

Best Practice Financial Modeling (Intermediate)

Course Objectives

By the end of this course, participants will be able to:

- Construct professional models
- Understand how to build integrated models with additional valuation or analysis
- Understanding the sensitivity of key drivers
- Significantly improve efficiency of using shortcuts
- Optimise the use of financial functions

Target Audience

Professionals in corporates and financial institutions who wish to raise their financial valuation skills to a superior level. Attendees should have a good basic excel knowledge and basic accounting knowledge. This course is the ideal follow up to the Introduction to Financial Modeling.

Content

Basics of financial modeling

- Projection of P&L, balance sheet and cash flow
- Balancing numbers, circular references
- Professional use of excel -protection, range names, data validation
- Overview of useful functions (IF, MAX, MIN, NPV, IRR etc.)
- Overview of effective shortcuts
- Model exercises

Professional models

- What is a good model?
- Modeling - from basic to professional
- Flexible and user-friendly models
- scenario analyses
- sensitivity testing

Build your own model

- Building models from scratch
- Provided with annual report and equity research report
- Building a model with assumptions and key drivers
- Is the share undervalued or overvalued?

Valuation concept reviewed

- Refresher of company valuation techniques
- Practical application of valuation constituents
- Concept of valuation techniques
- Key value drivers
- WACC exercises
- FCF exercises
- TV exercises
- From enterprise value to equity value

Additional applications of integrated financial models

- Additional applications reviewed
- How to expand your model for additional analysis including:
 - Discounted cash flow
 - Leveraged finance
 - Overview of level of ratios in line with covenants

LBO modeling

- LBO financing concept reviewed
- Different leverage options
- Purchase considerations