

Introduction: Essentials of Financial Analysis and Modelling

A solid understanding of financial analysis principles is an essential skill for successful business management.

This comprehensive seminar on financial analysis and modelling provides participants with in-depth knowledge of fundamental and advanced analysis concepts. It emphasizes practical application, using Microsoft Excel to uncover the strategic drivers that significantly influence organizational value and long-term success. Participants will develop advanced financial analysis skills that prepare them to excel in their professional roles and contribute to the sustainable growth of their organizations.

Intended Participants for Strengthened Financial Strategy

- Professionals working in financial accounting teams
- Cost and management accounting specialists
- Finance managers
- Planning managers
- Commercial managers
- Professionals involved in capital investment and project management teams

Seminar Objectives: Building Expertise in Financial Forecasting

By the conclusion of this financial analysis and modelling seminar, participants will be able to:

- Develop a strong foundation in strategic financial planning
- Apply advanced methods in financial and economic analysis
- Use financial tools, including the principle of time value of money
- Identify and apply key performance indicators to support business success
- Design customized financial tools that suit specific business environments
- Apply structured steps to build reliable financial models
- Analyze corporate annual reports to evaluate financial standing and predict future performance
- Understand and apply interest theory in financial planning
- Build an economic value-added model to assess organizational success from a shareholder's perspective
- Optimize the benefits of capital investment decisions
- Use advanced functions within Microsoft Excel, including Solver, Goal Seek, and Scenario Analysis, to influence financial decision-making and shareholder value
- Contribute effectively to discussions regarding financial strategy

Target Competencies: Core Skills in Financial Modelling

Participants who complete the seminar will strengthen their competencies in the following areas:

- Conducting capital budgeting analysis
- Forecasting cash flow with accuracy
- Calculating the cost of capital
- Building and practicing the use of financial models
- Conducting scenario analysis and sensitivity analysis
- Assessing free cash flow for decision-making
- Applying advanced Excel functions to financial tasks

Seminar Content: Financial Forecasting and Modelling in Practice

Unit 1: Foundations of Financial Modelling in a Global Business Environment

- Defining models and financial models
- Ten structured steps to creating effective financial models
- Flowcharting techniques to improve model design
- The relationship between strategic planning and operational performance
- Understanding organizational planning models
- The cycle of product development, decision-making, and information management
- Objectives of financial analysis
- Value creation as a measure of wealth and organizational performance
- Exploring key metrics of financial performance and economic growth

Unit 2: Financial Metrics for Organizational Success

- Ratio analysis as the foundation of financial analysis
- Applying Microsoft Excel templates to calculate and interpret liquidity, leverage, and profitability ratios
- Understanding accrual accounting in ratio analysis
- Exploring the DuPont model and its relationship to economic value added
- Using the Altman Z-score to assess financial stability
- Benchmarking results with industry surveys and investment studies
- Understanding the concept of shareholder value
- Determining the cost of equity, cost of debt, preferred equity, and common equity
- Calculating the weighted average cost of capital
- Developing and applying an economic value-added model

- Evaluating the impact of acquisitions on organizational financing

Unit 3: Time Value of Money in Financial Modelling

- Understanding the effect of time on the value of money
- Learning methods of interest calculation
- Using benchmarks such as weighted average cost of capital and return on invested capital
- Applying Microsoft Excel functions to calculate present value, future value, net present value, internal rate of return, and modified internal rate of return
- Applying internal rate of return in capital project evaluation
- Identifying appropriate uses for financial models
- Linking models to shareholder value creation
- Establishing criteria for validating forecasts
- Determining appropriate time horizons for forecasts
- Recognizing and managing risks in financial forecasts
- Understanding the role of assumptions in building financial projections

Unit 4: Evaluating Capital Investments and Managing Historical Data Using Microsoft Excel

- Identifying types of capital projects
- Understanding the evaluation process for capital projects
- Determining both initial and future cash flows for projects
- Developing hurdle rates for capital investment decisions
- Applying terminal value concepts in project evaluation
- Using Microsoft Excel to apply discounted cash flow methods, including net present value, internal rate of return, and discounted payback models
- Learning approaches for financial forecasting models
- Recognizing patterns in historical data
- Applying exploratory data analysis tools in Microsoft Excel
- Establishing the appropriate time horizon for reliable financial models
- Evaluating the reliability of model projections
- Managing sensitivity and robustness in financial models
- Applying selected techniques for model building and testing

Unit 5: Time Series Analysis and Portfolio Investment Modelling Using Microsoft Excel

- Building time series models with histograms, moving averages, exponential smoothing, and regression analysis

- Applying exponential smoothing for data analysis and forecasting
- Validating time series results to ensure reliability
- Conducting sensitivity analysis in financial and operational modelling
- Applying scenario planning and goal-seeking tools in Microsoft Excel
- Understanding principles of risk measurement in securities
- Analyzing the relationship between risk and return using variance analysis
- Applying the capital asset pricing model and modern portfolio theory
- Managing diversified and balanced investment portfolios
- Using Microsoft Excel to calculate securities market beta

