



TRAINING MANUAL:

# Certificate “Registered Consultant Financial Modelling” (RCFM)

Trainer: J.J.P. (Joris) Kersten, MSc BSc RAB

Version: Training Manual – RCFM 1.0 (August 1<sup>st</sup> 2020)

# Introduction

With this 100% LIVE online training, exclusively taught by Mr. Joris Kersten, MSc BSc RAB, you can obtain your certificate “Registered Consultant Financial Modelling” (RCFM).

This certificate is given out by “Kersten Corporate Finance” (KCF) in The Netherlands.

After successful completion of the training your name & details will be placed at the website of KCF ([www.joriskersten.nl](http://www.joriskersten.nl)) as proof of obtaining your certificate RCFM.

And the participant is then legally entitled to carry the RCFM title (Registered Consultant Financial Modelling) given out by KCF.

In 6 LIVE online training days, you will learn all on Financial Modelling in Microsoft Excel.

This at an “intermediate level”. And this in a very practical way since we will be working in Microsoft Excel constantly.

Topics of the training:

1. Key excel functions;
2. Key excel functionalities;
3. Best practise methodology;
4. Layout tips;
5. Time series analysis;
6. Error checks;
7. Model template example;
8. Financial statement theory;
9. Control accounts;
10. Example model building;
11. Self-review;
12. Ratio analysis.

A detailed overview of all the topics, and sub-topics of this training, can be found at the end of this manual.

## **Kersten Corporate Finance – Mergers & Acquisitions**

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# Approach of this 100% live online training

This 6-day live online training is about seeking better methods to construct financial models in Microsoft Excel.

In this training you will be walked through the pitfalls and challenges of financial modelling in Excel.

This with the common Excel functions, and Excel functionalities, and with highly emphasising the importance of a standardised and functional layout.

The 6-day live online training will almost totally take place within Microsoft Excel, and is therefore very practical. This with numerous, and numerous, examples in Microsoft Excel!

The training is exclusively taught by Mr. Joris Kersten, MSc BSc RAB.

And by finally building a full three statement financial model in Excel FROM SCRATCH, Mr. Joris Kersten will train you is how to build models fast and efficient.

## Teaching method

In this 6-day live online training, exclusively taught by Mr. Joris Kersten, MSc BSc RAB, you will be introduced to the finance & excel concept first by means of short presentations.

After that the link will be made to Microsoft Excel, and the concepts will then be shown to you in Excel.

The next step is that the participants then apply it in Excel themselves.

For the participants it is important to view the training on one screen (e.g. tablet, Ipad, laptop, computer) and to be able to work on another computer (e.g. laptop or desktop).

This since the trainer (Mr. Joris Kersten) will “share his screen” with the video conferencing/ training tool “ZOOM”.

So when you then watch the training on one screen, you get familiar with how the trainer applies the concepts in Excel. And you can then build the models yourself on another screen/ laptop.



# Set up of the training

As mentioned twelve topics will be discussed in this 6-day live online training. Let's take a look at the topics in a little more detail:

## 1. Key excel functions;

This topic will give you an introduction (or a refresher) on the key functions most commonly used in financial modelling in Excel.

## 2. Key excel functionalities;

Here you will get an introduction (or a refresher) on the key functionalities in Excel like: Absolute referencing, number formatting, conditional formatting, data tables, data validation, range names, hyperlinks etc. etc.

We use all we have learned here later on in building a three statement financial model in excel efficiently and fast.

## 3. Best practise methodology;

With this topic the importance of a conceptual framework for modelling in excel will be explained.

During this training the commonly used, and very effective, framework called "CRaFT" is used. It stands for: 1) Consistency, 2) Robustness, 3) Flexibility and 4) Transparency.

The concept "CRaFT" is invented by Dr. Liam Bastick, he is a great financial modeller.

And his handbook on financial modelling is also used as the handbook of this training.

More info on this handbook later on in this manual.

## 4. Layout tips;

Layout of a financial model is of great importance and often underestimated.

Here the importance of layout issues like a convention for sheet tabs, spacing, citing units, formatting, copying etc. etc. will be discussed and demonstrated.

## 5. Time series analysis;

In financial modelling we have to work with dates.

Here will be explained and demonstrated how dates should be constructed in your financial model and why. This including periodicity issues.

Moreover, here will be mentioned where dates should be placed and positioned in a worksheet and workbook, and how to avoid errors with dates.

