



# What Senior Finance Leaders need to know about Excel

Leading teams and reduce spreadsheet risk

John Tennent

## John Tennent - Biography

**Deloitte.**

John specialises in strategic financial planning, business modelling and investment appraisal.



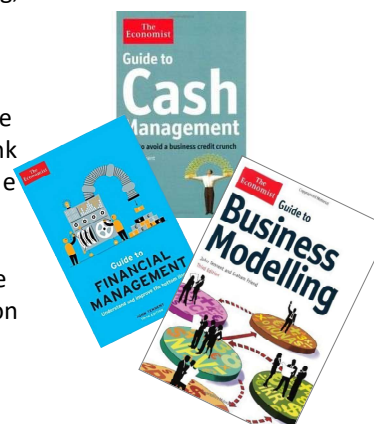
The author of the Economist Guide to Business Modelling, Financial Management and Cash Management.



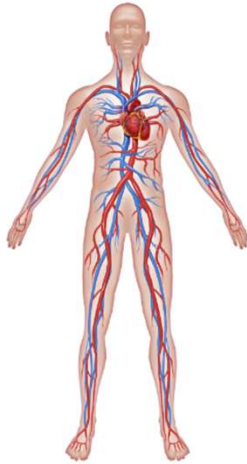
His background is in finance, starting his career as a Chartered Accountant with Deloitte & Touche in 1983. He went onto to become the financial controller of a US bank before joining a training consultancy as Client Director. He co-founded Corporate Edge in 1996.



He is the Honorary Treasurer of Oxfam International, The Air Ambulance Service, The London Marathon Foundation and MedicAlert.



## ***Excel is like a heart for your business because:***



I don't really know how it works as long as it works!

I have more important things to worry about.

**Information**

It could probably perform better if I knew how.

If I want longevity, I need to start looking after it.

Picture from  Elite Cardiovascular Group

## ***What Senior Finance Leaders need to know about Excel***

Part 1 :16 June

### **Managing**

Lead the team and embed controls that reduce business and spreadsheet risk.

### **Mentoring**

Build your people's confidence and good modelling habits.

Part 2 :16 July

### **Mastery**

Master modern Excel functions and tools to enhance your business.

### **What about AI?**

A delegation tool – you need to know what and how to delegate.

## ***How to Manage the Team***

### **Managing**

Lead the team and embed controls that reduce business and spreadsheet risk.

- 20 principles for a good spreadsheet
- Methodology – Consistent structure & layout
- Welcome page
- Register of key spreadsheets with at least two operators
- How to review a spreadsheet
- Version control

## ***How to Mentor the Team***

### **Mentoring**

Build your people's confidence and good modelling habits.

- Knowledge evenly spread across team not concentrated in one person
- Develop Competency – Spreadsheet competency framework
- Managing protection and passwords
- Dynamic v deterministic modelling
- Scenario development in one workbook and not multiple workbooks
- Ambition for capability

## What is Mastery for the Team?

### Mastery

Master modern Excel functions and tools to enhance your business.

- Knowing best practice
- How to handle data
- Advanced tools : Power BI, Visual Basic & Python
- Building reusable tools
- Role of Copilot and AI

## How to Manage the Team – 20 Principles

**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.

**20 PRINCIPLES FOR GOOD SPREADSHEET PRACTICE**

STRATEGY AND PLAN	DESIGN AND BUILD	CONTROL AND MANAGEMENT
1 Determine how much your organisation depends on spreadsheets and plan your approach and processes accordingly.	7 Make the spreadsheet easy to use, providing supporting guidance where helpful.	16 Collaborate in design and review processes. This ensures accuracy, robustness, and the mitigation of risks.
2 Adopt a consistent methodology for spreadsheets in your organisation.	8 Design with adaptability in mind to minimise future manual intervention.	17 Build in checks, controls, and alerts from the outset.
3 Ensure designers and users of spreadsheets have appropriate knowledge, competence, experience, and awareness of functionality.	9 Structure workbooks with a clear flow of inputs, processes, and outputs.	18 Test and review to reduce the risk of error and identify inefficiencies.
4 Determine if a spreadsheet is a suitable tool.	10 Seek to control, clean, and optimise data quality and structure prior to using them.	19 Ensure there is a regular process of backup and version control. This minimises loss of work and avoids the use of the wrong version.
5 Focus on the purposes of the spreadsheet.	11 Structure worksheets to avoid inconsistent logic and layout.	20 Manage access levels and protection to reduce the risk of accidental or malicious changes.
6 Tailor the design and documentation to the needs of the audience and dependent processes.	12 Keep formulas consistent across ranges.	
	13 Use the simplest features, functions, or formulas for the task.	
	14 Avoid using fixed values within formulas.	
	15 Refer to existing calculated results instead of reperforming the calculation.	

