



ACCREDITED TRAINING PROVIDER

Corporate Finance Techniques & Theory

A 4-Day **Live Classroom or Live Virtual Delegate** Training Event, London, UK/24 CPE Credits

This highly interactive course is designed to provide professionals with a thorough understanding of techniques, theories and issues found in practical corporate finance situations.

Key Topics

- Financial Statement Analysis
- Valuation
- Debt and Equity
- Mergers, Acquisitions and Disposals
- Regulations, Governance and Ethics

Course Objectives

Participants upon completion of this course will be able to:

- undertake a high-level analysis of financial statements
- value a range of undertakings across industry sectors
- conduct an advanced analysis of debt and equity requirements in given situations
- establish how, and whether, value is created in mergers, disposals and acquisitions
- detect the relevance of UK and continuing EU regulatory requirements to current situations and proposed actions.

Who should attend?

Suitable for corporate finance staff seeking an advanced level qualification. It is particularly appropriate for holders of the CISI Certificate in **Corporate Finance or ICAEW ACA qualification**.

Learning Methodology

Highly interactive expert-led discussions and case studies are supported by principles and theory using external reference materials and presentations.

Knowledge Prerequisites

None, however an understanding of financial concepts and terminology would be advantageous.

For CISI candidates for the **Diploma in Corporate Finance** please see exam entry requirements at CISI.org.

Our unique 4-day live training course features:

- Content-rich study materials
- Up-to-date and industry relevant case studies
- In-depth analysis of course topics
- Smaller class sizes which focus more on personal attention & expert-delegate interaction
- An experienced, expert practitioner-trainer with real industry track-record & available for delegate Q&A for up to 90 days to help in exam preparation following the course.

Methodology

The expert trainer will use slides, case studies, exercises and lead workshop-style group discussion to engage the delegates in practical learning and understanding. The trainer remains available to delegates for Q&A related to the course topic for 90 days following the course dates.

Advanced Preparation: None

Training Type: Live, in-person, classroom

Learning Level 6:

Intermediate

Field of Study: Capital

Markets, Corporate Finance

This training course is scheduled for:

London UK, 4 days

May 4-7 2020

November 9-12 2020

The price per delegate for this 4-day programme is £4,995.00

(+ UK VAT when applicable)

Early Bird 20% Discounts apply through February 29, 2020

1:1 training courses available at the per delegate price!

For an in-house training option, alternative dates and locations are available.

We are happy to add extra content to the programme to meet additional requirements from your company. Please contact us for further information.

www.riskrewardlimited.com

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Course Outline

Session 1: Financial Statement Analysis

Advanced level of financial statement analysis

Understanding analytical problems of different types of domestic and international industry sector and business entity.

1.1. How to use ratio analysis and other techniques on the financial statements of single companies and / or groups, including the use of cash to measure return

1.2. interpreting financial statements of single companies and / or groups, and explaining the implications of accounting standards on the financial statements taking account of the following aspects and issues in the analysis of financial statements:

- Revenue recognition
- Revenue recognition principles in different sectors
- Reporting deferred and accrued income
- Revenue recognition versus cash flow
- Off-balance-sheet financing
- Operating versus finance leases
- Informative notes to the financial statements
- Group accounting, including intra-group activity and taxation
- Accounting for acquisitions, disposals and mergers
- Impact of FRS 102 on financial statements

Session 2: Valuation

Conducting advanced level valuations and how to recognise the particular valuation problems of different domestic and international industry sectors and types of business entity.

