

www.thealphareview.com

ALPHA α REVIEW

EDUCATION **TRAINING** CORPORATE

FUNDAMENTALS OF FINANCIAL MODELING & FORECASTING

www.thealphareview.com



Our trainings have included individuals and teams from leading reputable firms



Testimonials



“The Alpha Review course on Financial Modeling provides a solid framework for any analyst starting out in the profession. It introduces the learner to concepts and spreadsheet styles which are embedded in international best practice which is essential if one wants to grow and become a world class analyst. It's great to have a local facilitator who has so much international experience but more importantly can impart his knowledge in a very 'easy-to-understand' manner..”



**Ewart Salins, Regional CEO East Africa,
African Alliance**

“The training offered by Alpha Review in financial modeling is truly world-class. The trainer is a very high caliber finance practitioner who shares his experience and makes the course relevant for the Kenyan market.”

**Peter Mwangi, CEO,
Nairobi Securities Exchange**



“The training offered by Alpha Review on financial modeling is focused and very relevant for any financial professional.”

**Charles Andere, Fund Management,
Co-op Trust Investment Services**



“The training at Alpha Review on Financial Modeling has been invaluable and has laid for me a great foundation. The material is relevant and the trainer well knowledgeable. I look forward to interacting with the team in future training modules.”

**Lydia Muchiri, Fund Management
Co-op Trust Investment Services**



Testimonials

"After my training on Financial Modeling at Alpha Review I am more comfortable and confident with modeling since I was given a solid foundation."



**Augustine Misoka, Research Analyst,
Sterling Capital**

"The Alpha review training gives a clear understanding of relationships between financial statements and a line item by line item forecast approach, while emphasizing on both accuracy and presentation of the model. The trainer effectively applies theories of valuation to provide relevant solutions to practical modeling problems. He is open minded and structures the classes in an easy to grasp and enjoyable manner. As an analyst who attended both the fundamental and advanced class, I would strongly recommend this course to individuals looking to hone their skills in financial modeling."



**Tracy Kivunyu, Research Analyst,
African Alliance**

"The ability to model effectively is crucial in finance; as an analyst, it is the lingua franca. Alpha Review understand this and the training provides a solid foundation necessary in the financial industry."



**Mweso Sichale, Investment Analyst,
Britam**

Fundamentals of Financial Modeling and Forecasting

Build more powerful and more accurate forecasting models to better analyze financial data, predict revenues and costs, assess risks—and justify critical business decisions while setting your mastery of financial modeling and profit outlook right on the money!

Forecasting is critical to the functioning and success of every business, from small companies to giant corporations. In this hands-on training, you'll discover the basics you need to assemble data and build forecasts that help power the operations, finance, production, funding and planning functions in your organization. You'll master the foundational vocabulary and skills to create forecasts on your own and learn to translate and appraise the forecasts. Whether you're new to forecasting or simply in need of a briskly-paced refresher, this training will help you see into—and plan—your company's future!

Accurate forecasting is a fundamental element of growth, strategy and overall success. Understanding how to use financial indicators and benchmarks allows you to allocate resources and evaluate potential projects for maximum return-on-investment. Financial modeling and forecasting takes the guesswork out of the planning process and enables you to keep tabs on how your business is performing.

How You Will Benefit

- Gather the basic facts necessary to start building a forecast
- Choose the proper forecasting technique given available data and forecast goals
- Critique and interpret forecasts and their implications
- Utilize powerful MS Excel® tools—with uses transferable to other disciplines
- Master and use Excel® tools to make better forecasts
- Use Excel® tools to present forecast data to executive management
- Identify current vital financial indicators that are important to your organization
- Comprehend financial forecasting techniques that can enable management to make truly informed decisions
- Apply methods that can improve your company's profit picture and your stockholders' investment
- Know your firm's finances and what that means for the present and future

What You Will Cover

- Introduction to business forecasting
- Forecasting techniques and methods
- Getting started: making underlying assumptions
- Identifying data patterns: exploratory analysis concepts
- The use of Excel® as your forecasting tool
- Forecasting performance measurements
- Summarizing and displaying data in Excel®
- Financial Statement Analysis: Income Statement, Balance Sheet and Cash flow analysis

Please bring a laptop equipped with Excel

Fundamentals of Financial Modeling and Forecasting

Historical Financial Results

- Input Historical Results
- Calculate Historical Growth Rates and Margins
- Create Assumptions and Business Drivers

Projections

- Project 5 years of Revenues and Costs
- Profitability from Revenues down to EPS

