

€ TRAINING

Financial Analysis Modeling and Forecasting





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Introduction:

This training program teaches advanced techniques for analyzing data, building models, and forecasting financial performance. It empowers participants to make informed decisions and strategic plans.

Program Objectives:

At the end of this program, participant will be able to:

- To interpret corporate financial performance and position, use financial ratio analysis.
- Calculate the cash flow statement's financial ratios.
- Calculate the time value of money using Microsoft Excel.
- Utilize the spinner, list box, option button, and other modeling tools and functionalities in MS Excel.
- Create models and forecasts for the three primary financial statements.

Targeted Audience:

- Financial controllers.
- Analysts.
- Finance.
- Accounting managers.
- Supervisors, and finance professionals who need to interpret and analyze financial statements and use them to create financial forecast models in their organizations.

Program Outline:

Unit 1:

Financial Analysis Techniques:

- Vertical analysis and strategy.
- Horizontal, trend analysis, and growth.
- Liquidity analysis: Current, quick, and cash ratios, defensive interval, and cash conversion cycle.

- Asset management and activity ratios, Total and fixed assets turnover.
- Solvency analysis: Debt, equity, and times interest earned ratios.
- Profitability analysis: Profit margin, gross margin, return on assets, return on equity, EBITDA.
- Market and valuation: Price earnings and earnings-per-share ratios.
- DuPont analysis: The three-step and five-step models.
- Limitation of ratio analysis.

Unit 2:

Financial calculations in MS Excel:

- Time value of money:
 - Present Value PV and Net Present Value NPV.
 - Internal Rate of Return IRR and Multiple IRR MIRR.
 - Using XNPV and XIRR.
- Effective yields and returns.

Unit 3:

Cash flow statement: Interpretation and ratio analysis:

- Cash flow categories: Operating, investing, and financing.
- Cash flow pattern; the cash cow.
- Cash-flow-related ratios.
- Quality of earnings.
- Financial management.
- Mandatory cash flow, Discretionary cash flow.

Unit 4:

Model construction techniques using Excel:

- Data tables.
- Goal seek.

- Spinner data modeling.
- List box data modeling.
- Option box data modeling.

Unit 5:

Modeling projected financial statements:

- Micro and macro factors.
- Forecasting sales: Estimating market demand, Estimating company demand, and Developing sales forecast.
- Forecasting cost of sales.
- Forecasting operating expenses.
- Forecasting key assets and liabilities accounts.
- Modeling the income statement, the balance sheet, and the cash flow statement.