



## LEVEL I: ADVANCED FINANCIAL MODELER (AFM) SELECTED READINGS

The following is a list of selected readings that may be used as additional reference material for the Level 1: AFM exam. These readings are not mandatory and instead represent as supplemental resources to aid in exam preparation.

1. ***Building Financial Models*** by John Tija
  - a. Chapter 1: A Financial Projection Model
  - b. Chapter 2: Best Practices
  - c. Chapter 3: Setting the Stage
  - d. Chapter 4: Accounting for Modeling
  - e. Chapter 5: The Model Building Toolbox: F Keys and Ranges
  - f. Chapter 6: The Model Building Toolbox: Functions
  - g. Chapter 7: Building a Pilot Model
  - h. Chapter 8: Circular References and Iterative Calculations
  - i. Chapter 9: Variations on Balancing Plugs
  - j. Chapter 10: Preparing to Build a Full Model
  - k. Chapter 11: Building an Integrated Financial Model: Part 1
  - l. Chapter 12: The Cash Flow Statement
  - m. Chapter 13: The Cash Sweep
  - n. Chapter 15: Forecasting Guidelines
  - o. Chapter 19: Tips and Tricks
2. ***Crunch the Numbers – Accounting Fundamentals*** by AdkinsMatchett&Toy
  - a. Chapter 1: Introduction
  - b. Chapter 2: Revenues and Costs
  - c. Chapter 3: What is Working Capital?
  - d. Chapter 4: What are Non-Current Assets?
  - e. Chapter 5: The Sources of Funding
  - f. Chapter 6: Organizing the Cash Flows
3. ***Crunch the Numbers – Modeling*** by AdkinsMatchett&Toy
  - a. Chapter 1: Introduction
  - b. Chapter 2: Modeling Basics
  - c. Chapter 3: Setting up the Model Templates
  - d. Chapter 4: Input Historical Numbers
  - e. Chapter 5: Calculating Ratios and Building Assumptions
  - f. Chapter 6: Projecting the Income Statement
  - g. Chapter 7: Projecting the Balance Sheet
  - h. Chapter 8: Balancing the Balance Sheet
  - i. Chapter 9: Interest Income and Interest Expense
4. ***Excel 2016 Bible*** by Walkenbach
  - a. Chapter 1: Introducing Excel
  - b. Chapter 2: Entering and Editing Worksheet Data

- c. Chapter 3: Essential Worksheet Operations
  - d. Chapter 4: Working with Cells and Ranges
  - e. Chapter 6: Worksheet Formatting
  - f. Chapter 7: Understanding Excel Files
  - g. Chapter 8: Using and Creating Templates
  - h. Chapter 9: Printing Your Work
  - i. Chapter 10: Introducing Formulas and Functions
  - j. Chapter 11: Creating Formulas That Manipulate Text
  - k. Chapter 12: Working with Dates and Times
  - l. Chapter 13: Creating Formulas That Count and Sum
  - m. Chapter 14: Creating Formulas That Look Up Values
  - n. Chapter 15: Creating Formulas for Financial Applications
  - o. Chapter 16: Miscellaneous Calculations
  - p. Chapter 24: Customizing the Excel User Interface
  - q. Chapter 25: Using Custom Number Formats
  - r. Chapter 27: Creating and Using Worksheet Outlines
  - s. Chapter 29: Excel and the Internet
  - t. Chapter 30: Protecting Your Work
  - u. Chapter 31: Making Your Worksheets Error Free
  - v. Appendix A: Worksheet Function Reference
  - w. Appendix B: Excel Shortcut Keys
5. ***Financial Accounting: An Introduction to Concepts, Methods and Uses*** by Schipper, Francis, Weil, Stickney
- a. Part 1: Overview of Financial Statements
  - b. Part 2: Accounting Concepts and Methods
  - c. Part 3: Measuring and Reporting Assets and Equities Using Generally Accepted Accounting Principles
  - d. Part 4: Synthesis
6. ***Financial and Managerial Accounting*** by Warren, Reeve, Duchac
- a. Chapter 1: Introduction to Accounting and Business
  - b. Chapter 2: Analyzing Transactions
  - c. Chapter 3: The Adjusting Process
  - d. Chapter 4: Completing the Accounting Cycle
  - e. Chapter 5: Accounting for Merchandising Businesses
  - f. Chapter 6: Inventories
  - g. Chapter 8: Receivables
  - h. Chapter 9: Fixed Assets and Intangible Assets
  - i. Chapter 10: Current Liabilities and Payroll
  - j. Chapter 11: Corporations: Organization, Stock Transactions, and Dividends
  - k. Chapter 12: Long-term Liabilities: Bonds and Notes
  - l. Chapter 14: Statement of Cash Flows
  - m. Chapter 19: Cost Behaviour and Cost-Volume-Profit Analysis
7. ***Financial Modeling and Valuation: A Practical Guide to Investment Banking and Private Equity*** by Paul Pignataro
- a. Part One: Financial Statements and Projections
8. ***Financial Modeling in Excel for Dummies*** by Danielle Stein Fairhurst
- a. Chapter 1: Introducing Financial Modeling
  - b. Chapter 2: Getting Acquainted with Excel
  - c. Chapter 3: Planning and Design Your Financial Model
  - d. Chapter 4: Building a Financial Model by the Rulebook
  - e. Chapter 5: Using Someone Else's Financial Model
  - f. Chapter 6: Excel Tools and Techniques for Financial Modeling

- g. Chapter 7: Using Functions in Excel
  - h. Chapter 8: Applying Scenarios to Your Financial Model
  - i. Chapter 9: Charting and Presenting Model Output
  - j. Chapter 10: Building an Integrated Financial Statements Model
  - k. Chapter 12: Budgeting for Capital Expenditure and Depreciation
  - l. Chapter 13: Ten Strategies for Reducing Error
  - m. Chapter 14: Ten Common Pitfalls to Avoid
9. ***Financial Statements: A Step-by-Step Guide to Understanding and Creating Financial Reports*** by Ittelson
- a. Section A: Financial Statements: Structure & Vocabulary
10. ***Using Excel for Business Analysis: A Guide to Financial Modelling Fundamentals*** by Danielle Stein Fairhurst
- a. Chapter 1: What is Financial Modeling
  - b. Chapter 2: Building a Model
  - c. Chapter 3: Best Practice Principles of Modeling
  - d. Chapter 4: Financial Modeling Techniques
  - e. Chapter 5: Using Excel in Financial Modeling
  - f. Chapter 6: Functions for Financial Modeling
  - g. Chapter 7: Tools for Model Display
  - h. Chapter 8: Tools for Financial Modeling
  - i. Chapter 9: Common Uses of Tools in Financial Modeling
  - j. Chapter 10: Model Review
  - k. Chapter 11: Stress-Testing, Scenarios and Sensitivity Analysis in Financial Modeling
  - l. Chapter 12: Presenting Model Output