2.1. The use and appraise methods of equity analysis for different types of business entity and industry

sectors, indicating each methods' problems and limitations:

Traditional comparable methods

- Earnings per share (EPS)
- Return on capital employed (ROCE)
- Price/book, price/sales and the price/earnings ratios
- Adjusted traditional methods EV and EBITDA
- EV and EBIT
- Turnover
- Other "rule of thumb" methods
- Advantages and disadvantages of an enterprise based approaches valuation The treatment of synergies

The cost of equity

- The capital asset pricing model (CAPM)
- Systematic and business risk
- Application of beta
- The dividend valuation model (DVM)
- Alternative measures of the cost of equity (G) Arbitrage pricing theory and its limitations (G)

The cost of debt

- Calculating the required yield on debt
- Considerations of currency and inflation matching

Weighted average cost of capital (WACC)

- Calculation and limitations
- Gearing and its impact on WACCs and values

Free cash flow (FCF)

- Applying discounted cash flow (DCF) techniques to FCF
- FCF for equity holders
- FCF for the enterprise



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- Key economic assumptions used structure a forecast
- The treatment of synergies
- Terminal values and their derivation from both multiples and DCF Sensitivity analysis and its interpretation

Economic value added (EVA) (G)

Real options and options-based valuation models (G)

General understanding of valuing companies in non-mainstream sectors (biotech, natural resources and high tech)

Session 3: Debt and Equity

3.1 Understanding advanced aspects of domestic and international debt instruments and equity issues, how to judge when and where to use debt and/or equity, the appropriate mix of debt and equity, and when to use certain types of debt instrument.

3.2. the terms, rights, conditions of use and the factors concerning value of the following instruments:
Ordinary shares

- Preference shares Debt
- Convertible loans Warrants
- Options
- Bonds including debt capital markets

3.3 how to evaluate the following unquoted sources of finance:

Private equity and venture capital (including VCTs)

Private placings

Enterprise investment schemes

Banks

Financial leases

Project finance

Senior, mezzanine and other debt

Sovereign wealth funds

Family offices

Crowd funding

Angel investing

Debt funds

3.4 the appropriateness of unquoted finance for the following:

Start-ups / early stage

Development capital

Management buy-outs / buy-ins

Public companies

3.5 determining financing options, including rights issues, placings and vendor placings, for a company by evaluating a company's financing needs.

3.6 dividend policy considerations and their impact on issuers and stakeholders.

3.7 financing options for a company's pension fund deficit by examining the financial implications of pension schemes, with particular reference to:

Defined contribution schemes

Defined benefit schemes

Valuation of assets and liabilities

Deficit funding

Rights of pension holders

Asset based finance

Bonds

3.8 the use of the following derivatives in debt and equity and incorporate these instruments in financing

Forwards and futures

Options

Swaps



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Session 4: Mergers, Acquisitions and Disposals

How, and whether, value is created by domestic and international mergers, acquisitions and disposals, including the effect on a group's financial statements

(including institutional buyouts, management buy-outs and other variants).

4.1. commercial and financial rationale for acquisitions and disposals in a given scenario

4.2. disposal processes in both the public and private markets towards

The sale process (initiation only)

- Traditional and alternative disposal methods
Identifying and short-listing purchasers
- Approaching potential purchasers

The auction processes

- Inviting and evaluating offers

Identifying potential acquisition targets

Initial evaluation of targets

Approaching the target: considerations and best practice

4.3 Aspects of mergers, acquisitions and disposals in

Public deals

- Transaction process overview
- Outline of regulatory issues
- Defence and bid strategies scenario:
 - how the following stages in an acquisition are carried out and apply this knowledge to a given

Due diligence

- Scope of due diligence
- Vendor due diligence and data rooms
Purchaser due diligence

Buying and selling documentation

- No names "teaser" document

- Confidentiality and non-circumvention undertakings Company presentation
- Business plan
- Information memorandum
- Legal documentation
- Heads of agreement
- Break clauses and exclusivity agreements
- Sale and purchase agreement
- Warranties, indemnities, representations and disclosures Conditions precedent and subsequent
- Exchange and completion
- The completion meeting and problem areas
- "Locked box" mechanisms versus completion accounts Other post completion mechanisms

