

Financial Modeling Basics

GoSkills online course syllabus

Sunday, October 1, 2023

Skill level

Beginner

Lessons

55

Accredited by

CPD

Pre-requisites

None

Video duration

5h 08m

Estimated study time

27h 30m for all materials

Instructor

Liam Bastick

What is Best Practice?

1

Introduction

Introduction and the semantics of what constitutes "best" in "best practice". We consider a good model has four key attributes: Consistency, Robustness, Flexibility, and Transparency.

2

CRaFT - Consistency

An explanation of the reason models should be consistent, and key elements of a workbook that should be consistent.

3

CRaFT - Robustness

An explanation of why models should be materially free from error.

4

CRaFT - Flexibility

User should consider what inputs should be variable and how they should be able to vary. Example of methods to control how inputs can be varied.

5

CRaFT - Transparency

An explanation of why models must be clear, concise, and fit for the purpose of key decision makers. Modelers should consider the logical flow of a model at the outset as well.

Layout Tips

6

Separation of Inputs + Calculations

How to design your model so that it separates the inputs and calculations.

7

Workbook Structure

Go over the elements that should be incorporated into a workbook.

- ## 8 Keyboard Shortcuts

A summary of Keyboard Shortcuts.
- ## 9 Layout Tips Part 1

Layout tips can assist in building a financial model in Excel which is easy to navigate through and understand.
- ## 10 Layout Tips Part 2

Layout tips for updating workbook names, adding hyperlinks, dates and freezing panes.
- ## 11 Layout Tips Part 3

General tips and options to change in Excel when laying out a typical worksheet in a financial model.
- ## 12 Layout Tips Part 4

Layout Tips for using the RANDBETWEEN function to generate random numbers for testing and labelling units.
- ## 13 Layout Tips Part 5

Formatting tips to improve the look and keep the layout of the template consistent.
- ## 14 Formats vs. Styles

Highlight the difference between formats and styles in Excel, why they are important and when to apply them.
- ## 15 Formats vs. Styles Part 2

How to import styles into a workbook.
- ## 16 Number Formatting Part 1

It is important how numerical data is presented in Excel. Learn how to effectively use number formatting.
- ## 17 Number Formatting Part 2

Understand the coding in Custom Number Formatting.
- ## 18 Number Formatting Part 3

How to use Custom Number Formatting.
- ## 19 Number Formatting Part 4

How to use Custom Number Formatting, continued.
- ## 20 Conditional Formatting

When to use conditional formatting, and how to effectively apply it.

21 **Layout Tips Part 6**
How to use Work in Progress (WIP) Flagging.

Range Names

22 **Range Names Part 1**
How to effectively assign and use range names in an Excel worksheet.

23 **Range Names Part 2**
How to use Range Names in a formula.

24 **Range Names Part 3**
How to use Range Names in a formula, continued.

25 **Hyperlinks**
When and where to use hyperlinks to aid end user navigation.

26 **Data Validation**
Understand how to restrict what end users type into a cell using Data Validation, with examples of lists and whole numbers.

27 **Data Validation Part 2**
Understand how to restrict what end users type into a cell using Data Validation, with examples of text length and custom validation.

28 **Overall Checks**
Highlight the situations where checks are useful, and how the different checks fit into 3 categories. Error Checks, Sensitivity Checks, and Alert Checks.

29 **Error Checks**
How to create a prima facie error check.

30 **Sensitivity Check**
How to create a sensitivity check and where to use one.

31 **Alert Checks**
The check that checks for everything else sensitivity and error checks don't.

Viewing, Linking, Protection, and Version Control Tips

- 32** **Printing and Viewing Tips**
The steps to take to ensure that the model looks as intended when printed.
- 33** **Linking Tips**
The proper habits to adopt when linking cells together, and the reasons why.
- 34** **Security and Protection**
The proper steps to take to protect the integrity of the model.
- 35** **Version Control**
The naming conventions to adopt and the habits that should be practiced.

Key Functions

- 36** **Functions Overview**
An overview of the key functions used for financial modeling in Excel.
- 37** **IF**
Illustration and issues with the IF function.
- 38** **SUM**
Illustration and issues with the SUM function.
- 39** **SUMIF**
Illustration and issues with the SUMIF function.
- 40** **SUMIFS**
Illustration and issues with the SUMIFS function.
- 41** **SUMPRODUCT**
Illustration and issues with the SUMPRODUCT function.
- 42** **SUMPRODUCT Part 2**
An advanced example of the use of SUMPRODUCT.
- 43** **Don't Use HLOOKUP and VLOOKUP**
Why not to use HLOOKUP and VLOOKUP functions.

- 44 INDEX
Illustrations of the use of the INDEX function.
- 45 MATCH
Illustration and issues with the MATCH function.
- 46 INDEX MATCH
Illustrations of the use of INDEX MATCH.
- 47 LOOKUP
Illustration and issues with the LOOKUP function.
- 48 LOOKUP Part 2
Illustration and issues with the LOOKUP function continued.
- 49 OFFSET
Illustration and issues with the OFFSET function.
- 50 OFFSET Part 2
Illustration and issues with the OFFSET function continued.
- 51 OFFSET Part 3
A final look at the illustration and issues with the OFFSET function.
- 52 MOD
Illustrations and issues with the MOD function.
- 53 EOMONTH
Illustrations and issues with the EOMONTH function.
- 54 MAX and MIN
Illustration and issues with MAX and MIN.
- 55 Finale
An overview of what we have covered in the Financial Modeling Basics course.