



Financial Model Review Course: Model Audit, Spreadsheet Risk Control and Error Detection



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Introduction:

Financial model review, model audit, spreadsheet risk control and error detection are the subject of this 1-week course for finance, investment, public-private partnership and audit reviewers, who produce a Model Review Report and a Spreadsheet Risk Control Plan for a case organisation. Investment, lending and project decisions are often approved on workbooks that nobody besides the author has traced, so hidden hard-codes and sign errors reach the decision unchecked. Nominees already rely on or sign off models built by others and work through case studies on workbooks with seeded errors. CoreConcept Training Center delivers this financial model review course.

Course Objectives:

- Scope a financial model review with a scope letter, reliance limits and a review depth matched to the decision the model supports
- Apply the FAST Standard and published modelling code principles as test criteria when assessing models built by others
- Trace model logic with model maps, precedent and dependent tracing and distinct formula analysis to locate inconsistent calculations
- Detect hard-codes, broken ranges and timing, sign, unit and lookup errors using formula auditing and spreadsheet comparison tools
- Reperform integrity checks and sensitivity flexes, and set spreadsheet risk policies, inventories, version control and change logs
- Write a model review report with an issue log, severity ratings, corrected outputs and a reviewer sign-off opinion

Target Audience:

- Investment appraisal and transaction staff responsible for checking sponsor and adviser models before approval
 - Public-private partnership and project finance units responsible for reviewing bidder and lender base case models
 - Financial planning and budgeting staff responsible for signing off forecasts prepared by business units
 - Internal audit staff responsible for testing spreadsheet controls and critical end-user computing tools
 - Credit and lending analysts responsible for relying on borrower cash flow models
 - Finance control staff responsible for spreadsheet policies, model inventories and version records
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Course Outline:

Day 1: Spreadsheet Risk Landscape and Review Scoping

- Spreadsheet Error Research Findings and Decision Reliance Consequences
- Model Review Versus Model Build Versus Model Validation Roles
- Review Scope Letter Defining Reliance, Exclusions and Materiality
- Risk-Based Review Depth From Desktop Check to Full Audit
- Workbook Intake Checklist for Versions, Sources and Ownership

Day 2: Best-Practice Modelling Standards as Review Criteria

- FAST Standard Principles Applied as Reviewer Test Criteria
- Financial Modelling Code Principles Converted Into Review Questions
- Model Map Construction From Sheet Flow and Named Ranges
- Precedent and Dependent Tracing of Key Output Lines
- Distinct Formula Analysis to Isolate Inconsistent Row Logic

Day 3: Error Detection Techniques on Live Workbooks

- Hard-Coded Values Hidden Inside Formulas and Overwritten Cells
- Broken Ranges, Misaligned Timing and Off-By-One Period Errors
- Sign, Unit and Currency Conversion Errors in Cash Flows
- Lookup Function Mismatches and Incorrect Approximate Match Results
- Spreadsheet Compare and Formula Auditing Tools for Reviewers

Day 4: Analytical Testing, Spreadsheet Controls and Version Discipline

- Balance, Cash and Funding Integrity Checks Reperformed Independently
- Sensitivity Flexing to Expose Formula Breaks and Implausible Outputs
- Circular References, Macros and Hidden Sheet Exposure Assessment
- End-User Computing Policy, Spreadsheet Inventory and Criticality Rating
- Version Control, Change Log and Model Handover Sign-Off Protocol

Day 5: Case Study: Model Review Report and Spreadsheet Risk Control Plan

- Case Workbook Review Against Scope Letter and FAST Criteria
 - Issue Log With Severity Ratings and Author Responses
 - Corrected Output Reconciliation and Impact on Decision Metrics
 - Spreadsheet Risk Control Plan for the Case Organisation
 - Model Review Report Completion and Reviewer Sign-Off Opinion
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Skills You Will Gain:

- Review Scoping
- Model Mapping
- Formula Logic Tracing
- Spreadsheet Error Detection
- Integrity Reperformance
- Sensitivity Flex Testing
- Spreadsheet Control Design
- Review Report Writing

Why Attend This Course:

- Deliver a Model Review Report and a Spreadsheet Risk Control Plan for a case organisation to the investment committee, the finance director or the audit committee
- Decide whether a model built by others can be relied on, needs correction or must be rejected before it informs a decision
- Avoid approving investments, budgets or loans on spreadsheets carrying hidden hard-codes, broken links or sign errors
- Share the review scope letter, error checklist, issue log template and severity scale with finance and audit colleagues

Conclusion:

Back at work, the participant hands the Model Review Report to the investment committee, the finance director or the audit committee, who use its opinion and issue log to decide whether the reviewed model can support an approval, a funding request or a budget. The Spreadsheet Risk Control Plan goes to the finance control and internal audit units, which apply its inventory, criticality ratings and version rules to critical workbooks. After the first review under the plan, the unit should check how many issues authors resolved, how far outputs moved and whether review depth matched model criticality.

Frequently Asked Questions FAQ:

What should participants know before the financial model review course?

Participants should already read and use financial spreadsheets at work, understand basic financial statements and cash flows, and be comfortable with formulas and lookup functions. Building models from scratch is not required. An anonymised workbook they must review helps them apply the case work.

How does financial model review differ from a modelling build course or a bank model validation course?

Financial model review checks models that others have built and decides whether they can be relied on. Modelling build courses teach constructing forecasts and valuations, while bank model validation courses govern statistical risk models across a model inventory.

Why does spreadsheet risk control matter in financial model review?

Spreadsheet risk control keeps a reviewed model reliable after sign-off. Without an inventory, criticality ratings, version control and change logs, a model reviewed today can be edited tomorrow, and the review opinion no longer matches the workbook used for the decision.

What do participants take back from the financial model review course?

Participants take back a Model Review Report and a Spreadsheet Risk Control Plan for a case organisation, with a scope letter template, error detection checklist, issue log with severity ratings and version control rules they can apply to models in their own unit.