



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





Corporate Finance Workshop



Why Attend

In today's turbulent business environment, successful finance professionals need to be well equipped to make increasingly complex and challenging operating, investing and financing decisions. Aggressive versus conservative financial management, overvaluation, undervaluation and raising finance are complicated, but in today's international marketplaces and constantly growing market competition, they are more challenging than ever. This corporate finance course will help you develop a strategic understanding of key financial decisions faced by organizations today.

Course Methodology

The course uses a mix of interactive techniques, such as brief presentations by the consultant and the participants, case studies, and group exercises to apply the knowledge acquired throughout the course.

Course Objectives

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

- Recognize the three pillars of corporate finance and distinguish between the different financing resources and investment opportunities
- Interpret the cash conversion cycle and predict if the organization is collecting receivables as scheduled, managing inventory properly and settling payables as per market guidelines
- Compute the weighted average cost of capital, examine the optimal capital structure and relate the company's dividend policy to its capital structure



- Analyze capital investment decisions by applying payback, Net Present Value (NPV), discounted payback and Internal Rate of Return (IRR)
- Employ diverse techniques in valuing equities using the income approach, market approach, residual income approach and asset based approach then make relevant investing and financing decisions

Target Audience

Finance professionals, finance managers, corporate controllers, financial controllers, treasury professionals, chief accountants, accounting managers, senior accountants, banking professionals, investment professionals, research analysts and corporate business professionals..

Target Competencies

- Understanding operating, investing and financing decisions
- Working capital management
- Capital investments decision making
- Calculating cost of capital
- Setting dividend policy
- Financial forecasting
- Equity valuation



- [Introduction to corporate finance](#)
 - Role and scope of corporate finance
 - Overview on operating decisions: managing current assets and current liabilities
 - Overview on investing decisions: opportunities and their benefits
 - Internal investments: replacement project, expansion projects, new products or markets
 - External investments: stocks, bonds, mergers and acquisitions
 - Overview on financing decisions: sources and their costs
 - Internal financing: preferred and common stocks
 - External financing: straight bonds, convertible bonds, sukuks, term loans and revolving lines of credit
- [Working capital and the financing decision](#)



- Deciding between liquidity versus profitability
- Financing current assets: deciding between certainty and profitability
- Working capital management styles: aggressive versus conservative
- The cash conversion cycle
- Cash management: accelerating collection and decelerating disbursements

- **Analyzing capital investment decisions**
 - Know the 5 key principles in capital budgeting process
 - Building accurate cash flows forecasts for a correct conclusion
 - Calculating payback, NPV, discounted payback, and IRR using Excel
 - How to choose between projects with different useful lives
 - Capital rationing: allocating limited funds on available projects
 - Mistakes managers make when evaluating capital projects

- **Cost of capital and the optimal capital structure**
 - The capital asset pricing model as a tool to calculate required return on equity
 - Choosing Beta: to identify project's sensitivity
 - Applying equity risk premium: to calculate return in excess of risk free rate
 - Calculating the correct Weighted Average Cost of Capital (WACC) for a project
 - Modigliani-Miller regarding capital structure
 - Calculating the optimal capital structure
 - Why company's actual structure fluctuates around its target capital structure
 - Factors that affect dividend policy
 - Methods of determining dividend policy:
 - Stable dividend policy: target dividend rate
 - Constant dividend rate
 - Residual dividend method
 - Effect on stock price after dividend declaration

- **Financial forecasting, analysis and valuations**
 - Understanding the business: Michael Porter's 5 elements
 - Revenue forecasting: bottom up versus top down
 - Techniques for forecasting costs and expenses
 - Approaches to balance sheet modeling
 - Methods for public equity valuation: the when and why
 - Discounted dividend valuation
 - Estimating the growth rate
 - Free cash flow valuation: free cash flow to firm and free cash flow to equity
 - Market based valuation: price and enterprise value multiples
 - Valuation conclusion used for investing decisions: invest in undervalued equities



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