

FINANCIAL MODELING CLASSROOM TRAINING



ABOUT FINANCIAL MODELING

Financial Modeling is one of the most fundamental and widely sought after skills in the finance industry. It is the art of building a model to depict financial statements and investment analysis using MS Excel. This helps arrive at optimal business solutions by analyzing various parameters. At the end of the course, You will be able to do the task of building a model depicting financial statements/business model, which helps in decision making.

The Ideal Candidate for Financial Modeling: This program is suitable for students and professionals related to Investment, Equity Research, Credit, Project, Mergers & Acquisition, Corporate Finance, Critical Thinking and analytical skills. It is also ideal for CA, CFA Program candidates, FRM, MBA Finance, B TECH and Commerce Graduates who want a career in any of the above profiles.

Financial Modeling is also a suitable choice for those in non-finance related careers such as in the preparation of Business Plan, working on Excel, decision making and mapping theory to practical.

Course Structure

Topics and Structure

Day 1: Excel Tips

- Understanding And Creating A Financial Model Template
- **Case: Formatting the data, summarizing and creating a presentable format**
- Formatting the imported file with text to columns
- Getting the relevant information from string of data using Left, Trim
- Converting text to numerical using text to columns
- Using referencing frame work (usage of \$) to effectively use formulas
- Summarize the sum of sales with Pivot Tables
 - Grouping the data quarter/ month wise
 - Converting sales number units to make it presentable
 - Adding slicer to dig into number instantly
- Converting data into tabular format
- Identify high profit sales using conditional formatting

Day 2, 3, 4 & 5: Case Study FMCG

- Data Collection and Data Structuring
- Preliminary Scrutiny of the Data and Information
- Understand the Business Model and Operating Model
- Modeling the Historical Statement
- Business Drivers Identification and Modeling
- Modeling Assumptions for Future Action
- Modeling Revenue Build-up – projecting the future revenues
- Modeling Cost Build-up – projecting the future cost
- Modeling the Asset Schedule
- Modeling the Depreciation Schedule – Book and Income Tax Depreciation
- Working Capital and Term Loan Modeling - Debt Infusion
- Tax Modeling, MAT and MAT credit
- Modeling Impact of Accumulated Losses, Current Tax and Deferred Tax on Tax Payable
- Equity Modeling – Equity Infusion
- Modeling Paid Up Capital and Share Premium Account
- Modeling Retained Earning Schedule
- Modeling the Financial statements, Ratio analysis
- WACC and Cost of Equity Analysis
- Performing Valuation using DCF (FCFF and Enterprise Value) and Comparable analysis (Relative Valuation)
- Performing sensitivity/scenario analysis
- Comparing the valuation Summary using Different Parameters on football field

Objective test: 10 questions covering basics of financial statement and modeling concepts.

Excel Assignments: Assignment 1: Calculating Time value of Money on 5 year fixed deposit

Assignment 2: Calculating 10 years CAGR of annual sales of a manufacturing company

Assignment 3: Applying DCF to value LinkedIn using CFs, P&Ls, and BS

Day 6 & 7: M&A I & II

- Meaning and categories of M&A
- Merger motivations
- Forms of payment in a Merger Deal
- Hostile Vs. Friendly offer
- Evaluating a Merger Bid
- **Case: Estimating fair acquisition price of the target company in M & A**
- Discounted Cash Flows
 - Identifying assumptions for estimating future cash flows
 - Making pro-forma financial estimates
 - Calculating FCFF, discount and terminal rate and NPV
- Comparable Companies
 - Finding out comparable companies Defining comparative value metric
 - Estimating takeover premium & calculating takeover price
- Comparable Transactions
 - Finding out comparable transactions & defining comparative value metric
 - Calculating Valuation of the company
- **Case: LinkedIn acquisition by Microsoft**
- Why LinkedIn and Microsoft
- Finding out Rationale for the transaction
- Searching and researching relevant reports
 - Understanding and Usage of 10K and 10Q
 - LinkedIn's Schedule 14A, LinkedIn's 10Q, Microsoft's fund raise
- Collecting and projecting numbers
 - Merger Analysis - Key Drivers and Inputs
 - Projecting Microsoft and LinkedIn numbers
 - Find out the impact of deal announcement on share price
- Creating high level merger accounting for goodwill - Pooling method
- Accretion/Dilution Analysis and modeling a financing plan
- Modeling a financing plan
- Performing sensitivity analysis on Acquirer's EPS, Contribution Analysis

Objective test: 10 questions covering Merger and acquisition fundamentals.

Excel Assignments: Assignment 1: Performing sensitivity analysis on the provided factors

