



أكاديمية الزمالة العربية البريطانية  
Arab British Academy Fellowship  
A.B.A.F





# Financial Modeling Workshop Using Excel



## Why Attend

Financial modeling is crucial for taking investment decisions that can have a huge financial impact on companies. By attending this course, you will be able to effectively prepare and build financial models that cater to different types of investments alternatives, understand and analyze time value of money, present value, future value and weighted average cost of capital (WACC), in addition to conducting proper analysis of financial information.

## Course Methodology

This course uses hands-on application of financial modeling in Excel, in addition to demonstrating theoretical core topics. The course also features real-life case studies and presentations by participants.

## Course Objectives

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

- Apply time value of money concepts
- Perform and interpret financial analysis
- Apply cost of capital calculation techniques
- Construct forecasted financial statement models and perform sensitivity analysis
- Use the free cash flow technique in determining the value of a project or a company
- Develop financial models using different Excel modeling techniques



## Target Audience

Professionals in corporate finance, financial analysts, investment bankers, financial controllers, finance managers, professionals responsible for project valuation, project finance, portfolio managers, and professionals in the private investment industry..

## Target Competencies

- Using Excel for financial applications
- Performing capital budgeting analysis
- Understanding and practicing Present Value (PV), Net Present Value (NPV), Internal Rate of Return (IRR)
- Understanding and calculating Weighted Average Cost of Capital (WACC)
- Performing financial modeling using Excel
- Reviewing scenario analysis



- **Financial calculations: Applications**
  - Time value of money:
  - Present value and net present value
  - Internal rate of return and Multiple IRR (MIRR)
  - Using XNPV and XIRR
  - Amortization of loan schedule
  - Effective yields and returns
- **Corporate financial analysis**
  - Profit and loss versus balance sheet analysis
  - Comparable company analysis
  - Building block analysis
  - Vertical, trend, and horizontal analysis
  - Liquidity
  - Current, quick, and cash ratios
  - Asset management and activity



- AR and AP Turnover
- Cash conversion cycle
- Asset turnover
- Solvency, leverage and gearing
- Debt, equity, and times interest earned ratios
- Assessing profitability management
- Profit margin, gross margin, return on assets, return on equity
- Market and valuation
- Price-earnings and earnings per share ratios
- Modeling the DuPont identity
- The three-step models
  
- **Calculating cost of capital and capital structure**
  - The Gordon dividend model
  - Supernormal growth
  - Calculating cost of equity and cost of debt
  - Computing the expected return on the market
  - Computing weighted average cost of capital
  
- **Financial statement modeling**
  - How financial models work
  - Modeling income statement
  - Modeling balance sheet
  - Free Cash Flow measurement (FCF)
  - Using FCF to value the firm and its equity
  - Sensitivity analysis
  - Discounted cash flow analysis
  - Developing an integrated financial model
  
- **Model construction techniques**
  - Data tables design
  - Assumptions and input variable rules
  - Array functions and formulas
  - Spinner data modeling
  - List box data modeling
  - Option box data modeling
  - Acquiring and updating data from the text, access database, SQL, and the web





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