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Course Information

Course Title: *Financial Forecasting and Modeling* #365118

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors CPE credits have been granted based on a 50-minute hour.

CPA: 5 (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: M0021

Pennsylvania Board of Accountancy: PX 178025

Texas State Board of Accountancy: 009349

Course Description

The ability to construct a reliable financial model that projects future performance is essential for the forward-looking business professional. This course provides the essential knowledge needed to become proficient at forecasting and modeling. It does so by discussing the different types of forecasting methodologies, the situations in which they should be used, and how to construct them. The course also examines the layout and formulation of a financial model, and addresses specific issues within such a model, including the treatment of depreciation, debt, equity, and working capital. Further, the course describes the construction of short-term and longer-term cash forecasts, and concludes with a review of the Excel functions that can be used for financial forecasting and modeling.

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Finance

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: A basic knowledge of Excel functionality

Advance Preparation: None

Course Content

Publication/Revision date: 8/28/2018.

Author: Steven M. Bragg, CPA.

Final exam (online): Twenty-five questions (multiple-choice).

Instructions for taking this course

In order to receive CPE credit for this course, you must complete the course within one year of the date of purchase. This includes achieving a passing grade of at least 70% on the final exam. Exams may be retaken if not passed on the first attempt (no charge).

Complete the course by following the learning assignments and objectives listed below and studying the review questions after each major section in the text. Once you have completed each learning assignment and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Final Exam Online

- Login to your account online at www.bhfe.com.
- Go to "My Account" and view your courses.
- Select "Take Exam" for this course and follow instructions.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

- Recognize the characteristics of the Delphi method.
- Identify the best uses of the different forecasting methods.
- Specify the situations in which a smoothing constant can be used.
- Recognize the different types of leading and lagging indicators.
- State which report makes use of the accounting equation.
- Specify how an income statement is used.
- Identify the key inputs to a financial model.
- Recognize the complications caused by the use of a plug within a financial model.
- Specify the circumstances under which a business could fund its own growth.
- Recognize the cases in which an expansion of a financial model might be warranted.
- Specify the sources of the receipts and disbursements method.
- Identify the duration periods for the different types of forecasts.
- Specify why the results of an automated cash forecasting system may be incorrect.
- Recognize the reliability levels of the different types of cash forecast information.
- State the reasoning behind the use of a cash forecast reconciliation.
- Specify which Excel functions will fit straight and curved lines to the data.
- Identify the types of information provided by the different Excel functions relating to forecasting.
- Recognize the inputs required for the different Excel functions relating to forecasting.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written the following books and courses:

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