## 6. Error checks;

Error checks should be placed throughout your model from the beginning on, rather than at the end.

Within this topic will be mentioned how error checks should be implemented in order to make your life easier as a financial modeller/ valuator.



#### **7. Model template example;**

Financial models are all different, but they share common attributes.

The common attributes of financial models will be discussed here, and suggestions will be given for a “base template”.

#### **8. Financial statement theory;**

Here financial statement theory will be refreshed.

You probably know what an income statement, balance sheet and cash flow statement is already.

But here these concepts will be discussed purely for modelling purposes in excel.

So the integration of these three financial statements will be discussed, and demonstrated, in order to close the models in a pre-set and constructive order.

#### **9. Control accounts;**

One of the most annoying things in modelling is when your balance sheets do not balance.

With the help of control accounts the chances of getting this problem can be diminished really a lot.

And with this topic you will learn how to build in “control accounts” for the balancing of your models.

#### **10. Example model building;**

At this stage we will actually start with building a full three statement model from scratch. Everything we have learned so far will come together.

The four methods of model input will be discussed and demonstrated, and calculation tips will be given. And we use the theory here from the “financial statement theory” section.

#### **11. Self-review;**

In the end a financial model obviously needs to be reviewed. This can be done by yourself or by a third party.

Here the common tricks and tips for auditing a financial model will be discussed and demonstrated. And we will use a handy checklist here.

#### **12. Ratio analysis.**

At last, we will check the financial health of the company, or project, for which we have built the financial model.

We do this with “financial ratios” within the six main centres of attention: Profitability ratios, liquidity ratios, asset management ratios, debt (gearing) ratios, equity ratios and market value ratios.



# Handbook used:

The handbook that will be used in this training is the following:

- Introduction to Financial Modelling: First edition (2018). Author: Liam Bastick. Publisher: SumProduct Pty Limited Australia.

This is currently one of the best books around in financial modelling, and all the participants of this training will receive an original digital copy of this book after registration for this training.

**Trainer of this 100% live and online training**



# Trainer & Consultant:

J.J.P. (Joris) Kersten, MSc BSc RAB

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- 130 recommendations on his training can be found on:  
[www.kerstencf.nl/nl/referenties](http://www.kerstencf.nl/nl/referenties)
- His full profile can be found on:  
[www.linkedin.com/in/joriskersten](http://www.linkedin.com/in/joriskersten)
- >60 of his articles on Business Valuation & Financial Modelling can be found for free on his LinkedIn page

J.J.P. (Joris) Kersten MSc BSc RAB (1980) is owner of “Kersten Corporate Finance” in The Netherlands, under which he works as an independent consultant in Mergers & Acquisitions (M&A's) of medium sized companies.

Joris performs business valuations, prepares pitch books, searches and selects candidate buyers and/ or sellers, organises financing for takeovers and negotiates M&A transactions in a LOI and later in a share purchase agreement (in cooperation with (tax) lawyers).

Moreover, Joris is associated to ‘AMT Training London’ for which he provides training as a trainer and assistant-trainer in Corporate Finance/ Financial Modelling at leading (“bulge bracket”) investment banks in New York, London and Hong Kong.

And Joris is associated to the ‘Leoron Institute Dubai’ for which he provides finance training at leading investment banks and institutions in the Arab States of the Gulf (Kuwait, Bahrein, Saudi Arabia, Oman, United Arab Emirates).

In addition, Joris provides lecturing in Corporate Finance & Accounting at leading Universities like: Nyenrode University Breukelen, TIAS Business School Utrecht, the Maastricht School of Management (MSM), the Luxembourg School of Business and SP Jain School of Global Management in Sydney.

Moreover, he provides lecturing at partner Universities of MSM in: Peru/ Lima, Surinam/ Paramaribo, Kuwait/ Kuwait-City and Mongolia/ Ulaanbaatar. And at partner Universities of SP Jain in Dubai, Mumbai and Singapore.



Joris graduated in MSc Strategic Management and BSc Business Studies, both from Tilburg University. In addition, he is (cum laude) graduated as “Registered Advisor Business Acquisitions” (RAB), a 1-year study in the legal and tax aspects of M&A's. And Joris obtained a degree in “didactic skills” (Basic Qualification Education) in order to lecture at Universities.

