FM 2026 | FINANCIAL MODELLING MASTERCLASS

Foundations of Financial Modelling

What a model is, what it is not, and why it changes decisions. Day 1 of 13.

FACILITATOR	PROGRAMME	FORMAT	TODAY
Oladele Odugbemi	**FM 2026	13 Days**	**Hybrid (Online + Physical)**	**Day 1	Foundation**

"A model is only as good as the decision it changes."

WHO WE ARE

Welcome to Accounting Yard

Nigeria's practical accounting training brand. We close the gap between what you studied in school and what the job actually demands. We share, we learn, we help.

5,000+	15+	50,000+	500+
accountants trained	practical courses	community followers	helped into jobs

Our mantra

Share. Learn. Help.

WHAT WE DO

Live virtual training

For accountants across Nigeria and the diaspora

Physical classes in Lagos

Hands-on, community-focused learning

LMS platform

Self-paced learning at learn.accountingyard.com

Fractional CFO services

Finance leadership for SMEs and startups

YOUR FACILITATOR

Meet Oladele Odugbemi



Oladele Odugbemi (Dele)

Co-founder, Accounting Yard | Head of Finance, Agtech | 8+ years building financial models | Fractional CFO for SMEs

Foundation | **Excel for FM** | **Modelling** | **Case + AI**

"AI is the next greatest thing after the internet. Do not miss out on it."

BY DAY 13 YOU CAN

- Define what a model is and is not
- Master the Excel FM actually uses
- Apply FAST and best-practice structure
- Build revenue, cost, asset, debt and working-capital schedules
- Integrate the three statements
- Run scenarios, sensitivities and a DCF
- Use AI to build and audit models

BEFORE WE BEGIN

Class readiness check

Use your real name

Who you are professionally is who you are here.

Join with a laptop + Excel

We build live. There are no observers in this class.

Chat is open for questions

Mute unless speaking. Drop questions in the chat anytime.

Stable internet + backup

Recordings are shared, but live participation is the edge.

Everyone contributes

No question is a bad question. We learn together.

Set Excel zoom to 130%

Wide models need room. We will not go below 110%.

How to access your materials

Day-by-day Drive folders

Every day has its own folder. The working file and the recording live together so you never lose your place.

Participant manual + booklet

Your written reference. Terminology, formulas, do and don't, and the assumption-sheet template.

Excel workbooks

STARTER to build along, and COMPLETE to check your work. Practise between classes.

LMS replays

learn.accountingyard.com. Recordings released same day, indexed to the file used.



OPENING POLL

Have you ever built a model?

And has one ever broken on you? Type A, B or C in the chat.

A. I have built a financial model before, and it worked.

B. I have built one, and it broke, or nobody ever used it.

C. I have never built one. Day 1 is my first step.

What you will walk away with today

25 MIN



Define a financial model

And clearly separate it from a budget, a forecast and accounting records.

20 MIN



Know the four reasons we model

Strategy, fundraising, budgeting, and valuation. Each answers a real decision.

15 MIN



Map the skillset

The four skills a modeller blends: accounting, Excel, finance, and business sense.

20 MIN



See the anatomy of a model

The five components and the input, processing, output flow.

35 MIN



Adopt the FAST mindset

Flexible, appropriate, structured, transparent. Plus the rules that keep models clean.

25 MIN



See the destination

A full walkthrough of the Henderson Manufacturing model you will build.

PROGRAMME OVERVIEW

Your 13-day learning journey

DAY 1	DAY 2-3	DAY 4-6	DAY 7-12	DAY 13
Foundation	Excel for FM	Modelling components	Case studies	AI in FM

Weekends only. Two days per weekend across roughly seven weekends. Each day blends a concept walk, a live build, and open Q&A.

"We build, audit, and deploy. Theory dies in week one."

01

FOUNDATIONS

What a financial model is

And what it is not, and why it matters to the decision-maker.

WHY THIS MATTERS

The model that saved a business

In 2020, a Lagos manufacturer was in trouble. Demand had dropped 35 percent, fixed costs kept climbing, and the bank was asking pointed questions about loan covenants.

The CFO sat through three boardroom meetings with no clear answer. Then the team built one thing: a model that showed exactly which costs to cut, when cash would run dry, and what the bank needed to see to hold the facility.

Same business. Same numbers. One model turned a panic into a plan.



THE LESSON

A financial model is not a spreadsheet exercise. It is a thinking tool that turns uncertainty into a decision.

When the numbers are right, the meeting is short. When they are wrong, the meeting never ends.

DEFINITION

So, what is a financial model?

A financial model is a structured, mathematical representation of a business, built in Excel, that turns assumptions about the future into projected outputs which support a decision.

Structured

Inputs, workings, outputs. Each in its own place.

