

Financial Modeling Techniques with Spreadsheets

3-Day Professional Development Workshop

Course Overview

Financial Modeling and Corporate Planning skills are now essential for both finance and non-finance professionals. The powerful functions available in Excel and other spreadsheets improve the quality of the decision support process far beyond those available from other methods. The Visual Basic (VBA) programming language built into Excel provides tools for simplifying the user interface to encourage participation in performance improvement programs by all personnel.

Whereas many employees are able to build simple models and to use macros, much potential benefit and management productivity improvement is left unrealized as the simple steps to the next level of improvement of the solutions developed are unknown.

In this course, participants learn the principles behind accounting, finance and statistics and how to use functions and macros to represent them in Excel. The VBA facility is then used to create forms and to develop customized functions.

For this workshop, participants are required to bring their own laptops.

Who Should Attend

The course is intended for personnel active in: Corporate Planning, Budgeting, Decision Support Analysis, Financial Modeling, Economic Research, Business Intelligence, Six Sigma, Currency Strategy, Arbitrage Trading, Sales & Inventory Forecasting, Traffic Modeling, Compliance Audit, Energy Management, Portfolio Management, Statistical Analysis, Demographic Analysis, Mergers & Acquisitions.

Course Outline

Details of the course outline are shown overleaf.

Financial Modeling Techniques with Spreadsheets

Course Outline

Day 1

✚ Fundamentals Refresher

- Accounting for non-Accountants
- Formal Logic and Truth Tables
- Philosophy of Economics
- Long-wave Macroeconomics
- Statistical Inference
- The dangers of “Charting” – crowd behavior in stock markets

✚ Financial Modeling in Excel - 1

- Basics: The difference between Rules and Data
- Advanced Features
- Financial Analysis Functions
- Conditional Logic
- Building Formulas from Formulas
- When to stop using Excel and go to OLAP

✚ Financial Modeling in Excel – 2

- Features of efficient and effective Excel models
- Analyzing and forecasting financial statements:
 - Profit & Loss
 - Balance Sheet
 - Cash Flow
 - Ratio Analysis
- Financial Planning and Equity Valuation
- Identifying the market drivers

Day 2

✚ Financial Modeling in Excel – 3

- The Cost of Capital for Shareholder Value Added
- Bond markets and prices
- Share prices modeling – short term and long term
- Options and Option Portfolios

✚ Financial Modeling in VBA – 1

- Introduction to VBA in Excel
- The architecture of VBA and its essential components
- Subroutines and Functions

Day 3

✚ Financial Modeling in VBA – 2

- Choosing between investment alternatives
- Discounted Cash Flow, Net Present Value, Payback
- Financial Planning and Equity Valuation (review)
- Risk management
- Portfolio Management

✚ Financial Modeling in VBA – 3

- Share prices modeling – short term and long term (review)
- Asset Pricing
- Binomial Option Pricing

✚ Application Management

- Maintaining the application built in Excel / VBA
- Documenting the application
- Corporate Governance – Cross checking models, independent proof, alarms
- Intellectual Property Protection