

**SKILLS FRAMEWORK FOR FINANCIAL SERVICES
TECHNICAL SKILLS AND COMPETENCIES (TSC) REFERENCE DOCUMENT**

TSC Category	Investment and Financial Management					
TSC	Financial Modelling					
TSC Description	Develop financial models and valuation models to arrive at a valuation conclusion					
TSC Proficiency Description	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
			FSE-BVL-3001-1.1-1	FSE-BVL-4001-1.1-1	FSE-BVL-5001-1.1-1	
			Perform modelling on financial models, valuation models, financial statement analysis and valuation analysis	Review financial models, financial forecasts, valuation models, financial statement analysis and valuation analysis	Evaluate financial, forecast and valuation models for consistency and reasonableness to arrive at valuation conclusions	
Knowledge			<ul style="list-style-type: none"> Financial information records and reporting Premises and bases of value Valuation approaches and methods Specialised models including real options Economic, industry and sectoral indicators Future investment forecasting Micro and macro-economic industry trends 	<ul style="list-style-type: none"> Recording and reporting financial information Premises and bases of value Valuation approaches and methods Specialised models including real options Economic, industry and sectoral indicators 	<ul style="list-style-type: none"> Recording and reporting financial information Premises and bases of value Valuation approaches and methods Specialised models including real options Financial, forecast and valuation models 	
Abilities			<ul style="list-style-type: none"> Build financial calculations into spreadsheets Apply flexibility in spreadsheets to accommodate modifications of assumptions Choose appropriate valuation methods and modelling techniques Model the financial aspects of the subject of valuation 	<ul style="list-style-type: none"> Review the financial aspects of the subject of valuation for gaps Review the application of assumptions to the subject of valuation for gaps Review appropriateness of the valuation methods and modelling techniques Review models for errors and inconsistencies Analyse key economic, industry and sectoral 	<ul style="list-style-type: none"> Determine the assumptions to be applied based on value, valuation approaches and methods Evaluate financial, forecast and valuation models for consistency and reasonableness Review financial modelling analysis and techniques to ensure alignment to organisation's strategic directions 	

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			<ul style="list-style-type: none">• Self-review the models for possible errors and inconsistencies• Analyse financial models and valuation of business to arrive at an acceptable price for the deal and draw consensus on the commercial terms• Generate forecasts of macro and micro economic indicators• Generate forecasts for valuation of future investments	indicators for valuation purposes using financial modelling		
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