



51A Middle Street Newburyport MA 01950  
Phone: 800-588-7039  
[contact@bhfe.com](mailto:contact@bhfe.com) [www.bhfe.com](http://www.bhfe.com)

## Course Information

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**Course Title:** *Financial Forecasting and Modeling*

#365124

**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: 0004761 (Ethics #0011467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE .51 PSR

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.

### Course Content

Publication/Revision date:8/9/2024.

Author: Steven M. Bragg, CPA.

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

**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

### Instructions for Taking This Course

- Log in to your secure account at [www.bhfe.com](http://www.bhfe.com). Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- **Complete the course by** following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- **Once you have completed studying the course** and you are confident that the learning objectives have been met, answer the final exam questions (online).

### Instructions for Taking the Online Exam

- Log in to your secure account at [www.bhfe.com](http://www.bhfe.com). Go to "My Account."
- A passing grade of at least **70%** is required on the exam for this course.
- You will have **three attempts** to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at [contact@bhfe.com](mailto:contact@bhfe.com).

## Learning Objectives

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- 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

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**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 more than 300 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*. He has also written the science fiction novel *Under an Autumn Sun*, first book in *The Auditors* trilogy.

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# Table of Contents

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<b>Chapter 1 - Financial Forecasting</b> .....	<b>1</b>
Uses for Forecasting .....	1
Forecast Characteristics .....	2
Implicit and Explicit Forecasts .....	2
Types of Forecasting Methods.....	3
Forecasting Method Selection Criteria .....	5
Moving Averages .....	5
Exponential Smoothing .....	6
Regression Analysis .....	8
Capture Ratios .....	10
Simple Forecasting Methods .....	10
Prior Year Actuals × Adjustment Factor .....	11
Average of Multiple Prior Periods.....	12
Expected Unit Sales Basis .....	12
Spending per Customer.....	15
Change in Advance Bookings or Orders .....	15
The Rolling Forecast .....	16
Use of Leading and Lagging Indicators.....	17
Forecasting Accuracy .....	18
Uncertainty .....	18
Historical Basis.....	18
Update Frequency.....	19
Biases.....	19
Use of Teams.....	20
Nature of Forecasting Model.....	20
Planning Deviations.....	20
Forecasting Traps .....	20
Setting Forecast Boundaries .....	21
Detecting Cresting Sales.....	22
Evaluation of Forecasts .....	24
Responsibility for Forecasting.....	25
<b>Chapter 2 - Financial Modeling</b> .....	<b>28</b>
The Financial Statements.....	28
The Balance Sheet .....	28
The Income Statement.....	31
The Statement of Cash Flows .....	33
Interactions between the Financial Statements .....	35
The Nature of Financial Modeling .....	36
The Financial Modeling Process .....	37
Key Inputs to the Financial Model .....	39
Structure of the Financial Model.....	39
Variables Section.....	40
Fixed Asset and Depreciation Modeling .....	44
Other Assets Modeling .....	45
Debt Payable Modeling .....	45
Equity Modeling.....	46
Balancing the Model.....	46
Covenant Monitoring.....	47
Working Capital Projections for a Growing Business.....	47
Working Capital for a Declining Business .....	50
Sensitivity and Scenario Analysis .....	50
Variables Sensitivity.....	50

Scenario Analysis .....	51
Excel Tools.....	52
Incremental Modeling Analysis.....	52
Model Risk .....	54
Budgeting and Planning Software .....	55
Pro Forma Financial Statements .....	56
Responsibility for Modeling .....	56
<b>Chapter 3 - Cash Forecasting .....</b>	<b>58</b>
The Cash Forecast .....	58
The Short-Term Cash Forecast.....	59
The Medium-Term Cash Forecast .....	62
The Long-Term Cash Forecast.....	63
The Use of Averages .....	63
Automated Cash Forecasting.....	64
The Reliability of Cash Flow Information.....	65
The Impact of Special Events.....	66
The Foreign Currency Cash Forecast .....	66
Cash Forecast Reconciliation .....	67
<b>Chapter 4 - Microsoft Excel Modeling.....</b>	<b>69</b>
Moving Averages Function .....	69
Exponential Smoothing Function .....	71
Linear Trend Function .....	72
Polynomial Trend Function .....	73
Regression Analysis .....	74
Iterative Calculations Function.....	77
Data Table .....	78
Goal Seek.....	80
Scenario Manager.....	81
<b>Answers to Course Questions .....</b>	<b>88</b>
<b>Glossary .....</b>	<b>93</b>
<b>Index .....</b>	<b>95</b>