Mathematical

Logic, formulas and links. Not free text.

Decision-driven

Built to answer one specific question.



ANALOGY

A model is the Google Maps of your business.

You put in where you are (your historicals) and where you want to go (your assumptions). It shows you the route, the cost, the time, and what happens if you take a different turn.

What a model is, and what it is not

IT IS NOT

- A static report with numbers locked and no scenarios
- Accounting records that only look backward
- A budget tracker showing actuals against plan only
- A formatting exercise: pretty, but with no logic
- A one-off, used once and abandoned
- A black box only the builder understands

IT IS

- A forward-looking decision tool
- A flexible engine: change an input, see the impact
- A communication layer for board, lender and investor
- A quantified hypothesis about the future
- A living artefact, updated, refined and audited
- A transparent, auditable chain of logic

A QUESTION WE ALWAYS GET

Is modelling the same as programming?

Short answer: no. Modelling is structured spreadsheet logic with finance knowledge layered on top. It is closer to engineering than to coding. But it borrows three habits from good programming: testing, version control, and documentation.



Test as you build

A model that is never checked is a guess in a suit. Build a check cell that must equal zero.



Version your files

Day-by-day file names. You should always be able to go back one step.



Document your logic

A short note on every assumption. The next reader is often you, six months later.



PAUSE & DISCUSS

Q&A Checkpoint 1

No question is a bad question. We learn together.

In your own words, what is the difference between a model and a budget?

Think of a decision your business made last year. Could a model have made it clearer?

Which of the six 'it is not' points have you seen in real life?

02

USE CASES

Why we build models

If you cannot name the decision, you do not need the model.

ACCOUNTING YARD

The four big use cases



Strategic decisions

Open another outlet? Hire five staff? Buy that machine? A model prices the alternatives before you commit cash.



Fundraising & investment

Investors want to see the return and the risk. No model usually means no money.



Budget & forecast

Annual plans, rolling forecasts and monthly variance all sit on top of a model.



Valuation & M&A

DCF, comparables and deal modelling. Every transaction lives or dies on the model.

USE CASE IN FOCUS

Strategic decision: should we open a 4th outlet?

"If we open a 4th QSR outlet in Lekki Phase 1, what is the payback period and the impact on group cash?"

Inputs

Build-out capex of 120m naira. Rent and opex run-rate. Footfall and ticket size. Cannibalisation from nearby outlets.

The model

Outlet-level P&L over 36 months. Capex schedule and depreciation. Cash flow with payback. Group consolidation.

The decision

Payback under 18 months, go. 18 to 30 months, negotiate the rent. Over 30, walk away. Stress footfall by 30 percent.

PRO TIP Always model the decision rule before you model the numbers. If you do not know what answer would make you say yes or no, the model has no job to do.

What each industry's model leans on

Manufacturing

Volume x price, capacity, inventory and capex. Our Henderson case.

Retail

Store unit economics, footfall, basket size, stock turns.

Hospitality

Occupancy rate, room nights, average daily rate, seasonality.

Real estate

Rent roll, occupancy, yield, construction draw-down schedule.

Financial services

Loan book, interest spread, fees, impairment and capital.

Transport & logistics

Trips, load factor, fuel and maintenance per kilometre.

QSR

Outlet roll-out, covers per day, ticket size, food cost ratio.

Startups

Funnel: users, conversion, retention, then unit economics.

Quick Check



A bank asks an SME owner for a 5-year forecast to support a loan. Which use case is this?

- **A** Valuation and M&A
- **B** Fundraising and investment
- **C** Budget and forecast
- **D** Strategic decision

The answer is B

Why? The owner needs financing. The model exists to show the lender the return and the risk on the facility.

- A — Valuation and M&A: nothing is being valued or sold here.
- B — Correct. The model exists to win financing.
- C — Budget and forecast: an internal plan, not a lender request.
- D — Strategic decision: no go-or-no-go choice is being priced.

ANSWER

B

When money must be raised, the use case is fundraising. Always name the decision before you open Excel.

03

THE MODELLER

Skills you need to model

Excel is one of four. The other three are what separate a modeller from a typist.

ACCOUNTING YARD

Four skills, blended

Accounting

Debits, credits, accruals and how the three statements connect. Without this, the balance sheet will never balance.

Excel

References, functions, schedules and audit tools. The vehicle, not the destination.

Finance

Time value of money, cost of capital, valuation and ratios. The meaning behind the numbers.

Business sense

Knowing whether an assumption is sane. A 200 percent growth rate is a typo, not a forecast.

COMING ON DAYS 2 AND 3

The Excel a model actually uses

You do not need all of Excel. You need the 20 percent that does 80 percent of the modelling work. Here is the toolkit we drill next weekend.