Assignment 2: Performing comparable analysis by calculating ratios

Course Structure

Topics and Structure

Day 8, 9, 10, 11 and 12: Macros, Charting, and Project Finance

- **Macros**
- Accessing VB editor, Developer tab
- Creating and deleting modules
- Changing security to "Disable all macros with notification"
- Recording your first macro - Copy pasting values
- Formatting chart with macros
- Creating flexible CAPM model using Form Controls and Active X controls
- Writing your first macro - Adding a new worksheet and populating content
- Debugging and stepping into the VBA Code of your first macro
- Correcting circular reference in IDC using VBA/ macros
- **VBA Assignments**
- **Case: Creating a Project model for development of toll Road under build, own, operate and transfer model**
- Creating flexible activity timeline chart - Gantt chart
- Using AND function to identify the timelines
- Using Webdings to create special characters
- Conditional formatting to highlight the timeline
- Establishing Design parameter
- Calculating monthly traffic handling capacity
- Forecasting toll charges and monthly traffic
- Creating monthly timeline using date function(s)
- Calculating toll rate using min/ max functions
- Estimating traffic under 3 different scenarios: Pessimistic, Most likely and Optimistic
- Adding two more scenarios: Custom and Simulated
- Auditing the Project details
- Converting all hardcoded numbers to different color in one go
- Using Macros (Form controls) to create flexible scenarios
- Creating flexibility for 5 different scenarios
- Using OFFSET function to get the output against selected scenario
- Creating flexible Project momentum
- Importing traffic and toll charges using HLOOKUP
- Using Date functions to create monthly, quarterly (CEILING) and yearly timelines
- Importing data of relevant scenario using TRANSPOSE function
- Cleaning the output using IFERROR
- Creating a name manager to use a factor frequently
- Projecting Power and Insurance expenses
- Modeling CAPEX, Government grant, Exit Value
- Calculating NPV, IRR and Payback period
- Creating flexible model to calculate cost of equity (CAPM) using Form controls
- Calculating XNPV, XIRR
- Finding out Payback period using COUNTIF
- Creating Yearly statements
- Converting monthly statements to yearly statements using SUMIF
- Calculating NPV and IRR, Discuss problems with NPV and IRR functions
- Linking output with Project chart using hyperlinks
- Performing Sensitivity analysis of 9 variables on 3 outputs
- Using Scenario manager to perform sensitivity analysis
- Facing and correcting issues with Scenario Manager
- Creating bar diagram of annual traffic chart
- Drawing Project financial Dashboard
- Creating chart using primary and secondary axis
- Creating flexible chart for toll revenues, operating expenses, profits and profit margin - Macros
- Creating waterfall chart for build-up of Traffic
- Creating cash flow chart - combination of bar and line chart
- Creating custom scenario to mix-match scenarios during construction, after construction and/ or revenues – Macros
- Inserting a user form to get the input for simulation
- Inserting the combo box, text box, spin button, Ok/ cancel button, message box
- Generating random numbers to tackle growth
- Creating Monte Carlo Simulation for traffic/ growth
- Creating status bar with REPT function
- Calculating frequency using FREQUENCY

Objective test: 10 questions covering Project finance fundamentals, Debt, revenue, equity & Deferred taxes.

Excel Assignments: Assignment 1: Calculating IDC value of ongoing construction of a mall
Assignment 2: Calculating operating income from given revenue and costs of a retail project
Assignment 3: Calculating discounted cash flows from given cash inflows of a real estate project

Day 13 & 14: Accenture Case Study

- Data Collection from Public Sources
- Understanding the Business Profile of the Company
- Modeling Revenue & Expenses Drivers
- Modeling Income Statement
- Modeling Implied EBITDA
- Balance Sheet Projections
- Cash Flow Statement Projection
- Performing Valuation and Sensitivity Analysis
- Calculating Enterprise value and Implied Market capitalization
- **Objective test and Excel Assignments**

Objective test: 10 questions covering Income statement, Balance sheet, Cash flow statement.

Excel Assignments: Assignment 1: To match net worth from given Assets and liabilities data
Assignment 2: Calculating Implied EBIDTA from given P&L and other relevant information
Assignment 3: Preparing Cash flow statement from given P&L and Balance sheet of LinkedIn

Commercial Banks use Financial Modeling for disbursing loans for the projects; Project Management uses it for performance tracking of on-going projects. Financial Modeling concepts can be applied to any industry. Individuals who hold an MBA and also possess knowledge of Financial Modeling have an advantageous edge over others.

Course Highlights



Extensive Classroom Training: 14 days (70 hrs) of Exhaustive Classroom Training by Experienced Professionals.



Excel Workbooks: Create models following a step-by-step approach devised by professionals. These workbooks have been specially designed to ensure you incorporate best industry practices of financial modeling.



Live Webinar: 14 days Online Lectures with Recordings for all the topics.



Comprehensive Study Notes: Download complete course material for future reference and to understand concepts better.



Certification: EduPristine and BSE brings Financial Modeling Join Certificate Program.



Case Study Approach(Using models for analysis, including valuations): Appreciate the concepts by working on case studies derived from real-life situations.



Support: Online access to materials and recordings, Doubt solving forum to interact with faculty and fellow students.

ABOUT EDUPRISTINE

EduPristine is one of the largest exam preparation and certifications providers for finance, accounting, analytics, marketing, health care like CFA® Program, FRM, Financial modeling, CPA, US CMA, ACCA, Business accounting and taxation, Business analytics, Big data and Hadoop, Data science, Digital Marketing, USMLE. Our online Learning Management System conducts online and classroom trainings for individuals and corporates.

Testimonials

Arup Chakraborti: *Manager with Bank Of Baroda, Mumbai.* "I found the Financial Modeling course offered by EduPristine as knowledge enriching. Course content and lectures were good and helped in understanding complex financial models and improved efficiency at work".

Ujjwal Khairnar: *PMO Lead at Capita ITS.* "EduPristine's faculty is awesome.

The classroom sessions from industry practioners gave a deep understanding of the topics. As a PMO Lead, I expected more on project finance with advanced excel tricks but I got a lot great stuff to learn apart from it. I thanks Pristine faculty for this. Looking forward for continual relation with Pristine".

Training Fees is Rs. 33,000/- (Inclusive of taxes.)

Contact Us: TOLL FREE – 1800 200 5835

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