

Introduction to Financial Modelling

2-day workshop



Helping financial professionals build robust and flexible models for better analysis and decision making.

Objective

To provide participants with an understanding of financial modelling and enable them to develop robust financial models using Excel to make better investment decisions.

Who should attend?

Finance professionals involved in budgeting and investment analysis or anyone who uses financial models for business decisions, financial planning and analysis.

Benefits of attending

A financial model has become a critical tool used by organisations to understand business risks and make important strategic decisions. An effective model is robust and flexible, yet user-friendly, so that it can be used to analyse the impact of operational parameters on the value and viability of a business.

With a good understanding of the key steps involved in financial modelling, participants will be able to build a well-structured and robust model and use it to solve important business problems. Participants will be able to appreciate the use of the financial model as a powerful tool to communicate complex financial analyses and simulation results to stakeholders.

This workshop will cover the basic financial modelling principles, best practices in financial modelling and excel functions frequently used in models. Participants will also learn how to use model auditing tools to check for model errors. Learning is achieved via practical examples and group discussions which reinforce the theory; case studies and Excel-based exercises which allows participants to have hands-on experience with financial models.

Course Prerequisites: Participants are assumed to have some prior knowledge of basic accounting concepts and Microsoft Excel.

Workshop agenda

Financial Modelling Overview

- Understand the common uses of financial models and the key design considerations of a model.
- Understand that a financial model is comprised of 3 distinct sections, namely data inputs, calculations and model outputs.
- Appreciate the process involved in developing a financial model.

Best Practices of Financial Modelling

- To be aware of the best practices used in building clear and auditable financial models.

Useful Excel Functions in Modelling

- To be familiar with the use of date functions, range names, data validation, logic functions (if, or, and, not, masks), conditional formatting and array lookup functions (index, match, lookup, vlookup, hlookup and offset).

Steps to Building a 3-statement Model

- Understand how to set up the model timing, flags and masks.
- Building up the Profit & Loss statement (e.g. revenue, costs of goods sold, operating expenses).
- Building up the Balance sheet (e.g. Capex and Depreciation Schedules, Account Receivables, Account Payables, Debt balances and interest expenses, shareholders' equity and retained earnings account).
- Building up the cash flow statement (e.g. Cash flow from operations, net working capital changes, Cash flow from investment, cash flow from financing).

Investment Appraisal Tools

- Be able to perform Free Cash Flow and Discounted Cash flow analysis.

Model Audit

- Understand the common procedures used to check a model for errors.

Training outline

Day 1

- Financial Modelling Overview
- Best Practices of Financial Modelling
- Useful Excel Functions
- Building up the Profit and Loss Statement

Day 2

- Building up the Balance Sheet
- Building up the Cash Flow Statement
- Investment Appraisal Tools
- Model Audit

About your workshop leaders



Oliver Redrup

Oliver is a Director of PwC Singapore. Oliver regularly conducts external and internal training courses on financial modelling and infrastructure contracts and financing structures.

He has worked across multiple industries with a focus on large scale infrastructure projects and transportation service contracts which requires complex project financing solutions.



Marcus Ikin

Marcus is a Manager in Singapore's Capital Projects and Infrastructure (CP&I) Practice. He has worked across a variety of sectors including land transport, aviation, power & energy and healthcare.

He possesses a good understanding of PPP frameworks, Government procurement of infrastructure projects, bid evaluations, bid-side advisory, financial modelling and conducting financial analyses of large-scale infrastructure projects.

How to register

To register, simply select the course via our Training Calendar (www.pwc.com/sg/academy) and click on the chosen course date to access the digital registration form.

For any further queries, please email academy.sg@sg.pwc.com

Registration fees (includes 7% GST)

PwC Clients & Alumni: S\$925
Public: S\$995

Group discount of 10% for 2 or more participants