Deal structuring

- Buying and selling assets versus shares
- Cash, loan stock, shares and alternatives as consideration Earn-outs, options and deferred consideration
- Tax considerations for the vendor and purchaser
- Hedging foreign exchange rate risk
- Hedging interest rate risk

Session 5: Regulation, Governance and Ethics

UK regulation and the regulatory regimes in different jurisdictions, the applicability of regulation in various scenarios

5.1. the Takeover Code

The structure of the Code

The spirit of the Code

The structure of the Panel and its powers

Statutory status

Companies to which the code applies

Independent advice

Irrevocable undertakings

Financing arrangements



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Offers for different classes of shares

Concert parties

Special deals and management incentives

Accuracy and content of documents

The creation of false markets

Restrictions and frustrating actions

Consideration

Mandatory offers

The timetable of an offer

EU implications

Consulting the Panel

Schemes of arrangement

5.2. aspects of the FCA Prospectus Rules and Listing Rules and assess their relevance to a given scenario:

The structure of the UK Listing Authority Rules

Overview of the Disclosure Guidance and Transparency Rules

Prospectus Rules

Standard and premium listing options

The minimum requirements for listing

Prospectuses

Timetable for listing

Sponsor's obligations

Announcements and circulars to shareholders

Continuing obligations

Class tests

Share buybacks

Secondary offerings

AIM Rules

NEX Exchange Rules (G)

5.3. areas relevant to corporate finance activity and assess their relevance to a given straightforward scenario: (G)

Corporate governance

- The UK Corporate Governance Code (including the implications for smaller companies)
- The overlap with the FCA Disclosure Guidance and Transparency Rules
- EU implications
- Competition regulation
- The general purpose of competition regulation
- EU implications

Financial Promotion Rules

- Invitations to engage in investment activity
- The Prospectus Rules
- Approval by authorised person

Ethics

- Fiduciary duties to the client
- Identifying and managing conflicts of interest
- The personal account dealing rules
- Bribery Act 2010
- A good understanding of the ethics of your profession with reference to fiduciary duties generally, your own professional body's code and the Bribery Act.

Money Laundering and Terrorist Financing

- Money Laundering Regulations 2017
- Proceeds of Crime Act 2002 (as amended by the Serious Organised Crime and Police Act 2005) (G)
- Terrorism Act 2000 (as amended by the various Acts, including the Terrorism Act 2006) (G)
- money laundering and terrorism funding with reference
- procedures and requirements relevant to corporate finance transactions and other aspects of the corporate finance client/advisor relationship.



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Market abuse

- Insider trading
- Price sensitive information
- Misleading statements
- Financial promotions
- EU implications

The European context of financial services regulation including the role of European institutions, regulations and directives (G)

US and other extraterritorial regulations which might impact upon a UK transaction. (G)

Companies Act 2006

- The different types of company
- Constitutional documents
- Share capital
- Business review
- AGM and accounts
- EU Transparency Obligations Directive EU Takeover Directive
- People with significant control

EU Markets in Financial Instruments Directive 2004

- Client categorization
- Approved persons
- Conflicts of interest
- Investment research

Course schedule:

Full day classroom training
09:30 – 17:00

5.4 Need to know



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RISK REWARD
GLOBAL BANKING & FINANCIAL SERVICES EXPERTS

Corporate Finance Techniques & Theory Registration & Payment details

Please mark **X** in the box and complete the form with BLOCK LETTERS

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May 4-7, 2020

November 9-12, 2020

Course Fee (per person):

GBP £4,995 (+ UK VAT when applicable)

Early Bird 20% Discounts apply through February 29, 2020

Email* _____

First name* _____

Last name* _____

Job title / Position _____

Department _____

Company Name _____

Company Address _____

City _____

Postcode _____ Country* _____

Telephone (direct)* _____ Telephone (main) _____

Approving Manager _____

Training Manager _____

CISI Certificate & Diploma Candidates

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Signature

Date

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