Scan the QR code for more detail





Some key points:

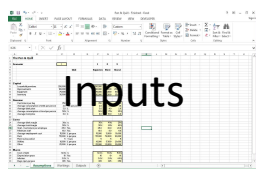
- (2) Consistent methodology for your organisation – layout, colours, filing
- (3) Capability of creators and users
- (5) Focus on the purpose
- (9) Separate inputs from workings and outputs
- (14) Avoid fixed values in formulae
- (17) Build in checks

Download details from [ICAEW.com](https://www.icaew.com)

## How to Manage the Team – 20 Principles

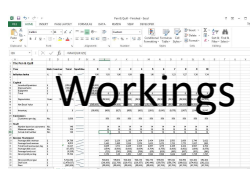
**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.

**Build the model to be robust and reliable** - Destroyed by hard coded numbers in the Workings or Outputs



### Inputs

**Only Data - Never ever any calculations**

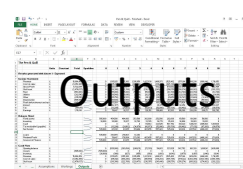


### Workings

**Only Calculations - Never ever ever any numbers**

**Cells are 'free' so keep formulae simple**

**No need for hidden rows**



### Outputs

**Summarise the Workings for presentation or charts**

Models may consist of many sheets, but each sheet is always one of the three types

## How to Manage the Team – Welcome page

**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.

	A	B	C	D	E	F	G	H	I	J
1	<b>The Pen &amp; Quill</b>									
2										
3	<b>Model Description</b>	To evaluate the purchase of a pub restaurant								
4										
5	<b>Instructions for use</b>	Download a Trail balance as follows:								
6										
7		System - Menu: Trial balance and select options as below before pressing generate								
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19	<b>Colour codes</b>	1	An input cell		NB Uses Cell styles					
20										
21	<b>Audit checks</b>	Balance sheet balances		All balance						
22										
23	<b>Recalculation Status</b>	Automatic								
24										
25	<b>Model designed to run on</b>	Excel 2010 (version 14)		Version you are using:		16.0				
26										
27	<b>Author</b>	John Tennent								
28										
29	<b>Change Log</b>	<b>Date</b>	<b>Who</b>	<b>Development</b>						
30										
31		01/01/2025	JT	Added MIRR						

Some key points:

- **=INFO(...)** – to get Recalculation status, Excel version and file location
- Include development log to understand the impact of changes
- Can it be operated without the author

## How to Manage the Team – Register

**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.

### Register of Business Critical Spreadsheets



- **File Name & Location:** Exact name, file path, and shared location (e.g., SharePoint).
- **Business Purpose:** The specific process or system it supports (e.g., VAT reporting, monthly financial close, inventory).
- **Technical & Business Owner:** Who is accountable for the data and who built the logic. Also a back up owner if the primary user is no longer available
- **Risk Level/Gradation:** A rating of complexity and business impact (e.g., Low, Medium, High Risk).
- **Version/Change Control Log:** Documentation of when changes were made, who authorised them, and who has access.
- **Passwords:** How to access book, sheet and cell.
- **Controls & Testing:** A checklist confirming validity and dates of periodic reviews

## How to Manage the Team – Review

**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.



### Initial Review

What is the objective & risk?

### Structural Review

Is the spreadsheet built in a clear and logic way?

### Data Review

How valid is the data?

### Analytical Review

Do the numbers 'look right'?

### Detailed Review

How to inspect the details of the workbook.