Currently Joris is following the “Executive Master of Business Valuation” to obtain his title as “Registered Valuator” (RV) given out by the “Netherlands Institute for Registered Valuators” (NIRV). This title will enable Joris to give out business valuation judgements in for example court cases.

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## Learning goals

Being able to understand and APPLY in Microsoft Excel:

1. Key excel functions;
2. Key excel functionalities;
3. A best practise methodology;
4. Layouts for financial modelling;
5. Time series for financial modelling;
6. Error checks for financial modelling;
7. Template design for financial modelling;
8. Building in “control accounts” for error reduction;
9. Building a three statement financial model from scratch with ratio analysis;
10. Reviewing/ auditing a financial model.

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Please notice the detailed overview of topics, per live online training day, at the end of this training manual.

All live online training days will be taught exclusively by Mr. Joris Kersten, MSc BSc RAB.

He is an experienced international trainer in Corporate Finance, Financial Modelling and Business Valuation at New York, London, Europe, Asia and the Middle East.

His training sessions are extremely PRACTICAL, so always the connection from theory to practise will be made.

130 recommendations on his training sessions can be found on: <https://www.joriskersten.nl/nl/reviews>





# Participants & foreknowledge

This training is interesting and suitable for:

- Ambitious students in business administration;
- Analysts corporate finance (M&A, venture capital, private equity, investment banking);
- Accountants/ Controllers;
- Investment/ Equity analysts;
- Credit bankers;
- Strategy consultants with a strong interest in Finance;
- General managers with a strong interest in Finance;
- Chief Financial Officers (CFOs);
- Lawyers and Tax Lawyers with a strong interest in Finance;
- Notaries with a strong interest in Finance;
- Finance enthusiasts;
- Ambitious entrepreneurs.

Foreknowledge:

- Basic understanding of Microsoft Excel;
- Basic understanding of finance/ accounting (balance sheet, profit & loss statement, cash flow statement).

After registration, and payment of the invoice, you will receive the handbook (the original & digital edition) for the training.

The handbook that will be used in this training is the following:

- Introduction to Financial Modelling: First edition (2018). Author: Liam Bastick.  
Publisher: SumProduct Pty Limited Australia.

**Later in this manual you can find which chapters to (optionally) read before the start of the live online webinars.**

## Certificate:

In 6 live online training days you will learn how apply all key elements for financial modelling of the three financial statements, by trainer Joris Kersten MSc BSc RAB.

You will learn how to model with “keyboard excel shortcuts” (so NO COMPUTER MOUSE), key excel functions and key excel functionalities.



And of course you will learn how to apply best practice methodology, clear layouts, time series analysis (dealing with dates), error checks, template design, control accounts and reviewing/ auditing your model.

During the training the trainer will:

1. Explain the excel/ finance concepts;
2. Show you the excel/ finance concepts;
3. Let you practice with the excel/ finance concepts with building real life models.

### **Exam-assignment**

After the training you need to prepare an exam-assignment which entails that you need to construct a full three statement financial model yourself.

After the last training day you will receive the basic financial numbers for this task. And then you need to construct the model yourself using all you have learned, and you need to send it in to Mr. Joris Kersten within 6 weeks after the last training day.

Within 3 weeks after that you will receive feedback and a grade on a scale between 1 and 10.

When you have scored above 5.5 your name and details will be placed on the website of “Kersten Corporate Finance” (KCF) ([www.joriskersten.nl](http://www.joriskersten.nl)).

Moreover, from then on you are legally entitled to carry the:

- RCFM title (“Registered Consultant Financial Modelling” given out by KCF).

When the participant fails (grade lower than 5.5), then there is one free of charge attempt for a re-take.

When the participant fails the re-take, then there will be one more (last) re-take, but here administration costs will be charged (25 Euro ex vat).

### **Difficulty level of training/ exam-assignment: Intermediate**

The level of this training is “intermediate”, so in between “foundation” and “advanced”.

The model you need to build yourself for the exam assignment is at the exact same difficulty level as the financial models discussed, explained, and practised with, during the 6 live online training days.



# Registration

You can register yourself for the training by filling in the registration form that can be found on: [www.joriskersten.nl](http://www.joriskersten.nl)

After that the registration will be formally confirmed by email.

When you then have paid the invoice for the training, you will receive the original digital handbook for the training.

