODALITY: IN-CLASS TEACHING
COURSE: 2018/2019
SCHOOL OF BUSINESS & ECONOMICS
1. SUBJECT IDENTIFICATION

1.- COURSE/SUBJECT:

NAME: BALANCE-SHEET ANALYSIS

Code: b309

Year (s) course is taught: 3º

Semester (s) when the course is taught: 1º

Type: Compulsory

ECTS of the course: 6

Hours ECTS: 30

Language: English and Spanish

Modality: In-class teaching

Degree (s) in which the course is taught: Business Administration

School which the course is taught: SCHOOL OF BUSINESS & ECONOMICS

2.- ORGANIZATION OF THE COURSE:

Department: Business Economics

Area of knowledge: Finance and Accounting

2. LECTURERS OF THE SUBJECT

1.- LECTURERES

<table>
<thead>
<tr>
<th>Responsible of the Course</th>
<th>CONTACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>MARIANO GONZÁLEZ SÁNCHEZ</td>
</tr>
<tr>
<td>Phone (ext):</td>
<td>Ext. 5447</td>
</tr>
<tr>
<td>E-mail:</td>
<td><a href="mailto:gonsan@ceu.es">gonsan@ceu.es</a></td>
</tr>
<tr>
<td>Office:</td>
<td>1.20 edif. B</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Professor</th>
<th>CONTACT DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>MARÍA ENCINA MORALES DE VEGA</td>
</tr>
<tr>
<td>Ph #. (ext):</td>
<td>5519</td>
</tr>
<tr>
<td>E-mail:</td>
<td><a href="mailto:memorales@ceu.es">memorales@ceu.es</a></td>
</tr>
<tr>
<td>Office:</td>
<td>1.02B</td>
</tr>
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2.- TUTORIALS:

For any queries students can contact lecturers by e-mail, phone or visiting their office during the teacher’s tutorial times published on the students’ Virtual Campus.
3. COURSE DESCRIPTION

This subject includes the study of the necessary tools for the analysis of the Financial Statements: Balance Sheet, Income statement and explanatory notes, with a special mention to the preparation of the cash flow statement. The main objective is to teach students how to interpret and judge the economic and financial situation of a company in an analytical way.

To having passed the first year subject "Introduction to Financial Accounting" is required, and having passed the remaining subjects of accounting in previous courses is also recommended.

4. SKILLS

1.- SKILLS:

<table>
<thead>
<tr>
<th>Code</th>
<th>Basic and General Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>BS2</td>
<td>Students should know how to apply their knowledge to their work or vocation in a professional manner and should have the skills that are usually demonstrated by compiling and defending arguments and resolving problems within their area of study.</td>
</tr>
<tr>
<td>BS3</td>
<td>Students should have the capacity to collect and interpret relevant data (usually within their area of study) to form opinions based on reflection on relevant topics of a social, scientific or ethical nature.</td>
</tr>
<tr>
<td>BS4</td>
<td>Students should be capable of communicating information, ideas, problems and solutions to both a specialist and non-specialist audience.</td>
</tr>
<tr>
<td>GS1</td>
<td>Capacity for analytical and critical thinking</td>
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<table>
<thead>
<tr>
<th>Code</th>
<th>Specific Skills</th>
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</thead>
<tbody>
<tr>
<td>SS4</td>
<td>Capacity of critical analysis in quantitative and qualitative terms, including data analysis, interpretation and extrapolation to a given business reality.</td>
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</table>

2.- LEARNING OUTCOMES:

Knowledge about how to obtain the necessary information from the financial statements of a company for its analytical application.

Ability to analyze economic and financial company situation through its financial information by applying different instruments.
5. LEARNING ACTIVITIES

1.- DISTRIBUTION OF STUDENTS´ ASSIGNMENT:

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>On-campus hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>EA2</td>
<td>Seminar</td>
<td>45</td>
</tr>
<tr>
<td>EA3</td>
<td>Practical Workshop</td>
<td>15</td>
</tr>
<tr>
<td>TOTAL</td>
<td>Presence Hours</td>
<td>60</td>
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<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>Not on-campus hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>EA0</td>
<td>Independent work.</td>
<td>120</td>
</tr>
</tbody>
</table>

2.- EDUCATIONAL ACTIVITIES:

