

Course Code: FMSVAC103

Course Title: FINANCIAL MODELING USING MS EXCEL

Total Hours: 32

Course Description: Financial Modeling is the construction of worksheet models that exemplify a company's likely financial results in measurable terms. Financial models basically simulate the effect of certain financial variables in a company and on the basis of historical data forecast the company's future financial prospects. The model is usually characterized by performing calculations and makes recommendations based on that information. Moreover, it is core skill required by professionals aiming to make career in Investment Banking, Equity Research, Credit Research, and Private Equity.

Course Outcome: At the end of the course the students should be able to:

1. Acquire the Knowledge of concepts, and prepare a Financial Model
2. Comprehend the structure of financial model
3. Apply concepts, valuation of financial model results
4. Do analysis of financial statements of Companies
5. Build a structure or pattern from diverse elements and activities in Financial Modeling to put parts together to form holistic view
6. Make judgments based upon output results

Syllabus

Unit-1

12 Hours

Module 1: Introduction to Financial Modeling

Introduction to modeling, introduction to excel, understanding advanced features of excel database functions in excel, creating charts using forms and control toolbox, understanding finance functions present in excel, creating dynamic models.

Module 2: Sensitivity Analysis Using Excel

Scenario manager, other sensitivity analysis features, simulation using excel different statistical distributions used in simulation generating random numbers that follow a particular distribution, building models in finance using simulation.


Faculty of Management Studies
Gopal Narayan Singh University
Jamuahar (Rohlas) Bihar


Coordinator
IQAC (NAAC)
Gopal Narayan Singh University
Jamuahar, Sasaram, Rohlas (Bihar)

Unit-2**12****Hours****Module 3: Excel In Accounting**

Preparing common size statements directly from trial balance, forecasting financial statements using excel, analyzing financial statements by using spreadsheet model, excel in project appraisal, determining project viability.

Risk analysis in project appraisal, simulation in project appraisal, excel in valuation, determination of value drivers, discounted cash flow valuation, risk analysis in valuation.

Module 4: Excel In Key Financial statement

Working capital schedule, Depreciation schedule, Amortization Schedule, Cash flow schedule, Fund flow statement, Ratios

Unit-3**8 Hours****Module 5 Building Financial Models:**

Three statement Model, Discounted Cash Flow (DCF) Model, Valuation Model, Comparable Company Analysis, Leveraged Buyout (LBO) Model, Recording and editing macros.

References:**Text Book**

- Financial Modelling (MIT Press) By Benninga
- Corporate finance (Irwin Series) by Stephen A. Ross, Randolph W. Westerfield, Jeffrey F. Jaffe
- Financial Valuation and Modelling by Sheeba Kapil
- Financial Accounting and management Accounting by Reddy and Reddy, Margham Publications

References:

- https://www.iare.ac.in/sites/default/files/lecture_notes/IARE_FM_NOTES.pdf

Internet Resources

- https://www.iare.ac.in/sites/default/files/lecture_notes/IARE_FM_NOTES.pdf
- <https://www.wallstreetmojo.com/free-financial-modeling-training-course/>

Dean
Faculty of Management Studies
Gopal Narayan Singh University
Jamuhar (Rohtas) Bihar

Li
Coordinator
IQAC (NAAC)
Gopal Narayan Singh University
Jamuhar, Sasaram, Rohtas (Bihar)