# Preparation/ Time investment

For this training you need to attend the live online webinars:

- 6 live online training days of 7 hours = 42 hours.

Optionally you can read the chapters (exact chapter will be pointed out later in this manual) from the handbook used during the training upfront.

This is advised, but not mandatory. This since also without reading the book upfront you will be able to follow the training since everything will be explained from the basics on.

For the “exam-assignment” you need to build a financial model from scratch yourself. As a rough indication this will take you about two to three working days. This is a rough indication.

For the rest, there will be no homework during this training.

So you will need to attend the 6 live online training days, and you will need to finish the exam-assignment. And optionally you can read the chapters from the book upfront.

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## Timing/ Planning

Participants can choose out of participating in one of three planned groups:

- Group 2020 November (1);
- Group 2020 November (2);
- Group 2021 March.



The dates are given below, including the dates for optional extra consulting hours.

Below that, you can find the “daily time schedule” and a “schedule with topic per day”.

Day	Group 2020 November (1)	Group 2020 November (2)	Group 2021 March
1	Thursday 05 Nov 2020	Monday 23 Nov 2020	Tuesday 16 March 2021
2	Friday 06 Nov 2020	Tuesday 24 Nov 2020	Wednesday 17 March 2021
3	Monday 09 Nov 2020	Wednesday 25 Nov 2020	Thursday 18 March 2021
4	Tuesday 10 Nov 2020	Monday 30 Nov 2020	Tuesday 30 March 2021
5	Thursday 12 Nov 2020	Tuesday 01 Dec 2020	Wednesday 31 March 2021
6	Friday 13 Nov 2020	Wednesday 02 Dec 2020	Thursday 01 April 2021
<b>Optional extra consulting hours</b>	Thursday 26 Nov 2020	Tuesday 15 Dec 2020	Tuesday 06 April 2021



# Daily time schedule

The training sessions take place based on “Coordinated Universal Time” (UTC).  
The live online webinars start at 7 AM UTC and finish at 4 PM UTC.

- Session 1: 7 AM UTC – 8.45 AM UTC (1 hour and 45 minutes);
- Break: 8.45 AM UTC – 9.15 AM UTC (30 minutes);
- Session 2: 9.15 AM – 11.00 AM UTC (1 hour and 45 minutes);
- Break: 11.00 AM UTC – 12 noon UTC (1 hour);
- Session3: 12 noon UTC – 1.45 PM UTC (1 hour and 45 minutes);
- Break: 1.45 PM UTC – 2.15 PM UTC (30 minutes);
- Session 4: 2.15 PM UTC – 4 PM UTC (1 hour and 45 minutes);
- Day ends 4 PM UTC.



## Topics per day/ per group.

Topic	Ch. Handbook	Group 2020 Nov (1)	Group 2020 Nov (2)	Group 2021 March
<b>Key Excel functions</b>	<b>Ch. 1</b>	05 Nov 2020	23 Nov 2020	16 March 2021
<b>Key Excel functionalities</b>	<b>Ch. 2</b>	06 Nov 2020	24 Nov 2020	17 March 2021
<b>Best practise methodology</b>	<b>Ch. 3</b>	09 Nov 2020	25 Nov 2020	18 March 2021
<b>Lay out tips</b>	<b>Ch. 4</b>			
<b>Time series analysis</b>	<b>Ch. 5</b>			
<b>Error checks</b>	<b>Ch. 6</b>			
<b>Model template example</b>	<b>Ch. 7</b>			
<b>Financial statement theory</b>	<b>Ch. 8</b>			
<b>Control accounts</b>	<b>Ch. 9</b>			
<b>Example model building</b>	<b>Ch. 10</b>	10 Nov 2020 12 Nov 2020	30 Nov 2020 01 Dec 2020	30 March 2021 31 March 2021
<b>Self-review</b>	<b>Ch. 11</b>	13 Nov 2020	02 Dec 2020	01 April 2021
<b>Ratio analysis</b>	<b>Ch. 12</b>			
<b>Optional extra consulting hours</b>		26 Nov 2020	15 Dec 2020	06 April 2021

Per topic you can find in the second column what chapter(s) from the handbook of the training you can read upfront of the live online training days.

It is advised to read these chapters up front, but this is only optional since the trainer will discuss all the concepts during the live online training from the basics on.

## Location

The training is live and 100% online, so webinars can be attended from home, or anywhere in the world when you have access to internet.



