



Course: Financial Modeling

Code	City	hotel	Start	End	price	Hours
756	Toronto (Canada)	Hotel Meeting Room	2024-09-16	2024-09-20	5950 €	25

Course Objectives:

- Use core financial modeling techniques
- Forecast investments, and calculate valuations of projects and companies in an effective manner
- Develop comprehensive financial models to support investments decisions
- Understand the different financial statement types and their key line items.
- Recognize the importance control accounts play in balancing the model.
- How to model revenue and working capital adjustments.
- Highlight the differences between the four different input methods.
- How to calculate tax components including tax expense, depreciation and losses.
- How to calculate Net Operating Cash flow using the Indirect Cash flow method.

Course Content

- **Financial Reporting and Corporate Governance**
 - Business objectives and shareholder wealth
 - The users of financial information
 - The role of accounting in financial reporting
 - Key financial statements, their nature and purpose
 - The conceptual framework of accounting and financial reporting
 - Introduction to accounting standards
 - The development of accounting standards
 - International financial scandals
 - The agency problem
 - The role of audit
 - The need for corporate governance
 - Corporate governance in the UK, US, and in GCC countries
 - The Balance Sheet
 - Shareholders equity
 - Current and non-current assets
 - Current and non-current liabilities
 - Working capital
 - Preparing the balance sheet
 - What does the balance sheet tell us?
 - What are its limitations?



- Accounting terminology
- **Accounting Systems, Reporting and Decisions**
 - Preparation of the Income Statement
 - Calculation of profit
 - HCategories of income and expenditure
 - Valuation of current and non-current assets
 - The format of the Income Statement and Balance Sheet
 - The link between cash and profit
 - The link between asset valuation and profit
 - Inventory, receivables, payables, and cash
 - The application of judgement
 - The nature and purpose of working capital
 - Management accounting and cost-volume-profit (CVP) analysis
 - Break even analysis
 - The impact of volume and sales changes on cost structures
 - The limitations of break-even analysis
- **Cash Flow and Investment Appraisal**
 - The purpose of the Cash Flow Statement, and its contents
 - The preparation and presentation of the Cash Flow Statement
 - Sources and uses of cash
 - The link between the Cash Flow Statement, the Balance Sheet, and the Income Statement
 - The Cash Flow Statement as a predictor of future performance
 - Interest rates and the time value of money
 - Discounting and compounding - present values and future values
 - Annuities and perpetuities
 - Investment appraisal: what is an investment?
 - Appraisal techniques NPV and IRR
 - Relevant cash flows and free cash flows
 - The effect of inflation
 - Dealing with risk and uncertainty
 - Asset replacement and annual equivalent value
 - Capital rationing
 - Managing the investment project
- **Financing and Cost of Capital**
 - Financing the business
 - Financing principles
 - Sources and types of finance, and the effect of gearing
 - Defensive, neutral, aggressive financing policies
 - Stock Market listing
 - The Cost of Capital
 - Cost of equity (K_e)
 - Cost of debt (K_d)
 - Weighted average cost of capital (WACC)



- Capital Asset Pricing Model (CAPM)
- The need for company valuations
- Valuation methods: Net assets; PE Ratio; Dividend growth model; Present value of future free cashflows; Capitalised earnings
- Shareholder value added
- Financial growth modelling: analysis of growth patterns
- Use of Excel for growth forecasting
- DCF valuation

- **Analysis and Interpretation of Financial Reports**

- The contents of the published annual report
- Recent developments in financial reporting
- Interpretation of financial statements
- Common size analysis
- Ratio analysis, including the Dupont system
- Profitability ratios
- Liquidity ratios
- Efficiency ratios
- Capital structure ratios
- Investment performance ratios
- Measuring performance – cash ratios or profit ratios?
- Value Added analysis
- Segmental analysis
- The shortcomings of financial statements, for interpretation purposes
- Predicting corporate failure
- Non-financial factors
- General financial management issues
- The effect of poor liquidity
- Post balance sheet events and contingencies
- The auditors report
- Failure-predicting ratios
- Multivariate failure predicting models – Altman Z score
- Integrated financial accounting case study



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- **Theoretical Lectures:**
 - We deliver knowledge through advanced presentations such as PowerPoint and visual materials, including videos and short films.
- **Scientific Assessment:**
 - We evaluate trainees skills before and after the course to ensure their progress.
- **Brainstorming and Interaction:**
 - We encourage active participation through brainstorming sessions and applying concepts through role play.
- **Practical Cases:**
 - We provide practical cases that align with the scientific content and the participants specific needs.
- **Examinations:**
 - Tests are conducted at the end of the program to assess knowledge retention.
- **Educational Materials:**
 - We provide both printed and digital scientific and practical materials to participants.
- **Attendance and Final Result Reports:**
 - We prepare detailed attendance reports for participants and offer a comprehensive program evaluation.
- **Professionals and Experts:**
 - The programs scientific content is prepared by the best professors and trainers in various fields.
- **Professional Completion Certificate:**
 - Participants receive a professional completion certificate issued by the Scandinavian Academy for Training and Development in the Kingdom of Sweden, with the option for international authentication.
- **Program Timings:**
 - Training programs are held from 10:00 AM to 2:00 PM and include buffet sessions for light meals during lectures.