<table>
<thead>
<tr>
<th>Educational Activity</th>
<th>DEFINITION</th>
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<tbody>
<tr>
<td>Independent Work (EA0)</td>
<td>Educational activity whereby students independently manage their own learning by the study of the course material.</td>
</tr>
<tr>
<td>Seminar (EA2)</td>
<td>Educational activity focused especially on the competence of the students to develop the learning skills enabling them to assimilate content acquired beforehand, while relating economic concepts and those of similar and/or auxiliary disciplines and different theoretical and methodological approaches. Students study each subject in depth to a large extent independently. This educational activity is also centered on encouraging students to acquire the skills necessary to communicate their conclusions – and the understanding and underlying reasons supporting them – to both the specialist and non-specialist public clearly and unequivocally. Priority is given to the participation of students and their sharing of the reasoned interpretation of knowledge and the sources of their fields of study, all of which is coordinated by the professor.</td>
</tr>
<tr>
<td>Practical Workshop (EA3)</td>
<td>Educational activity focused especially on the competence of the students to use specific methodologies for resolving problems of a practical nature encountered by economists in their most applied aspects and/or the information technology tools relevant to each subject. Priority is placed on students undertaking practical activities focused on data manipulation and selection of quantitative and/or qualitative information for purposes of extracting/drawing relevant conclusions.</td>
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</table>

6. ASSESSMENT OF LEARNING

1.-CLASS ATTENDANCE:

- In order to be eligible for examination by continuous assessment, students must attend at least 75% of scheduled class time (attendance sheets will be used). As students may be absent 25% of the classes, no attenuating circumstances will be accepted for absences.
2.- ASSESSMENT SYSTEM AND CRITERIA:

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>AS1</td>
<td>Written examination of essay-type questions</td>
<td>15%</td>
</tr>
<tr>
<td>AS4</td>
<td>Written or computer-based examination on exercises, problems, cases, and so forth.</td>
<td>65%</td>
</tr>
<tr>
<td>AS6/AS7</td>
<td>Individual work (AS6) and Team work (AS7)</td>
<td>20%</td>
</tr>
</tbody>
</table>

3.- ASSESSMENT CRITERIA DESCRIPTION:

**ORDINARY EVALUATION. (CONTINUOUS EVALUATION):**

Throughout the semester:

- The student will solve reasonably four practical cases with a maximum score of 1 point each. These practical cases will be focused on the following units of the program:
  - Practical Case-1: Units 1 and 2.
  - Practical Case-2: Unit 3.
  - Practical Case-3: Unit 4.
  - Practical Case-4: Unit 5.

- The student must present an economic-financial report on a company previously assigned by the lecturer, with this purpose the student will apply the tools explained in class. The maximum score of this report is 2 points. It may be either an individual or a group project.

- Final test: Students must answer questions using all the tools studied during the course and included in the syllabus. The maximum score of this test is 5 points.

- If the student does not perform any of the tests of continuous assessment and the final exam at the specified date, the test will not be repeated under any circumstances.

- The student must attend the tests provided with an ID (student card, DNI, passport).

**EXTRAORDINARY EVALUATION**

- Final exam: Students must answer reasonably the questions using all the tools studied during the course and included in the syllabus. The maximum score of this test is 10 points.
7. SUBJECT PROGRAMME

1.- COURSE SYLLABUS:

CHAPTER 1. INTRODUCTION: OBJECTIVES AND FUNCTIONAL ANALYSIS OF FINANCIAL STATEMENTS.
2. Analysis Classification.
3. Accounting basic information: financial statements.
4. Functional classification of balance sheets and profit and loss accounts.

CHAPTER 2. ASSET ANALYSIS
1. The concept of equity analysis. Basic relationships.
2. Revolving Fund, maneuver or "working capital".
3. Economic and financial balance.
4. Analysis of the funds generated by the company.

CHAPTER 3. ANALYSIS OF FINANCIAL STRUCTURE: COST AND SOLVENCY
1. Introduction.
2. Cost of financial structure.
3. Analysis of business solvency.

CHAPTER 4. ANALYSIS OF FINANCIAL STRUCTURE: LIQUIDITY
1. Analysis of the liquidity of the company.
2. Concepts of flow of funds and cash flows.
3. The cash flow statement

CHAPTER 5. ECONOMIC ANALYSIS
1. Analysis of main components of the Profit and Loss Account.
2. Company’s profitability.
3. Personnel costs analysis.

8. RECOMMENDED READING

1.- ESSENTIAL BIBLIOGRAPHY:

2.- ADDITIONAL BIBLIOGRAPHY:

4.- WEB RESOURCES:
9. ATTITUDE IN THE CLASSROOM

1.- REGULATIONS:

The student must show the right attitude in the classroom in accordance with the rules of the Faculty and the University. This implies attending regularly and on time, as well as having a participatory attitude in the classroom, doing the work or exercises required.

Any irregular act of academic integrity (no reference to cited sources, plagiarism of work, inappropriate use of electronic devices in class-phones, tablets or computers -) or improper / prohibited use of information during exams) or signing the attendance sheet for fellow students not present in class will result in the student not being eligible for continuous assessment and possibly being penalized according to the University regulations.

The teaching unit will also decide in each case, the penalty applies to those students who are expelled from the classroom.