Navigation & format

Shortcuts, custom number format, cell styles

Referencing

Relative, absolute and mixed references, named ranges

Logic

IF, nested IF, IFERROR, AND, OR

Lookups

XLOOKUP and INDEX / MATCH (with a 2019 fallback)

Aggregation

SUMIFS, SUMPRODUCT, EOMONTH and dates

Scenarios

Data validation lists, CHOOSE, scenario switches

04

ANATOMY

How a model is built

Five components, and one simple flow: input, processing, output.

The five components

1



Cover page

Title, version, author, date and a model map. The front door.

2



Table of contents

Every sheet listed and hyperlinked. Navigation for the reader.

3



Assumption sheet

Every input lives here, in one place, colour-coded blue. The control panel.

4



Working schedules

Revenue, cost, assets, debt, working capital and tax. The engine room.

5



Outputs

The three statements, a DCF, ratios and a one-page dashboard. The answer.

THE FLOW

Input, processing, output

INPUT



Assumptions

Growth rate, price, days, capex, tax rate. Coloured blue. The only cells you ever type into.

PROCESSING



Workings

Schedules turn assumptions into line items: revenue, depreciation, interest, collections.

OUTPUT



Statements & dashboard

The three statements, DCF and ratios. Read-only. Pure formulas, never typed over.

Golden rule: you only ever type into blue input cells. Everything else is a formula. Break that rule and the model stops being auditable.

Quick Check: the golden rule



You find a typed number sitting in the middle of the cash flow statement. Which rule has been broken?

- **A** Outputs are read-only; you only ever type into blue inputs
- **B** The cover page must show the version and author
- **C** The table of contents must be hyperlinked
- **D** Working schedules must come before outputs

The answer is A



A typed number in an output sheet breaks the golden rule and makes the model unauditable.

- **A** Correct. Every input lives in the assumption sheet, in blue.
- **B** True in general, but no cover-page rule is broken here.
- **C** Navigation matters, but that is not the failure shown.
- **D** Sheet order is fine; the typed number is the crime.

ANSWER

A

Golden rule: you only ever type into blue input cells. Everything else is a formula.

05

BEST PRACTICE

Building models that are FAST

A model nobody can follow is a liability, however clever the maths.

FAST: the four-letter test

F

Flexible

Change one assumption and the whole model updates. No re-typing, no hunting for hard-codes.

A

Appropriate

As simple as the decision allows. Detail where it matters, not everywhere.

S

Structured

A consistent layout. Time runs left to right. The reader never gets lost.

T

Transparent

Anyone can follow the logic. No hidden cells, no mystery numbers, no black boxes.

What FAST asks you to do

FAST is an open standard used by thousands of modellers worldwide. Behind the four words sit four practical habits.



Consistency is the golden rule

Same layout on every sheet. Time always runs left to right.



One row, one formula

One formula copies clean across the row. Review one cell, not twenty.



Flags, not nested logic

Handle timing with a 0 or 1 flag row, never buried conditions.



Break it into steps

Short formulas stacked in blocks. If you cannot read it aloud, split it.

THE TECHNIQUE FAST IS BUILT ON

Flags: turning a number on and off

A flag is a row of 0s and 1s. Multiply any value by the flag and it shows only when the timing is right. The complex IF logic that confused last year's class disappears.

	Q1	Q2	Q3	Q4
Repayment due flag	0	0	1	1
Scheduled repayment	0	0	250	250

```
fx  = repayment_amount  *  flag_row
```

Read it aloud: the repayment shows only in the quarters where the flag is 1. No nested IF, no hidden condition, nothing to misread.



WHY MODELLERS LOVE FLAGS

You can see the timing at a glance. You reuse one flag row across many lines. And the calculation stays a clean one-row-one-formula. We use flags for debt, depreciation and collections.

THE CONVENTION EVERY MODELLER SHARES

Colour-code your cells

`1,250`	**Blue text**	Inputs and hard-coded assumptions. The only cells you type into.
`=C5*D5`	**Black text**	Formulas and calculations within the same sheet.
`=Assumptions!D8`	**Green text**	Links pulling from another sheet.
`=[FY25.xlsx]!C5`	**Red text**	Warnings, breaches and external links to other files.

This single habit makes a model readable in seconds. A reviewer sees blue and knows: that is the lever I can pull.

Quick Check: colour codes



A cell on the revenue sheet pulls its growth rate from the Assumptions sheet. What colour is its text?

- **A** Blue, because it is an assumption
- **B** Black, because it is a calculation
- **C** Green, because it links from another sheet
- **D** Red, because links are risky

The answer is C



The cell pulls from another sheet, so it goes green. The colour tells the reviewer where the number comes from.

