



REDCLIFFE TRAINING
ASSOCIATES LIMITED

BANKING AND CORPORATE FINANCE TRAINING SPECIALISTS

Corporate Finance Training Courses in Manchester & Leeds 2005

- **Corporate Finance for Smaller Companies**
- **Documentation in Corporate Finance**
- **How to Win More Corporate Finance Work**
- **Due Diligence in Corporate Finance**
- **Tax Issues in Mergers & Acquisitions**
- **Management Buy-outs**
- **Business Valuations**
- **Buying & Selling Companies**

CONTINUING PROFESSIONAL EDUCATION AND DEVELOPMENT

Each seminar comprises six Law Society CPD hours per day. The seminars also qualify as structured CPE within the guidelines of The Institute of Chartered Accountants in England & Wales and therefore contribute 18 points (i.e. six hours x 3) per training day towards meeting a member's CPE commitment.

CORPORATE FINANCE FOR SMALLER COMPANIES

28 April in Manchester, 16 November in Leeds
£550 + VAT (£646.25)

Background & Overview

- Objectives of buyers & sellers
- Common errors of buyers & sellers
- Family companies
- Succession

Acquisitions

- Strategy
- The acquisition plan
- Representations and warranties
- Risk tolerance
- Approach tactics
- Key factors affecting negotiation

Disposals

- Appointment of advisers
- Preparing the company
- Grooming
- Disclosure of information
- Negotiating the price

Valuation

- Is the company saleable?
- Is it the right time to sell it?
- What offer to expect?
- Net asset value & discounted cash flow
- Valuation by comparison
- Short-cut valuations
- Common misconceptions

Bank Finance

- Preparation
- The business plan
- Key ratios

Structuring the Deal

- Objectives of the parties
- Earn-outs
- Management buy-outs

DOCUMENTATION IN CORPORATE FINANCE

29 April in Manchester, 17 November in Leeds
£650 + VAT (£763.75)

Background & Overview

- Structure of an agreement
- Pre-conditions and covenants
- Representations, warranties and indemnities
- Purpose, limitations and scope of warranties
- Vendor protection clauses
- Disclosure letter
- Protection and remedies of the purchaser

Typical Tool Kit

- Confidentiality letter
- Option agreement
- Shareholders agreement
- Service contract
- Consultancy agreement
- Business plan

Loan & Security Documentation

- Taking security
- Ownership, possession and charges
- Loan agreements
- Guarantees and indemnities
- Loan representations and warranties
- Default

Flotation

- Subscription/placing agreements
- Underwriting agreements
- Verification notes
- Contents of a prospectus
- Longform and shortform reports
- Statutory & general information

Buying and Selling Companies

- Engagement letter
- Information memorandum
- Letter of intent & Heads of agreement
- Exclusivity agreement
- Comfort letters & side letters
- Hold harmless letter
- Financial assistance flow chart
- Sale & purchase agreement

HOW TO WIN MORE CORPORATE FINANCE WORK

18 April in Leeds, 31 October in Leeds
£300 + VAT (£352.50)

Types of Work Available

- Working capital reviews
- Acquisition and disposal mandates
- MBO's, MBI's etc.
- Business Planning
- Fund raising
- Valuations and strategic reviews

Marketing

- Identifying opportunities
- How to begin marketing
- Maintaining a market presence

Fees

- Review of methods available
- Pitching and setting fees
- Getting paid

DUE DILIGENCE IN CORPORATE FINANCE

22 April in Manchester, 28 October in Leeds
£550 + VAT (£646.25)

Background

- Application of due diligence
- The importance of a thorough investigation
- A measured approach within time limits
- Interaction with warranties
- The core due diligence team

Commercial Due Diligence

- Is the target worth the effort?
- Analyse the opportunity
- Test the results
- Due diligence check lists
- Indicators of fraud

Financial Due Diligence

- The longform report
- Top down approach
- Assess the target's activities
- Key areas for due diligence
- Synergies

Further Investigations

- Legal due diligence
- IPR and technology due diligence
- Environmental due diligence
- Due diligence in flotations
- Cross border transactions

Sell Side Due Diligence

- Rationale
- Preparing for a sale
- Release of information
- Handling the data room

BUYING & SELLING COMPANIES

21 April in Manchester, 27 October in Leeds
£550 + VAT (£646.25)

**Part One: Buying a Company
Overview of Making Acquisitions
Strategy**

- Errors in Acquisitions
- Expansion Strategies

Pre-acquisition Planning

- The Acquisition Plan
- Acquisition Criteria
- Searching for Targets
- The Screening Process

Execution

- Tactics
- Evaluating the Target

Due Diligence

- How Much Due Diligence?
- Techniques
- Risk Factors
- Fraud

Negotiation and Completion

- Negotiating Strategies
- The Importance of Integration

**Special Considerations Affecting
Listed Companies**

- EPS Aspects
- The Class Tests

**Special Considerations Affecting
Overseas Transactions**

**Part Two: Selling a Company
Overview of Making Disposals
Strategy**

- Errors in Disposals
- Strategies for Realising Value
- Rationale for Disposals

Pre-sale Planning

- What is being Sold?
- Searching for Buyers
- Sale Criteria
- Methods of Disposal

Execution

- Tactics
- Confidentiality Letters / Heads of Agreement

Negotiation and Completion

- Negotiating Strategies
- Structuring the Deal
- Structuring the Consideration
- The Purchase and Sale Agreement (Warrenities, Disclosures, etc.)
- Techniques
- Risk Factors
- Fraud

**Special Considerations Affecting
Overseas Transactions**

TAX ISSUES IN MERGERS & ACQUISITIONS

20 April in Manchester, 4 November in Leeds
£550 + VAT (£646.25)

Advising the Purchasers

- Purchase of shares or assets?
- The taxation of intangibles
- Protection of losses
- Changes to the capital gains de-grouping charge since 1 April 2002
- Stamp Duty and Stamp Duty Land Tax