# Laptop & Microsoft Excel

- Participants need a laptop;
- It is preferred and advised to work with a Microsoft laptop. This since in the “financial world” still a lot of Microsoft laptops are used instead of apple. I am not against apple at all, I actually own an Apple. But with modelling I generally work on a windows laptop since most shortcuts are available for windows;
- When a participant insists on using an apple computer, I will supply a list of the “excel keyboard shortcuts” on Apple as well;
- And participants are highly advised to use a 2nd screen. So work on one screen/ laptop in excel. And use a second screen to watch the trainer & his shared excel screen. This in order to build the models efficiently together.

# Certification/ Certificate

- When participant passes the training (grade exam > 5.5), her/ his name & details will be published on the website of “Kersten Corporate Finance” (KCF) ([www.joriskersten.nl](http://www.joriskersten.nl)) as proof of successful completion of this training RCFM;
- And the participant is then legally entitled to carry the “Registered Consultant Financial Modelling” (RCFM) title given out by KCF.



# Price & payment:

Total price: 350 Euro ex vat

(three hundred fifty euro excluding value added tax)

Here for you will receive:

- Attendance to the 6 live online training days;
- Original digital handbook for the training (market value around 20 euro);
- Access to exercises, cases and excel spreadsheets used in the training;
- Access to answers (including workings) on the exercises/ cases;
- Ability to attend at the “optional extra consulting hours” for extra help and/ or ability to ask subsequent questions;
- Lifelong publishing of your name/ details on website of Kersten Corporate Finance (KCF) when you have passed the training. This as legal proof (for your CV/ curriculum vitae) that you have passed the training;
- Right to carry “RCIM” (Registered Consultant Investment Management) title given out by KCF when you have passed the training;
- Ability to learn from and international and experienced trainer (Mr. Joris Kersten) at London, New York, Hong Kong and Middle East. 130 recommendations on his training sessions can be found on: <https://www.joriskersten.nl/nl/reviews>





# Detailed planning/ topics

Under here you can find the detailed content of the 12 topics covered in 6-day live online training.

## Topic 1: Key Excel Functions

- SUM;
- IF;
- IFERROR;
- SUMIF;
- SUMIFS;
- SUMPRODUCT;
- VLOOKUP/ HLOOKUP;
- LOOKUP;
- INDEX and MATCH;
- CHOOSE;
- OFFSET;
- EOMONTH and EDATE;
- MAX and MIN.

## Topic 2: Key Excel Functionalities

- Absolute referencing;
- Number formatting;
- Styles;
- Conditional formatting;
- Range names;
- Data validation;
- Data tables;
- Goal seek and solver;
- Hyperlinks.

## Topic 3: Best Practise Methodology

- Consistency;
- Robustness;
- Flexibility;
- Transparency.



## Topic 4: Layout tips

- Quick analysis;
- New workbook defaults;
- Formulas options;
- Save options;
- Advanced options;
- Quick access toolbar;
- Layout suggestions;
- Padded cell;
- Layout tips.

## Topic 5: Time Series Analysis

- Start date;
- End date;
- Counter;
- Timing assumptions.

## Topic 6: Error checks

- Error checks;
- Sensitivity checks;
- Alert checks.

## Topic 7: Model Template Example

- Template vs. reusable file;
- Table of contents;
- Style guide;
- Model parameters;
- Error checks;
- Change log.

## Topic 8: Financial Statement Theory

- Income statement;
- Balance sheet;
- Cash flow statements;
- Linking financial statements.



## Topic 9: Control Accounts

- Balancing the numbers;
- The order of building financial models;
- Identifying key drivers.

## Topic 10: Example Model Build

- Initial structure;
- Adding sheets;
- Creating the financial statements;
- Linking the financial statement worksheets;
- Revenue;
- Costs of goods sold;
- Operating expenditure;
- Capital expenditure;
- Debt;
- Taxation;
- Equity;
- Single entre accounting;
- Opening balance sheet revisited;
- Indirect cash flow extract;
- Case study wrap up.

## Topic 11: Self review

- Best practise modelling;
- Formats and styles;
- Inconsistent formulas;
- Self-review checklist;
- Third party audits.

## Topic 12: Ratio analysis

- Profitability ratios;
- Liquidity ratios;
- Asset management ratios;
- Debt (gearing) ratios;
- Equity ratios;
- Market value ratios.

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