

Liverpool John Moores University

Title: FINANCIAL MODELLING USING SPREADSHEETS
Status: Definitive
Code: **6011KFBAF** (118519)
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School
Teaching School/Faculty: Kaplan Financial Birmingham

Team	Leader
Lewis Gordon	

Academic Level: FHEQ6
Credit Value: 12.00
Total Delivered Hours: 30.00
Total Learning Hours: 120
Private Study: 90

Delivery Options

Course typically offered: Semester 1

Component	Contact Hours
Workshop	30.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Technology	AS1	Production and presentation of model and submission of related documentation (group work)	70.0	
Technology	AS2	Online coursework test (individual work)	30.0	1.00

Aims

To enable the student to analyse a complex planning and control situation and to develop a logical financial model as a prelude to constructing a physical model using spreadsheet technology.

Learning Outcomes

After completing the module the student should be able to:

- 1 Build complex spreadsheet models for use by third parties that aid business decision-making, planning and control.
- 2 Test the reliability and robustness of spreadsheet models.
- 3 Demonstrate knowledge and understanding of key issues connected with financial modelling.
- 4 Make a formal presentation of a financial model, to a specified audience

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

CW	1	2	3	4
CW	1	2	3	

Outline Syllabus

Modelling: What is a model?
Introduction to flexible modelling
Spreadsheet modelling best practice
Defining the scope of your model
Model specification: tree diagrams, bubble diagrams, rules tables
Designing a spreadsheet model: good spreadsheet practice
Building a spreadsheet model: key considerations
Using a spreadsheet package: basic, intermediate and advanced features
Logical functions: IF, AND, OR and NOT
Enhancing models with the advanced features of Excel
Dealing with complexity
Macroprogramming
Testing the reliability of a model
Reports and the Run Pack: data tables, comparator reports, graphs.
Documentation: technical and operational

Learning Activities

Weekly two-hour workshops in IT classrooms, that will consist of a combination of traditional delivery of relevant material (including demonstrations of appropriate technology) together with opportunities and examples for students themselves to try to apply the techniques.

References

Course Material	Book
Author	Read, N and Batson, J

Publishing Year	0
Title	Spreadsheet Modelling Best Practice
Subtitle	
Edition	
Publisher	(as at 1 December 2008, this is available at: http://www.eusprig.org/smbp.pdf)
ISBN	

Course Material	Book
Author	O'Beirne, P.
Publishing Year	2005
Title	Spreadsheet Check and Control
Subtitle	47 key practices to detect and prevent errors
Edition	
Publisher	Systems Publishing
ISBN	190540400X

Course Material	Book
Author	Dowell, B. and Jelen, D.K.
Publishing Year	2006
Title	Excel for Auditors
Subtitle	Audit Spreadsheets Using Excel 97 through Excel 2007
Edition	
Publisher	Holy Macro! Press
ISBN	1932802169

Course Material	Book
Author	Bewig, P.L.
Publishing Year	2005
Title	How do you know your spreadsheet is right?
Subtitle	Principles, Techniques and Practice of Spreadsheet Style
Edition	
Publisher	(as at 1 December 2008 this is available at: http://www.eusprig.org/hdykysir.pdf)
ISBN	

Course Material	Book
Author	Walkenbach, J.
Publishing Year	2007
Title	Excel 2007 Bible
Subtitle	
Edition	
Publisher	John Wiley & Sons
ISBN	0470044039

Course Material	Book
Author	Frye, C.D.

Publishing Year	2007
Title	Excel 2007 Step by Step
Subtitle	
Edition	
Publisher	Microsoft Press
ISBN	073562304X

Notes

This module develops students' abilities to develop logical financial models and to apply spreadsheet technology in the construction/implementation of these models. The group work will ultimately be assessed on the basis of how far their models achieve four key objectives (a model that is easy to use, focused on the key objectives, easy to understand and reliable.)

The individual assignment will examine students understanding of key issues in the field of financial modelling.

The group coursework is in two sections, the first of which provides an opportunity for formative feedback.