Advising Individuals Vendors

- Pre-sale planning
- Capital v Income distributions, and is a pre-sale dividend still effective?
- Sale of shares or sale of assets?
- Maximising CGT business asset taper
- The importance of "trading company" status for business taper
- Form of consideration – cash, shares, loan notes and earn-outs
- QCBs or Non-QCB loan notes? The impact on taper relief

Advising Corporate Vendors

- Pre-sale planning
- Form of consideration – cash, shares, loan notes and earn-outs
- Securing the substantial shareholdings exemption
- Definition of "trading company" for substantial shareholdings exemption

Inland Revenue Clearances, in particular

- Section 138 TCGA 1992 re capital gains
- Section 138A TCGA 1992 re earn-outs
- Section 703 ICTA 1988 re tax advantages

Warranties and Indemnities

- Common tax warranties in share purchase agreements
- Tax treatment of payments under warranties

Tax Issues Relating to Venture Capital

- An overview of the Enterprise Investment Scheme
- Qualifying companies and excluded activities
- Conditions for the individual investor
- Significance of being "connected" with the company
- The "Business Angel" rule
- Corporate Venturing Scheme relief
- Venture Capital Trusts

Tax Issues Regarding MBOs and MBIs

- Taxation of employee shares including restricted securities
- "Safe harbour" agreement between BVCA and Inland Revenue
- Problems with "ratchets"

MANAGEMENT BUY-OUTS – INTRODUCTION

4 May in Manchester, 21 November in Leeds
£550 + VAT (£646.25)

Background and Reasons for Development

- History to date
- Different types of transaction and differing structures

Achieving a Successful Buy-out

Pricing an MBO

- Valuation of target company
- Debt considerations
- Use of P/E ratios
- Venture capitalists' IRR
- Envy factors

Structure of an MBO

- Senior debt
- Mezzanine finance
- Institutional equity
- Vendor notes
- Management equity
- Ratchets

Due Diligence Considerations

Legal Considerations

- Initiating the MBO
- The acquisition
- The equity investment and loan arrangements
- Financial assistance

Public to Private Deals

Exit Routes

- Trade sales
- Flotations
- Share buy-backs
- Second round buy-outs

INTRODUCTION TO BUSINESS VALUATIONS

15 April in Manchester, 7 November in Leeds
£550 + VAT (£646.25)

**Basic Accounting Model -
Collecting the Correct Data**

- Basic accounting model
- Importance of cashflow in business performance
- Ingredients of profit and loss account statement
- Creative accounting problems
- Review of the different perspectives of valuation

Discounted Cashflow Valuation

- Investment appraisal theory and principles of net present value
- Forecasting the cashflow of the firm
- Free cash flow (FCF) calculation
- Free cash flow to the firm (FCFF) and free cash flow to equity (FCFE)
- Estimating the cost of capital to apply as a discount rate
- Calculating the terminal value
- Limitations of the model

Relative Valuation Techniques

- Using the dividend growth model approach
- Variations on the growth model
- Linking the dividend model with the price earnings (PER) ratio
- Understanding the key drivers of PER – risk and growth assumptions
- Relative sector per's and the implications for future value
- Concept of EBIT and EBITDA multiples of enterprise value (EV)
- Cashflow multiples – EV / FCF, price / cashflow per share
- Sales, asset and other multiples used for valuation
- Understanding why different multiples are used for different valuations
- Benefits and drawbacks of relative valuation techniques

Booking Form

Fax to: 020 7631 2060

Post to: Redcliffe Training Associates, Suites 6-8 Great Portland Street, London W1W 5DD

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There is a charge of £125 + VAT in respect of cancellations 7 days or more before the seminar in question. Thereafter no fees are refunded. Delegates may be transferred to a later seminar at no further cost provided that such a transfer is requested at least 3 working days before the seminar date of the original booking. Later transfers will incur an administration charge of £125 + VAT. Redcliffe's liability is limited to the return of any course fees paid.

REDCLIFFE ALSO DELIVERS THE FOLLOWING COURSES IN LONDON;

LOAN AND SECURITY DOCUMENTATION
AIM AND OFEX FLOTATIONS
CORPORATE FINANCE SURVIVAL PACK
DEBT FINANCE
CORPORATE RESTRUCTURING
INSOLVENCY AND CORPORATE TURNAROUNDS
LEASING - AN INTRODUCTION
BUYING A COMPANY
SELLING A COMPANY
JOINT VENTURES / STRATEGIC ALLIANCES
MODELLING FOR M & A AND BUY-OUTS
ACCOUNTING FOR MERGERS & ACQUISITIONS
VENTURE CAPITAL – AN INTRODUCTION
VENTURE CAPITAL – ADVANCED
ADVANCED LEVERAGED BUY-OUTS
MEZZANINE FINANCE

PUBLIC-TO-PRIVATE DEALS
PROJECT FINANCE OVERVIEW
CORPORATE GOVERNANCE
LISTING RULES ("PURPLE BOOK")
TAKEOVER CODE ("BLUE BOOK")
TAKEOVER CODE (ADVANCED)
THE ROLE OF A COMPANY SECRETARY
TREASURY PRODUCTS
CREDIT DERIVATIVES
RISK MANAGEMENT
SECURITISATION
ADVANCED BUSINESS VALUATIONS
NEGOTIATION SKILLS
OPTIMISING INTERPERSONAL SKILLS
MAKING SUCCESSFUL PRESENTATIONS
ADVANCED PRESENTATION SKILLS

Please call us on 020 7631 2090 for course outlines and dates or visit us at
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