

BUILDING A FINANCIAL FORECAST MODEL

COGENT THINKING



01

DEFINE PURPOSE

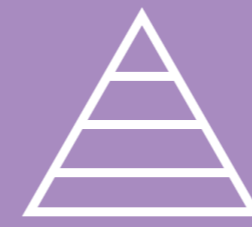
Start by defining the purpose of the model and the business questions that it seeks to answer



02

INPUTS & OUTPUTS

Then determine the inputs and assumptions that will go into the model, and the required outputs.



03

MODEL STRUCTURE

A best practice approach to structure will result in a model that is both robust and flexible.



04

VALIDATION TESTS

Building in validation tests throughout the model will help identify formula and data integrity issues.



05

DUMMY DATA

Model testing is carried out using simple dummy data before implementing the model on a live project.