### Post Review

Documenting the findings

Download details from [ICAEW.com](https://www.icaew.com)

## How to Manage the Team – Analytical Review

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Sparklines : A visual audit of time series – Insert → Line Sparkline

Sparkline	0	1	2	3	4	5
	1,300,000	1,315,825	1,355,300	1,395,959	1,995,864	1,480,973

- Flags – An If statement to test validity

Balance Sheet balances	All balance	0	0	0	0	0	0	0	0
Balance Sheet balances	Error in sheet	7	0	0	0	0	1	1	

- In each cell of the balance sheet : =IF(K47=K58,0,1)
- At end of row : =IF(SUM(H65:R65)=0,"All balance","Error in sheet")
- Conditional format the answer to highlight any errors

## How to Manage the Team – Finding Errors

**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.

Inspecting the formulas – Formulas → Show Formulas or CTRL`

Highlighting attributes – F5 (Go To) → Special

Go To Special ? X

Select

Notes

Constants

Formulas

Numbers

Text

Logicals

Errors

Blanks

Current region

Current array

Objects

Row differences

Column differences

Precedents

Dependents

Direct only

All levels

Last cell

Visible cells only

Conditional formats

Data validation

All

Same

OK Cancel

## How to Manage the Team – Version Control

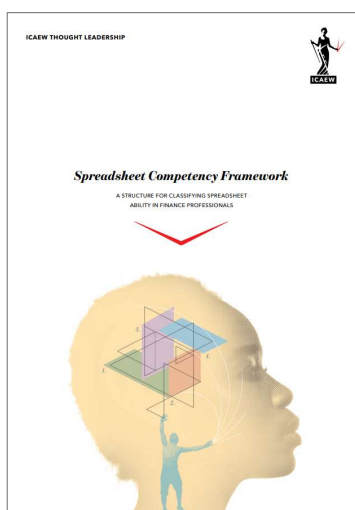
**Managing**  
Lead the team and embed controls that reduce business and spreadsheet risk.

- Keep the master version in a central file with one name
- Keep a folder that archives the previous copies – include a version number and date
- Add annotation for important versions
- Mark reference versions as a Read Only – File – Info – Protect – Read only

Name	Date modified	Type	Size
Month End Report - v1 - 18 Mar 26.xlsx	15/06/2026 12:38	Microsoft Excel W...	
Month End Report - v2 - 20 Mar 26.xlsx	15/06/2026 12:39	Microsoft Excel W...	
Month End Report - v3 - 24 Mar 26.xlsx	15/06/2026 12:39	Microsoft Excel W...	
Month End Report - v4 - 25 Mar 26.xlsx	15/06/2026 12:39	Microsoft Excel W...	
Month End Report - v5 - 28 Mar 26.xlsx	15/06/2026 12:39	Microsoft Excel W...	
Month End Report - v6 - 06 Jun 26 - As reported to Board.xlsx	15/06/2026 12:40	Microsoft Excel W...	

## How to Mentor the Team – Develop Competency

**Mentoring**  
Build your people's confidence and good modelling habits.



4 levels

- Basic user
- General user
- Creator
- Developer
- Avoid concentration of knowledge in a few people
- Develop a team so groups of individuals are at a consistent level

[Download details from ICAEW.com](https://www.icaew.com)

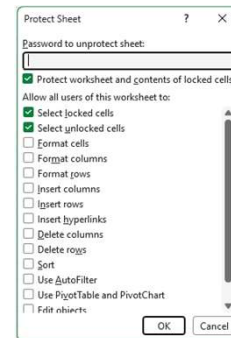
## How to Mentor the Team – Protection

**Mentoring**  
Build your people's confidence and good modelling habits.

Consider: are we adding a password to prevent access to confidential information or to prevent accidental change?

Passwords:

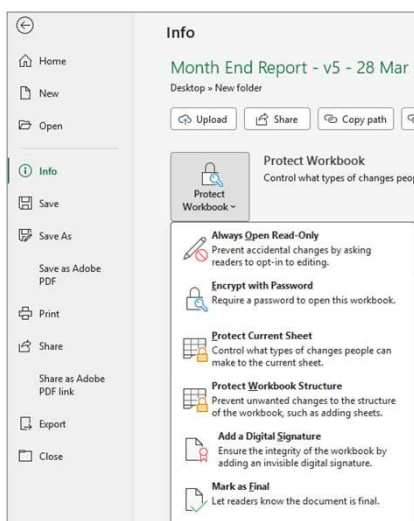
- Cells
- Sheets
- Workbooks



NB – once a password is added it cannot be revealed; it can only be recovered using third-party tools

