



“taking the myth out of finance”

## Financial Modelling in Excel – Module 2

- a stand-alone course which is also recognised as a qualifying module for the CPPF (Certificate Programme in Practical Finance)

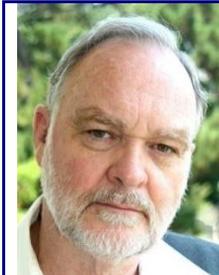
Financial risk cannot be eliminated in business, but it can be reduced. Excel, well used, can demonstrate the probable outcome of a set of inputs. Selecting the appropriate inputs and identifying the correct relationships is a necessary skill for any risk evaluation.

The Economist reports that the failure of most projects arises, not from unexpected events, or from the inability of modelling tools to predict, but from compromising the model's prediction in order to 'sell' the project. This course emphasises the context and the technical aspects of modelling so that the outcome is reliable and can be used with confidence as part of an overall assessment of a proposition.

Delegates will be supplied with a set of templates with corresponding model answers including comprehensive notes. The templates may be re-used for practice, in conjunction with the model answers.

NB: The course assumes well developed Excel skills, including using names in formulas, the IF statement and variations. An understanding of financial statements is also required. It will continue to emphasise the thinking process as well as taking the knowledge and application of techniques further.

**The course presenter: John Mitchell**



John Mitchell is a Director of Johannesburg School of Finance, a member of the Investment Analysts Society and holds a Degree in Philosophy. He has been a professional designer and presenter of financial courses for the past twenty one years. His Major in Logic aligns itself naturally with both lean programming, and analysis of financial problems.

His empathic style and extensive business experience make his courses both practical and enjoyable.

**2019 Course dates:** 25 - 28 March                      20 - 23 May                      26 – 29 August  
18 – 21 November

**Course Venue:** Quickbooks, 5 Zulberg Close, cnr Ernest Oppenheimer Avenue, Bruma, Johannesburg

**Course Fees:** R15 400 plus 15% VAT (R17 710) per delegate. Fees include material, lunches, (R280 extra for Halaal), teas and secure parking.

**Requirements:** Delegates must please bring their own laptop or notebook. A mouse is strongly recommended. Apple Macintosh is possible, but not preferred.

Johannesburg School of Finance (Pty) Ltd is accredited through FASSET and has a Level 4 (100%) BEE default rating, DTI registration BEE5693584.

# Financial Modelling in Excel – Module 2

presented by John Mitchell

## **REQUIREMENTS:**

Learners must please bring their own computer able to download templates from a flash stick, else make alternative arrangements in advance (e.g. load via Dropbox). A mouse and mouse pad are strongly recommended.

## **Course Overview:**

The course is designed to build on the disciplines and techniques developed in Module One, introducing new skills in the context of practical applications. Emphasis will continue to be placed on thinking around the technical aspects of the model to ensure that the outcomes are comprehensive and reliable.

The following techniques, among others, will be covered:

- Practical model construction
- Scenarios, Goalseek and Solver
- Pivot Tables
- Subtotals
- Boolean Algebra
- Time Value of Money

## **Course Content**

### **Day One: Organizing the data**

- Introduction
- Advanced techniques, shortcuts and procedures
- Text, Concatenate Text, Time
- Names revision
- What-if? calculations: goal-seeK, solver and scenarios
- Group Data
- Subtotals and nested Subtotals

### **Day Two: Understanding the IF function**

- Pivot table reports
- Advanced IF functions
- Conditional Formatting
- Boolean Algebra : IS functions

## Financial Modelling in Excel – Module 2

### Day Three: Construct and Interpret a Financial Model

- Purpose, possibilities and principles of modelling
- Planning, structuring and using the model
- Refurbishment
- Build a model using sub-routines, IO-AO structure
- Scenarios, Goal-seek and Solver
- The Time Value of Money: NPV, IRR, explanation and practical exercises

### Day Four: Revision and assessment

- Complete the previous model
- Interrogate the model to test hypotheses
- Techniques assessment
- Model building assessment
- Portfolio of evidence and feedback on assessment

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