

**ITERA**

# *vision*

May 2023

- Financial planning for corporations

## INTRODUCTION

*The company law was extensively revised and expanded as of January 1, 2023.*

*A relevant provision is the revised Art. 725 OR, according to which, according to its paragraph 1, the board of directors monitors the solvency of the company.*

*This provision is further discussed below and a working tool recommended and made available.*

## TABLE OF CONTENTS

1. Relevant Financial Planning Provisions
2. Conditions for a corresponding work tool based on the data from the financial applications
3. Recommended financial plan

### 1. Relevant Financial Planning Provisions

Two provisions of stock corporation law, which also applies to limited liability companies, are important and correlated with regard to financial planning for corporations:

#### ■ Art. 725 OR – Impending insolvency

Para. 1 is of interest here, according to which the board of directors monitors the solvency of the company.

#### ■ Art. 716a OR - Non-transferrable tasks

This norm defines the non-transferrable and inalienable duties of the board of directors.

Paragraph 1, item 3 is relevant here, according to which the Board of Directors has the following non-transferrable and inalienable tasks: the design of accounting, financial control and financial planning, insofar as this is necessary for the management of the company.

According to the dispatch on the amendment of the Code of Obligations (corporate law) of November 23, 2016, BBl 573, financial planning is one of the non-transferrable and inalienable tasks of the BoD (see Art. 716a Para. 1 No. 3). The new article 725 stipulates explicit duties of the board of directors in this regard in order to avoid the insolvency of the company.

The following chapter provides an analysis of how such financial planning can be carried out using modern financial applications.

### 2. Conditions for a corresponding work tool based on the data from the financial applications

Current financial plans usually cover a financial year and are divided into months within the financial year. This makes sense and also fulfills the provisions mentioned above.

Current financial plans are usually broken down by type of cost. See the following example as an excerpt:

# liquidity plan

	Year		January		February		March	
	Total debit	total is	Should	Is	Should	Is	Should	Is
Cash sales:	0	0						
Accounts receivable payments:	0	0						
Other cash receipts: a) rent	0	0						
b) securities/interest	0	0						
c) ...	0	0						
<b>Deposits total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Goods and material payments Wages, salaries, social benefits Advertising	0	0						
taxes, interest on capital	0	0						
insurances	0	0						
General office and administrative expenses	0	0						
Rent	0	0						
Other payments (electricity, water, etc.) VAT	0	0						
<b>Payouts total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross cash inflow/outflow</b> (Deposits/Withdrawals	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other proceeds from asset sales	0	0						
Other deposits (e.g. borrowing from third parties) Other deposits from advance payments from customers Private contributions/ capital increase	0	0						
Other disbursements for investments	0	0						
Other payments (e.g. loan payments to third parties Other payments for payments on account to suppliers to private withdrawals	0	0						
<b>Net Cash Inflow/Net Cash Outflow</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Inventory cash register, post office, bank <b>Money surplus/money need</b>	0	0	0	0	0	0	0	0
<b>Use of the money surplus for: Covering the money requirement by:</b>								

Modern financial applications, which use subledgers such as debtors, creditors and salaries, do not show cash flows in the cost type calculation, but services, by recording income and expenses according to agreed and not according to received or spent fees. It is therefore not possible to record such types of costs in financial planning.

### 3. Recommended financial plan

As explained above, modern financial plans, which are based on modern financial applications, cannot be broken down according to types of costs, but have to be constructed in the structure of cash flow statements.

The following modern financial plan shows this structure. See the following example as an excerpt:

**PLANNED CASH FLOW STATEMENT**

	01/31/2023	02/28/2023	03/31/2023	04/30/2023
	CHF	CHF	CHF	CHF
monthly success	0	0	0	0
Depreciation and value adjustments Current provisions	0	0	0	0
Long-term provisions	0	0	0	0
Change in net working capital Trade accounts receivable Del credere	0	0	0	0
Other short-term receivables	0	0	0	0
Inventories and unbilled services Prepaid expenses	0	0	0	0
Trade payables Current interest-bearing liabilities	0	0	0	0
Other current liabilities	0	0	0	0
Passive accruals and deferrals	0	0	0	0
<b>cash flow business activities (cash flow)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
financial investments holdings	0	0	0	0
Property, plant and equipment intangible assets	0	0	0	0
<b>cash flow investment activity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term interest-bearing liabilities Other long-term liabilities Distribution Dividend	0	0	0	0
Own capital shares	0	0	0	0
<b>cash flow financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cash flow from operations (cash flow) Cash flow from investing activities	0	0	0	0
cash flow financing activities	0	0	0	0
<b>TOTAL CASH FLOW</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cash and cash equivalents, short-term assets with a market price, short-term interest-bearing liabilities to	0	0	0	0
<b>FUND CHANGE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The topic shows a certain complexity, especially with regard to accounting and the financial applications used.

The recommended financial plan can be found on our website at <https://www.itera.ch/informationen/herunterladen/treuhand/>.

Authors of this article are:

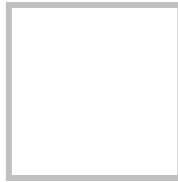
Giorgio Meier Mazzucato  
dr iur., specialist FRW with federal certificate  
diploma Fiduciary expert, dipl. tax expert  
Approved audit expert RAB  
[giorgio.meier@itera.ch](mailto:giorgio.meier@itera.ch)

Franco Nardo  
Trustee with federal certificate  
Specialist FRW with federal certificate  
[franco.nardo@itera.ch](mailto:franco.nardo@itera.ch)

### **OTHER SERVICES OF THE ITERA GROUP**

For the other comprehensive range of services offered by the ITERA Group in the areas of accounting, financial planning, real estate, IT, law, taxes, trusteeship and auditing, we refer to the relevant brochures or the last page of this brochure.

## Addresses: Services ITERA Group:



### **ITERA Aarau**

Neugutstrasse 4  
5001 Aarau  
Telephone 062 836 20 00

### **ITERA train**

Gotthardstrasse 18  
6300 Zug  
Telephone 041 726 05 25

### **ITERA Zurich**

Schindlersteig 5  
8006 Zurich  
Telephone 044 213 20 10

[info@itera.ch](mailto:info@itera.ch)  
[www.itera.ch](http://www.itera.ch)

### **ITERA AG Controlling & IT**

- External accountants/controllers
- controlling organization
- Planning and budget calculations
- Calculation, cost and performance accounting systems
- accounting
- IT services
- Hardware and software

### **ITERA AG Real Estate**

- mediation, sale
- Estimates, expertise
- building trustee
- First rental and re-letting
- real estate marketing
- Advice
- legal advice

### **ITERA AG Trust & Tax**

- Incorporation, restructuring, reorganization, liquidation
- Expertise and opinions
- taxes and social security
- VAT national and international
- Liquidity, financing, investment, profitability
- corporate succession
- company valuation
- Commercial law, corporate law, inheritance law
- Personal financial planning
- HR work
- escrow

### **ITERA Auditing Ltd**

- Legal Audits
- Statutory or voluntary audits
- group audits
- foundation exams
- Due diligence in M&A
- VAT checks