## How to Mentor the Team – Protection

**Mentoring**  
Build your people's confidence and good modelling habits.

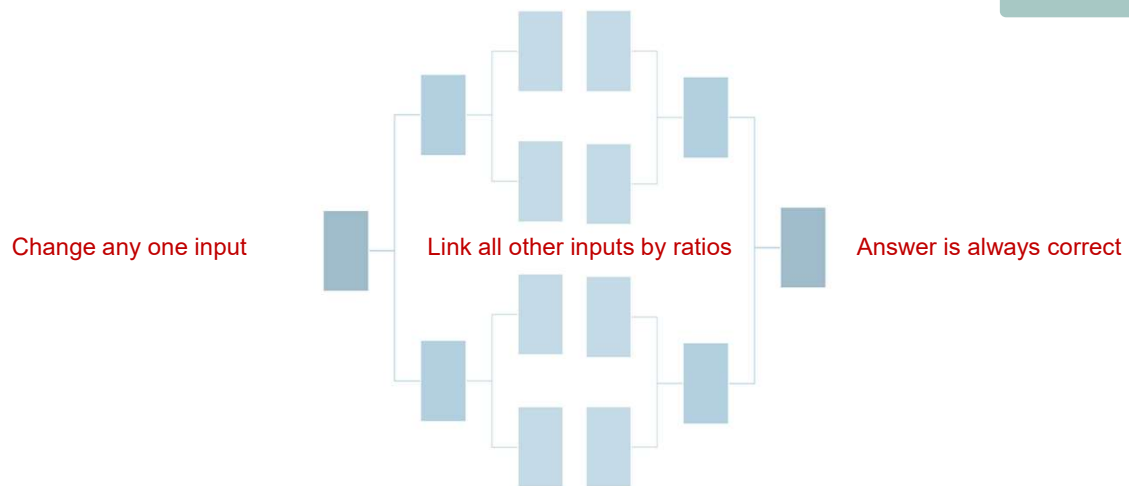


Protecting the workbook has its consequences – no password no access.

Protecting the sheet – it can still be seen, but not edited.

## How to Mentor the Team – Dynamic Models

**Mentoring**  
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## How to Mentor the Team – Dynamic Models

**Mentoring**  
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*'Dynamic' means that a change in any one assumption will always generate a valid answer*

- Identify the factors that determines the scale of activity in the model - (typically the volume drivers)
- Define the assumptions for the volume driver in terms of initial **seed** value (at time zero) and a **behaviour** that will develop over time (growth, exponential, step etc)
- Link as many other variable assumptions to this volume driver by **ratios** - hence as the volume changes so will all the other factors that are related.
- Use **Floor** and **Ceiling** values to keep ratios within a credible range.

## How to Mentor the Team – Scenarios

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	A	B	C	D	E	F	G	H
1	<b>The Pen &amp; Quill</b>							
2								
3	Scenario		1			1	2	3
4								
5				Unit		Expected	Best	Worst
6								
7	<b>Capital</b>							
8	Leasehold premises		250,000	£		250,000	200,000	300,000
9	Improvements		180,000	£		180,000	150,000	210,000
10	Equipment		75,000	£		75,000	65,000	90,000
11	Inventory		30,000	£		30,000	25,000	35,000
12								
13	<b>Revenue</b>							
14	Customers per day		350	No.		350	600	100
15	Average consumption of drink per person		2.0	No. per person		2.0	2.5	1.0
16	Average drink price		3.0	£		3.0	4.0	2.0
17	Average consumption of food per person		50%	%		50%	75%	25%
18	Average food price		8.0	£		8.0	10.0	6.0

- One workbook – clever engine & multiple data sets (NOT multiple copies of the same workbook)
- Use =**OFFSET**(Reference, Rows, Cols) to store data in columns to the right
- Develop alternative scenarios for the model

## How to Mentor the Team – Ambition

**Mentoring**  
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confidence and good  
modelling habits.

### Part 2

### Mastery

Master modern Excel functions and tools to enhance your business.

- Knowing best practice
- Templates and component structures
- How to handle data
- Advanced tools : Power BI, Visual Basic & Python
- Role of Copilot and AI

*Join Mark Proctor and me on 16 July*

## ***How to Mentor the Team – Ambition***

**Mastery**  
Master modern Excel  
functions and tools to  
enhance your business.



# **What Senior Finance Leaders need to know about Excel**

Leading teams and reduce spreadsheet risk

**Part 1: 16th June 2026**

**Part 2: 16th July 2026**

## ***Questions***





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