1. **Title of the module**

BUSN7700 (CB770): Financial Modelling

1. **School or partner institution which will be responsible for management of the module**

Kent Business School

1. **The level of the module (Level 4, Level 5, Level 6 or Level 7)**

Level 6

1. **The number of credits and the ECTS value which the module represents**

15 credits (7.5 ECTS)

1. **Which term(s) the module is to be taught in (or other teaching pattern)**

Spring

1. **Prerequisite and co-requisite modules**

Pre-requisites: BUSN7750 Investment Analysis, BUSN7650 Corporate Finance

1. **The programmes of study to which the module contributes**

BSc (Hons) Finance and Investment with a Year in Industry

1. **The intended subject specific learning outcomes.
On successfully completing the module students will be able to:**
2. Demonstrate systematic understanding of key aspects of the use of Excel to solve financial problems.
3. Demonstrate their ability in calculation and manipulation and capability to deploy accurately established approaches to analyse and solve problems in the following financial areas: Basic financial calculations, Monte Carlo simulation, Bond valuation, Derivative modelling and portfolio analysis.
4. Apply key aspects of Excel for finance in well-defined contexts, showing judgement in the selection and application of tools and techniques.
5. Demonstrate conceptual understanding of the advantages and disadvantages of financial approaches in project and asset valuation and in portfolio analysis.
6. **The intended generic learning outcomes.
On successfully completing the module students will be able to:**
7. Manage their own learning and make use of appropriate resources and demonstrate the acquisition of the study skills needed for continuing professional development.
8. Understand and critically evaluate logical arguments, identifying the assumptions made and the conclusions drawn.
9. Communicate complex arguments and conclusions reasonably accurately and clearly.
10. Apply advanced IT skills to analyse and solve complex problems.
11. **A synopsis of the curriculum**

This module will examine how Excel can be used for financial data analysis. Students will already be familiar with the financial concepts from earlier modules. A brief revision of each financial concept will be presented during the lectures while students will apply the financial techniques in Excel during the lab hours. The syllabus will typically cover:

Introduction to Excel:

* Basic functions, mathematical expressions

Data Analysis with Excel:

* Data analysis, charts, solver, goal seek, pivot tables and pivot charts

Financial Valuation:

* Applications of time value of money
* Applications of capital budgeting techniques in Excel (IRR, NPV, Scenario Analysis, Monte Carlo simulation)
* Company Valuation Models

Portfolio Analysis and Security Pricing:

* Portfolio models, calculations of efficient portfolios, variance-covariance matrix
* Beta coefficient estimations and security market line
* Bond Valuations
* Technical Analysis
* Binomial option pricing, Black-Scholes model.
1. **Reading list (Indicative list, current at time of publication. Reading lists will be published annually)**

Core Reading

Benninga, S. (2014) *Financial Modelling*, 4th edition. Cambridge, Mass.: MIT Press.

Recommended Reading

Holden, C.W. (2015) *Excel Modelling in Investments*. 5th edition, London: Pearson.

Fairhurst, D.S. (2015) *Using Excel for Business Analysis: A Guide to Financial Modelling Fundamentals*, Edition Revised for Excel 2013, Chichester: Wiley.

1. **Learning and teaching methods**

This module employs lectures, labs, and private study.

Total Contact Hours: 31

Private Study Hours: 119.

1. **Assessment methods**
	1. Main assessment methods

Individual quantitative report – 1000 Words: 30%

Excel Based Project – 2500 Words: 70%

* 1. Reassessment methods

Reassessment will be on a like-for-like basis.

1. **Map of module learning outcomes (sections 8 & 9) to learning and teaching methods (section12) and methods of assessment (section 13)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Module learning outcome** |  | *8.1* | *8.2* | *8.3* | *8.4* | *9.1* | *9.2* | *9.3* | *9.4* |
| **Learning/ teaching method** |  |  |  |  |  |  |  |  |  |
| **Private Study** |  | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |
| *Lectures* |  | **x** | **x** | **x** | **x** |  | **x** | **x** |  |
| *Lab* |  | **x** | **x** | **x** | **x** |  | **x** | **x** |  |
| **Assessment method** |  |  |  |  |  |  |  |  |  |
| Individual quantitative report (1000 words) | *30%* | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |
| Individual Excel based project(2500 words) | *70%* | **x** | **x** | **x** | **x** | **x** | **x** | **x** | **x** |

1. **Inclusive module design**

The School recognises and has embedded the expectations of current equality legislation, by ensuring that the module is as accessible as possible by design. Additional alternative arrangements for students with Inclusive Learning Plans (ILPs)/declared disabilities will be made on an individual basis, in consultation with the relevant policies and support services.

The inclusive practices in the guidance (see Annex B Appendix A) have been considered in order to support all students in the following areas:

a) Accessible resources and curriculum

b) Learning, teaching and assessment methods

1. **Campus(es) or centre(s) where module will be delivered:**

Medway

1. **Internationalisation**

Internationalisation will be incorporated in the lectures notes, the course work and computer lab questions covering international bond markets and instruments.

**FACULTIES SUPPORT OFFICE USE ONLY**

**Revision record – all revisions must be recorded in the grid and full details of the change retained in the appropriate committee records.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date approved | Major/minor revision | Start date of the delivery of revised version | Section revised | Impacts PLOs (Q6&7 cover sheet) |
| 22/01/2018 | n/a | January 2022 | n/a | No |
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