

KOENIG SOLUTIONS • COURSE OUTLINE

Financial Modelling and Valuation (Microsoft)

Learn to build financial models and perform valuations in Excel, from accounting fundamentals to LBO, M&A, DCF and comparable company analysis.

40 Hours

DURATION

10

MODULES

64

TOPICS

COURSE OVERVIEW

This course begins with basic and advanced Excel skills, covering functions, formulas, pivot tables, charts, dashboards and what-if analysis tools used in financial modelling. It then moves through core accounting concepts, financial statements and ratio and KPI analysis before introducing the structure and technicals of building a full three-statement financial model with supporting schedules and revenue drivers across business types. Later modules cover specialised models including the LBO model, the 13-week cash flow model and the M&A model. The course closes with valuation approaches, covering relative valuation using trading and transaction comparables, DCF valuation including WACC and beta calculations, and the NAV approach.

WHO THIS COURSE IS FOR

Financial Analysts

Investment Banking Analysts

Equity Research Analysts

Corporate Finance Professionals

M&A Analysts

Valuation Analysts

LEARNING OBJECTIVES

- Apply Excel functions, formulas and tools for financial analysis
- Explain core accounting concepts and financial statement structures
- Analyse company performance using key financial ratios
- Build a three-statement financial model with supporting schedules
- Develop a leveraged buyout model with sources, uses and returns
- Build a 13-week cash flow model and forecast key line items
- Develop an M&A model covering accretion and dilution
- Apply DCF, relative valuation and NAV approaches to valuation

10 Modules, 64 Topics

01

Basic and Advance Excel

TOPICS

- Introduction to MS Excel and understanding the Ribbon
- Keyboard shortcuts and its importance
- Regular use functions like VLOOKUP, HLOOKUP, Index, Match, Sum ifs, Paste Special, Concatenate, and Indirect among others and their combination among themselves
- Rules of Conditional Formatting
- Font and number formatting
- Concepts of freezing of cells, rows and columns
- Data Validation, Sorting, and Filters using Excel functions as well as formulas Table functions and dynamic arrays
- Data presentation through Pivot Tables, Pivot Charts and Slicers
- Introduction to Macros
- Creating different types of charts and graphs including but not limited to bar graphs, line charts, combo charts, football field, scatter plot, histogram, pie chart, waterfall, stacked column chart
- Sparklines
- Sensitivity analysis using Data Tables
- Dynamic dashboards
- Time value functions like PMT, PV, FV, NPER, RATE
- Text functions like Proper, Find, Replace, Substitute, Left, Right, Mid, etc.
- Text to Column functions like Delimit, Flash Fill
- Return functions like IRR, XIRR, NPV
- Iterative calculations and circular referencing
- What If Analysis using Goal Seek, Scenario Manager, Data Table

02

Accounting Concepts and Financial Statements

TOPICS

- Key accounting fundamental concepts including Accrual vs Cash reporting, Double Entry Book Keeping, Law of Going Concern, Law of Prudence, Matching Principle, Money Measurement, Historical Cost Concept, Accounting Period Concept, Full Disclosure Concept, Business Entity Concept
- Understanding Income Statement, Balance Sheet and Cash Flow Statement and their salient features
- Concepts of key line items Revenue, Direct Costs, Operating Costs, EBITDA, Depreciation & Amortization, Impairment of Goodwill, Depletion, Cash flows from different activities, Current Assets, Current Liabilities, Non-Current Assets, Non-Current Liabilities, Shareholders' Equity, Minority Interest, Other Equity, Capital Expenditures, Deferred Revenue
- Concept of Comprehensive Income