Discounted Cash Flows

- Translate Model into a Discounted Cash Flow analysis

Formatting & Presentation

- Hardcodes vs Formulas: Learn how to apply International Level of Formatting Data for easy comparison globally

Enterprise Value

- Calculate Enterprise Value down to Equity Value and ultimately down to the Stock Price per Share

Analyzing Enterprise Investments: Capital Project Evaluation

- Create a Spreadsheet to Describe a Project
- Apply the Major Techniques: NPV, IRR
- Give a Definition of Terminal Value

COURSE INSTRUCTOR

Mumo Muthengi, MBA, BSc

Mumo Muthengi is an Investment Professional with Bamboo Finance, responsible for sourcing, developing and monitoring investments across Africa. Prior to joining Bamboo, he worked at TransCentury Limited (Nairobi) where he provided investment, strategy and portfolio management support across the Power and Transport infrastructure and consumer sectors. At TransCentury, Mumo also lead a variety of transactions including asset sales, convertible debt and equity capital raisings as well as listing of TransCentury Ltd on the Nairobi Stock Exchange (Bloomberg ticker TCL: KN). Prior to joining TransCentury, Mumo worked in Private Equity for Development Partners International (London) and Charter House Group (New York). He has also worked for Deutsche Bank Securities (New York) as an Analyst in the Financial Institutions Group. Mumo holds an MBA from Harvard Business School and Business Administration degree from The University of Texas at Austin's McCombs School of Business. He speaks English and Kiswahili.

Expertise:

- Financial Modeling
- Valuation
- Leveraged Buyout Offers
- Private Equity
- Business Strategy



Course Outline: Day 1- Income Statement

- **Overview of Financial modeling**
- **Modeling do's and don'ts**
- **Excel shortcuts**
- **Volume Drivers**
- **Core statements: Income statement**
 - **Revenue**
 - Cost of Sales
 - **Gross Profit**
 - *Gross margin*
 - Sales and General Administrative Costs
 - Earnings Before Interest, Taxes, Depreciation & Amortization (**EBITDA**)
 - Depreciation & Amortization
 - Earnings before Interest & Taxes (**EBIT**)
 - Net Finance Costs
 - Profit Before Tax (**PBT**)
 - Net income
- **Property Plant & Equipment Schedule**

Course Outline: Day 1 (Contd.)- Balance Sheet & Cash flows

- **Balance Sheet**
 - Non Current Assets
 - Current Assets
 - Current Liabilities
 - Long Term Liabilities
 - Shareholders Equity
- **Working Capital Schedule**
 - Accounts Receivable (Days sales)
 - Inventory (Inventory Days)
 - Accounts Payable (Payable Days)
- **Shareholders Equity Schedule**
 - Beginning Balance + Retained Earnings – Dividends = Ending Balance
- **Cash Flow Statement**
 - **Operating Cash Flow:** Net Income + ADD non-cash items – LESS Changes in New Working Capital
 - Investing Cash Flow: - LESS Capital Expenditure
 - Financing Cash flow: - LESS Repayments – LESS Dividends + Drawdown of Debt + Equity issuance

Course Outline: Day 2- Trouble Shooting

- **Debt Schedule**

- Beginning Balance + Drawdown – Paydown = Ending Balance
- Effect of Interest Income and Interest Expense
- What is Circularity

- **Iterations**

- Iterations switch

- **Balancing your model**

- **Trouble Shooting your model!**

Course Outline: Day 2 (Contd.)- Valuations

- **Enterprise Value vs. Equity Value**

- **Discounted Cash Flow Analysis**

- **Multiples Analysis**
 - TEV/ EBITDA
 - Price/ Earnings
 - Price to Book

- **Internal Rate of Return (IRR) Analysis**

Course Pricing

COURSE	TOPICS	FEES (KSHS)
Fundamentals of Financial Modeling & Forecasting	<ul style="list-style-type: none">▪ Historical Financial Results: Growth Rates and Margins▪ Projections: Project Revenues & Costs (profitability down to EPS)▪ Translate Model into a Discounted Cash Flow analysis▪ Formatting & Presentation: Internationally Recognized Techniques▪ Enterprise Value: Down to Equity Value and ultimately down to stock price per share▪ Trading Comparables	75,000 <i>▪ 10% off for 3 or more people enrolling together</i>

Note

This calendar is subject to change. Any changes will be communicated in advance. We are obliged to cancel or postpone due to lack of quorum.

Contact Us & Sign Up!

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Your Guide to Creating A Model