- **A** Blue is for inputs you type, not for links.
- **B** Black is for formulas within the same sheet only.
- **C** Correct. Green marks a link pulling from another sheet.
- **D** Red is for warnings, breaches and external files.

ANSWER

C

Blue you type, black you calculate, green you pull, red you worry. Say it until it sticks.

Do this, not that

DO

- One input, one cell. Reference it everywhere else.
- Keep assumptions on their own sheet.
- Let time flow left to right, consistently.
- Build a check cell that must equal zero.
- Label units: naira, thousands, percent, days.
- Save versions day by day.

DON'T

- Type the same number into ten cells.
- Hard-code a value inside a formula.
- Mix inputs and calculations on one sheet.
- Hide logic in long, unreadable mega-formulas.
- Trust a model you have never checked.
- Overwrite a formula with a typed number.

The five reasons models fail



Bad assumptions

Garbage in, garbage out. A wrong growth rate dooms a perfect spreadsheet.



Broken links

A reference points at the wrong cell and the error quietly spreads.



Hard-coded values

A number buried in a formula that nobody can find or flex.



Single-scenario tunnel

One forecast, no downside. Reality always brings a downside.



No checks

Nobody built the cell that screams when the balance sheet does not balance.

The fix for all five

Structure, transparency and a check cell that must equal zero. We build all three into Henderson.

Audit it before you trust it

A model that has not been checked is a rumour. Before any number leaves your screen, it should pass these checks.



The balance check

Assets equal liabilities plus equity, every year. The check cell equals zero.



The cash check

Closing cash on the balance sheet ties to the cash flow statement.



The sense check

Do the margins, growth and ratios look like a real business?



The scenario check

Switch to the worst case. Does the model still hold together?

LOOKING AHEAD

AI as your co-modeller (2026)

What AI is good at

Drafting formulas, explaining errors, researching assumptions.

What stays yours

The logic, the accuracy, the judgement.

The rule

AI drafts. You decide.

Coming in Week 6

A full day on AI in financial modelling, hands on.

06

THE DESTINATION

The Henderson model

See where we are going before we take the first step.

YOUR CASE COMPANY

Henderson Manufacturing

The brief

Henderson is a Nigerian manufacturer. Over the next twelve days you will build its 5-year, fully integrated, three-statement model from a blank sheet.

Every Excel skill and every schedule earns its place by feeding this one model. Nothing is taught in isolation.

WHAT THE FINISHED MODEL HOLDS

Assumption sheet

General, revenue, cost, capex, working capital, debt and tax

Revenue & cost schedules

Volume times price, sales mix and scenario switches

Asset, debt & WC schedules

Fixed assets, a debt waterfall and the receivables timing

Three statements

Income statement, balance sheet and cash flow, fully tied

Revolver & covenants

A facility that absorbs cash gaps, with covenant checks

DCF & dashboard

Valuation, sensitivities and a one-page summary

CLASS EXERCISE

Spot five things you would change

THE TASK

Open the sample model in your Drive folder. Review it for ten minutes as a reviewer, not a builder. List five things you would change.

LOOK FOR

- Hard-codes hiding inside formulas
- Inputs mixed with calculations
- Unclear units and labels
- No check cell, no scenario switch
- Anything you cannot follow



HOW WE MARK IT

Nobody scores you. We share a strong answer so you can compare your eye against a reviewer's.

Submit before Day 2.



PAUSE & DISCUSS

Q&A Checkpoint 2

No question is a bad question. We learn together.

Which of the five model components do you think you will find hardest, and why?

Have you seen a real model fail for one of the five reasons we covered?

What is one decision in your work right now that a model could help you make?

What we locked in today

A model is a decision tool

Structured, mathematical, forward-looking. Not a report, not records, not formatting.

We model for four reasons

Strategy, fundraising, budgeting and valuation. Always name the decision first.

Four skills, blended

Accounting, Excel, finance and business sense. Excel is only the vehicle.

Five components, one flow

Cover, contents, assumptions, workings, outputs. Input, processing, output.

Build it FAST

Flexible, appropriate, structured, transparent. One row one formula, flags not nested logic.

We saw the destination

The Henderson model. Everything from here feeds it.

UP NEXT | DAYS 2 & 3

Excel for Financial Modelling

Shortcuts, referencing, custom format, IF and IFERROR, XLOOKUP and INDEX / MATCH, SUMIFS, dates and scenario tools. The toolkit behind every schedule you will build.

COME PREPARED

Excel installed (365 preferred, 2019+ works). Test your Drive access. Headphones and a tested mic. Bring the sample model exercise.

See you on Day 2. Come ready to build.

ACCOUNTING YARD

Keep learning with us

www.accountingyard.com

learn.accountingyard.com

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