03

Ratio/KPI Analysis

TOPICS

- Different Types of Ratios - Activity/Turnover, Liquidity, Solvency, Profitability, Valuation, etc.
- Activity Ratios including Receivables Turnover, Days of Sales Outstanding, Inventory Turnover, Days of Inventory on Hand, Payables Turnover, Number of Days Payables, Total Asset Turnover, Fixed Asset Turnover, Working Capital Turnover
- Liquidity Ratios including Current Ratio, Quick Ratio, Cash Ratio, Defensive Interval, Cash Conversion Cycle
- Solvency Ratios including Debt to Equity, Debt to Capital, Debt to Assets, Financial Leverage, Interest Coverage, Debt to EBITDA, Fixed Charge Coverage
- Profitability Ratios including Net Profit Margin, Gross Margin, EBIT/Operating Profit Margin, Pre-tax Margin, Return on Assets, Operating Return on Assets, Return on Total Capital, Return on Invested Capital, Return on Equity, Return on Common Equity Value, EV/EBITDA, EV/Sales
- Basic EPS, Diluted EPS (Dilutive as well as Anti-dilutive Securities), Treasure Stock Method

04

Technicals of Financial Modelling

TOPICS

- Introduction to the structure for a financial Model
- Creating scenarios using different ways including Index, Choose, Scenario Manager
- Projecting/forecasting the three financial statements - IS, BS and CFS
- Building detailed revenue and cost drivers for different business types including real estate, e-commerce, utility, business services, automobiles, food aggregator, subscription-based firms, conglomerate/MNC businesses, etc.
- Preparation of different schedules including equity, depreciation, debt, working capital, fixed assets, etc.
- Addition of Cover Page, Index, Financial Summary and other key tabs

05

LBO Model

TOPICS

- Concept of Leveraged Buyout Deal
- Assumptions for an LBO deal model
- Building Pro-Forma Financial Statements and required adjustments
- Debt and Goodwill calculation
- Preparing a Sources and Uses table
- Preparation of Cash Waterfall
- Exit Analysis and calculation of return metrics including IRR and MOIC

06

13 Week Cash Flow Model

TOPICS

Introduction to 13-Week Cash Flow model · Uses of the model · Building 13-week cash flow model · Forecasting key line items

07

M&A Model

TOPICS

- Basics of Merger and Acquisition Model
- Concepts of Accretion and Dilution
- Relevance of Synergies - Operating and Financing
- Performing Sensitivity Analysis on EPS

08

Relative Valuation - Trading and Transaction Comps

TOPICS

- Difference between GPC and GTM
- Difference between Deal Value, Offer Value, and Transaction Value
- Criteria to screen peers
- Valuation multiples to be used
- Calculation of Enterprise Value using Equity Value and other components
- Ideal time periods to focus on including Last Twelve Months (LTM), Next Twelve Months (NTM), historical years and projected years

09

DCF Valuation

TOPICS

- Understanding and calculation of FCFF vs FCFE and its relationship
- Related concepts of NOPAT, change in working capital, Capex adjustments
- WACC using detailed calculations for the cost of equity using CAPM, multi-factor model, dividend capitalisation model, and bond yield plus risk premium approach. Also, understanding the different approaches for calculating the cost of debt and cost of preferred stock.
- Concepts of different risks and their inclusion for valuation purposes (ERP, CRP, SSRP, CSRP, DLOM, DLOC)
- Beta
- Concepts of Levered and Unlevered Beta
- Mid-Period valuations

10

NAV Approach for Valuation

TOPICS

Relevance of the approach

WHAT IS INCLUDED

Everything You Need to Succeed

- Koenig course material for every module
- Delivery by certified instructors and subject matter experts
- Hands-on exercises throughout the course
- Course completion certificate from Koenig

ABOUT KOENIG

Who We Are

Established in 1993, Koenig Solutions is a globally recognised training provider with 35+ technology partnerships, 5,000+ training programmes and a network of certified instructors and subject matter experts, supporting individuals and enterprise teams worldwide.

FLEXIBLE DELIVERY

Learn the Way That Suits You

Classroom Training

Live Online Classes (ILO)

Fly-Me-A-Trainer (FMAT)

Flexi (Self-Paced)

1-on-1 Training

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