

For help on exactly how to use the PDF version of your Workbooks, please visit: (all lower case) <http://www.harounventures.com/workbook-help>. I recommend downloading the **free** Adobe Reader version (not the Acrobat Pro Trial version) of the Adobe Acrobat reader from this link: <https://get.adobe.com/reader/>

#### 1INTERNET LINKS\*:

[CALENDAR](#) [MBA HOME PAGE](#) [WORKBOOKS](#) [MBA OFFICE HOURS](#) [CLASS REPLAYS](#)

#### LINKS IN THIS DOCUMENT:

[TOPIC 1](#) [TOPIC 2](#) [TOPIC 3](#)  
[EXERCISE FA-1-8-1](#) for Topic 3\*\* [EXERCISE FA-1-8-3-2](#) [EXERCISE FA-1-8-3-3](#)  
[EXERCISE FA-1-8-3-4](#) [EXERCISE FA-1-8-3-5](#) [EXERCISE FA-1-8-3-6](#) [EXERCISE FA-1-8-3-7](#)  
[EXERCISE FA-1-8-3-8](#) [EXERCISE FA-1-8-3-9](#) [HOMEWORK](#)

\* If prompted for a password, use the password that was emailed to you.

\*\*FA-1-8-3-1 Means FA **SEMESTER 1** **CLASS 8** **TOPIC 3** EXERCISE 1

## WORKBOOK FOR FINANCE & ACCOUNTING SEMESTER #1 & CLASS #8 (ALSO CALLED FA-1-8\*\*\*)

**3 TOPICS COVERED IN THIS LESSON:** (Brief Recaps in Brackets. Click the text to jump to the page in this workbook where we cover the Topics).

- 1** [FA-1-8-1: INTRODUCTION TO FINANCIAL MODELLING \(PREDICTING THE FUTURE & BEING COMFY WITH UNCERTAINTY\)](#) (Explanation of what financial modelling is and thinking like an investor when predicting the future)
- 2** [FA-1-8-2: SYNERGIES, ACCRETION & DILUTION](#) (Deals that help or hurt earnings)
- 3** [FA-1-8-3: CREATING OUR FIRST BASIC FINANCIAL MODEL & TARGET PRICE](#) (Valuing the Cowbell Company ~ our basic first financial model)

Please have this workbook open during the FA-1-8\*\*\* lecture and fill in the blanks or answer the questions in this workbook when Chris asks you to do so during the live lesson (or during the replay of the live lesson). The homework for all lessons is always listed on the last page.

If you are watching a live version of this lesson, please let Chris explain the concepts and then we will have many opportunities for live Q&A when he mentions: “Does Anyone Have Any Questions?” You can also ask Chris questions about the concepts taught in this class during his weekly *For MBA Degree Program Students Only Weekly Q&A Webcast*, which is available at the following [link](#) using the password that was emailed to you.

Please note that after the class is finished, Chris will direct you where to go online in order to take a quiz based on the concepts taught in FA-1-8. If you can't watch this class live, then Chris' team will have an edited [replay](#) of the lesson online within one day after this class has ended.

**TOPIC 1 OF 3: FA-1-8-1: Introduction to Financial Modelling (Predicting the Future & Being Comfy with Uncertainty)**

**Optional: How can you apply what you have learned about Topic #1 today to enhance your career (or to make you happier and more successful in general)?**

**Optional: Type a question(s) below that you want to ask Chris on the live webcast about Topic #1.** If you are watching the live webcast of this lesson, after Chris finishes discussing each Topic, he will say “Does anyone have any questions about Topic #1. At that point you can copy and paste the text that you type below into the YouTube message box to ask him a question. If you are not on the live webcast, you can also ask him your questions during the [MBA Only Students Office Hours Webcast](#) (use the password that was emailed to you). Before asking the question about Topic #1, please look at the first page of this document to see what he will discuss in Topic #2 and Topic #3 (in case your question will be addressed during Topic #2 and Topic #3). Thanks:

**TOPIC 2 OF 3: FA-1-8-2: Synergies, Accretion & Dilution**

**Optional: Type your notes for Topic #2 in this box:**

**Optional: How can you apply what you have learned about Topic #2 today to enhance your career (or to make you happier and more successful in general)?**

**Optional: Type a question(s) below that you want to ask Chris on the live webcast about Topic #2.** If you are watching the live webcast of this lesson, after Chris finishes discussing each Topic, he will say “Does anyone have any questions about Topic #2. At that point you can copy and paste the text that you type below into the YouTube message box to ask him a question. If you are not on the live webcast, you can also ask him your questions during the [MBA Only Students Office Hours Webcast](#) (use the password that was emailed to you). Before asking the question about Topic #2, please look at the first page of this document to see what he will discuss in Topic #3 (in case your question will be addressed during Topic #3). Thanks:

### **TOPIC 3 OF 3: FA-1-8-3: Creating Our First Basic Financial Model & Target Price**

**Optional: Type your notes for Topic #3 in this box:**

**Optional: How can you apply what you have learned about Topic #3 today to enhance your career (or to make you happier and more successful in general)?**

**Optional: Type a question below that you want to ask Chris on the live webcast about Topic #3.** If you are watching the live webcast of this lesson, after Chris finishes discussing each Topic, he will say “Does anyone have any questions about Topic #3. At that point you can copy and paste the text that you type below into the YouTube message box to ask him a question. If you are not on the live webcast, you can also ask him your questions during the [MBA Only Students Office Hours Webcast](#) (use the password that was emailed to you). Thanks:

Workbook for FA-1-8 (Semester #1 and Class #8 for Finance & Accounting)

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Download the Excel file please for the exercises listed below from this address: [www.harounventures.com/fa-1-8](http://www.harounventures.com/fa-1-8)

**EXERCISE FA-1-8-3-1: FORECASTING FUTURE REVENUE**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-2: FORECASTING FUTURE EXPENSES PART 1: COGS**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-3: FORECASTING FUTURE EXPENSES PART 2: OPERATING EXPENSES**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-4: FORECASTING FUTURE EXPENSES PART 3: BELOW THE LINE ITEMS**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-5: FORECASTING EPS (CASH EARNINGS)**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-6: TARGET PRICE BASED ON P/E**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-7: TARGET PRICE BASED ON P/R**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-8: CALCULATING THE DCF TARGET PRICE**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

**EXERCISE FA-1-8-3-9: TAKING THE AVERAGE TARGET PRICE**

This exercise will be done in Excel. Please watch Chris' explanation in the video.

## HOMEWORK

After this lecture, please complete the quiz associated with this lecture at this [link](#)\* within one week of the day that you took this lecture. Thanks

\* If you can't see the quiz link, please refresh the link an hour after class has been completed thanks.