



Financial Forecasting: Concepts and Applications

This program is intended for the experienced financial analyst, corporate banker or credit executive that needs to develop or refresh knowledge of forecasting concepts and techniques. This one day program provides a value added, comprehensive and intensive immersion into the art of preparing and interpreting financial forecasts. This knowledge is indispensable to bankers and analysts wishing to further their careers in all aspects of commercial and investment banking, including syndications, deal origination, credit and underwriting, and M&A.

Available Session(s):

2-OCT-2008 -- 2-OCT-2008	New York	USD \$1475
NY Institute of Finance - Downtown	9:00am - 4:30pm	Thu
Instructor(s):[James McDonnell;]		

Targeted Audience

Anyone who has an interest in credit analysis, underwriting or corporate banker roles looking to expand or review their understanding and ability to apply forecasting concepts and tools.

Special Offer

Clients who register for this course will receive a complimentary 6 month subscription to the Financial Times and FT.com. The Financial Times is the world's most respected financial newspaper, providing a broad assessment on finance, business and the industrial sector. Subscriptions will start within 6-8 weeks of the application process and are limited to one per client. For questions about your subscriptions call 800-628-8088 or email uscirculation@ft.com. US and Canada enrollees only.

Advance Preparation

No advance preparation required.

Prerequisites

Attendance at a credit training program, or equivalent corporate banking experience. Prior financial modeling experience is helpful, but not required.

Learning Objectives

Students will be able to:

- Demonstrate a practical common sense and theoretical understanding of the core concepts of forecasting concepts
- Derive value added conclusions from the output produced by financial projections
- Use projections as a road map to draw value added conclusions about the borrower's projected debt capacity and financial flexibility
- Understand the importance of financial forecasts as strategic, business development and credit structuring tool
- Size up a credit transaction using proven forecasting techniques
- Understand the conceptual approach of using financial forecasts to craft loan agreement covenants

Level: Intermediate

CPE Credits: 7.0

Instructional Method: Group-Live

Detailed Outline

Critical Assumptions and Value Drivers

- Balance Sheet (Working Capital accounts) and Income Statement
- Other Drivers include CAPEX, Debt Maturity schedule, Tax Assumptions (Cash flow impact of cash versus deferred taxes)

Purpose of Multiple Projection Scenarios

- Base
- Downside and Management case scenarios (range of outcomes)

Long-term Debt Maturity Analysis

- Using the financial footnotes of the annual report to develop long-term debt maturity profiles

Using Forecasts as a Tool for Crafting Financial Covenants

Reading the Output

- Financing the projected deficit and applying surplus cash
- Discussion of management's financing and investing options in a cash deficit or cash surplus forecast scenario

Drawing Conclusions

- Strategic interpretation of output
- Analysis of borrower's debt capacity and financial flexibility

Legal Claims on Cash versus Discretionary Uses of Free Cash Flow

Mini-Case Applications Using a Standard Projection Model

For more information regarding administrative policies such as complaints and refunds, please contact our offices at 212-641-6616.