Corporate Finance Modeling

Module 7, 2016

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Course description

The key objectives of the course are to:

- Familiarize with modeling standards and techniques, generally accepted by corporate finance professionals worldwide.
- Utilize standard modeling functionality of MS Excel.
- Develop of project financial model, applying the rules and techniques learnt.

Course requirements, grading, and attendance policies

Confident knowledge of Financial Accounting, Corporate Finance and MS Excel. You need to have a laptop every lesson.

The grade will consist of:

1) 20% – few value drivers' trees drawn.
2) 80% – financial model built under technical specification given. The specification will be provided 3 weeks prior to the course end. Both real and test inputs may be applied for modeling, feasibility of assumptions will not affect the final mark.
3) Bonus marks (max 0.5) and delay penalties (0.5 per each week of delay).

Course contents

Week	Date	Topic	Reading
1	**Nov 12**	1. Corporate finance vs. other models 2. Modeling process 3. Model specification 4. Golden rules 5. Core MS Excel functionality in-use	
2	**Nov 19**	1. Temple spreadsheets 2. Flag technique 3. Inputs sheets and scenario switchers	

Week	Date	Topic	Reading
3	**Nov 26**	• Control accounts • Fixed assets and capex modeling • Revenue and opex • Working capital	
4	**Dec 3**	• Debt and equity modelling • Target finance and cash sweep • Cash flow bridge • Ratios and covenants	
5	**Dec 10**	• Scenario and sensitivity analysis • Basic VBA macros • Modeling review	

Additional reading

1. Mastering Financial Modelling in Microsoft Excel: A Practitioner's Guide by Alastair Day - a useful guide for those really getting into financial modelling in detail)

2. Spreadsheet Modelling Best Practice by Nick Read and Jonathan Batson of IBM dated 1999 - a useful publication that uses simple examples to illustrate best practice modelling

3. Data Analysis and Business Modelling by Wayne L. Winston

4. www.exceltip.com, www.spreadsheetpage.com, www.planetaexcel.ru

Academic integrity policy

Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated.