



FMI'S 24-HOUR GLOBAL FINANCIAL MODELING CONFERENCE

STOP BUILDING MODELS. START BUILDING INTELLIGENCE

CAROLINA LAGO

Founder, Tactic Financial · AFM Instructor · 25 years in FP&A across three continents



● INTRODUCTION



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ABOUT ME

Twenty-five years in FP&A and financial modeling, across three continents. I teach the AFM method, and I build the systems my students use. Everything here comes out of my own practice: the process I follow, the rules I wrote down, and what happened when I handed parts of it to a machine.

● AGENDA

WHAT WE'LL COVER

AI CAN BUILD A MODEL

How AI went from a simple chatbot to an agent that can build financial models.

THE SAME PROCESS, WITH AI

A workflow is a workflow. The same six bands, now with a force on each one. One skill per step, never one giant prompt.

THE HUMAN IN THE LOOP

Context in. The boundary at sign-off. And the part almost nobody does: understanding out.

45 MINUTES

LIVE Q&A AT THE END

PART ONE - AI CAN BUILD A FINANCIAL MODEL

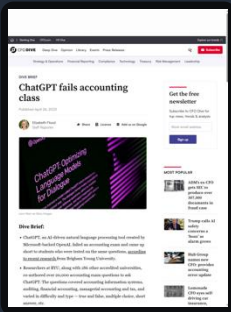
FROM THE DAY AI BECAME PUBLIC

HOW AI EVOLVED IN FINANCIAL MODELING. FOUR YEARS, START TO NOW.

2022



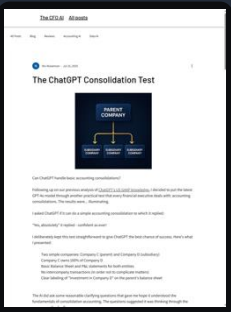
2023



2024

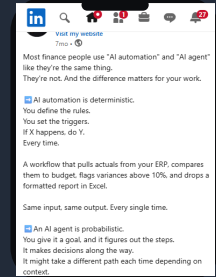


2025



OCTOBER

2026



FEBRUARY



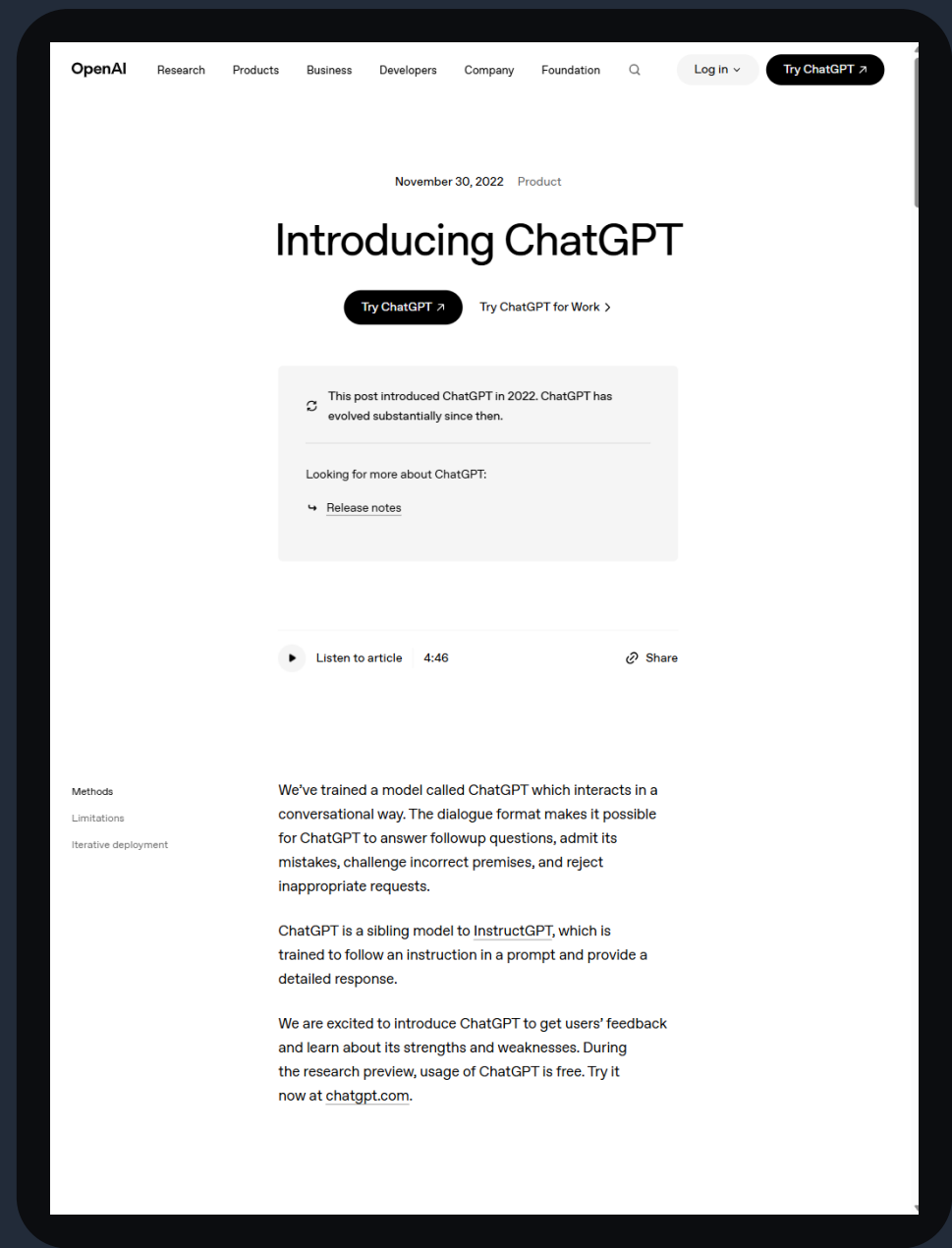
APRIL



MAY

2022

• Researchers at BYU, along with 186 other accredited co-authored over 20,000 accounting exam questions ChatGPT. The questions covered accounting information auditing, financial accounting, managerial accounting varied in difficulty and type — true and false, multiple answer, etc.



Year zero.

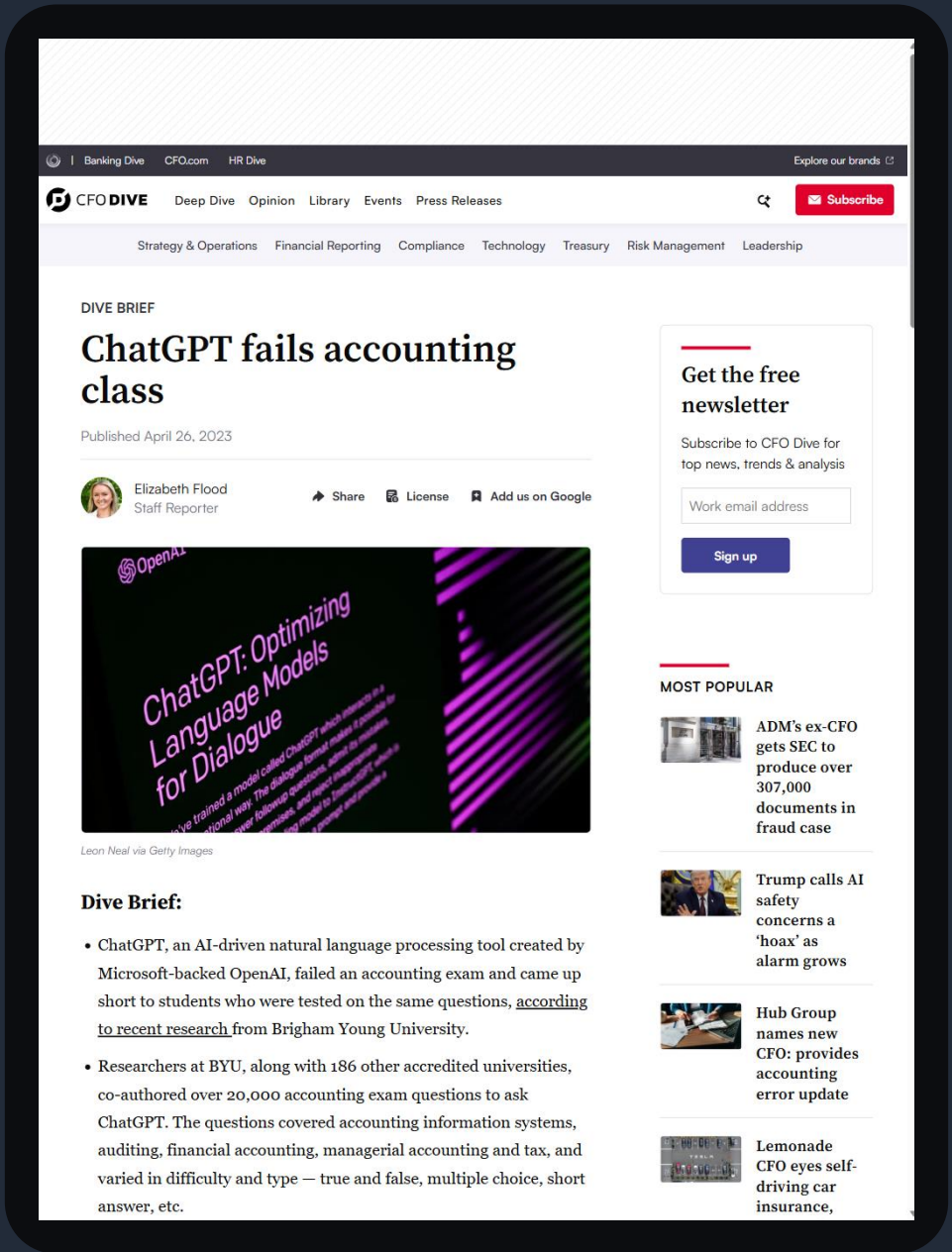
ChatGPT launches 30 November 2022.
The experiment cannot exist yet.

OPENAI · 30 NOVEMBER 2022

It fails the accounting exam.

BYU tested 20,000+ exam questions.
ChatGPT 47.4%. Students 76.7%.

CFO DIVE · 26 APRIL 2023



2023

Financial Modelling Series



Can ChatGPT build Excel financial models?

Published by [Freddy Teyssieux](#)
May 21, 2024, 4:51:54 PM

To give more context, here is what I have been able to do in MS Excel with ChatGPT 3, 3.5, 4, 4o so far.

1. ChatGPT is right now unable to build an entire Excel Financial Model

1. A. ChatGPT struggles to perform the simplest tasks in MS Excel

To give more context, here is what I have been able to do in MS Excel with ChatGPT 3, 3.5, 4, 4o so far.

ChatGPT 3: As a beta-tester, I was able to perform mathematical operations, asking ChatGPT to pretend to be in a matrix 9x9 as a small snapshot of an MS Excel window. ChatGPT could not work with MS Excel initially, so we had to work around it.

ChatGPT 3.5: This version introduced the ability to plug in Excel files and provided Excel support to build and analyze formulas, extract insights (potentially generating text or charts in Python), generate dummy data, assist with VBA coding, generate user manuals, and helping with Power Query...

ChatGPT 4: Same as ChatGPT 3.5 with better results and the ability to develop GPT tools with contextual knowledge, extended memory ...

ChatGPT 4.o: I only managed to produce direct formulas (4.o) for reference in the last version.

Here is a link to a video that attempts to replicate basic Excel financial projections using chatGPT 3.5 to give you a brief overview of challenges that you can come across :

Become a Modelling Pro

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- > Personalise your Charts
- > The Weekday Function
- > Copilot comes of age
- > Personalise your PivotTables
- > Unpivot - Success and f-ai-lure
- > Full Stack Modeller to run FMI's UK Chapter
- > PIVOT TABLE #SPILLing
- > Value Grouping

It cannot build one at all.

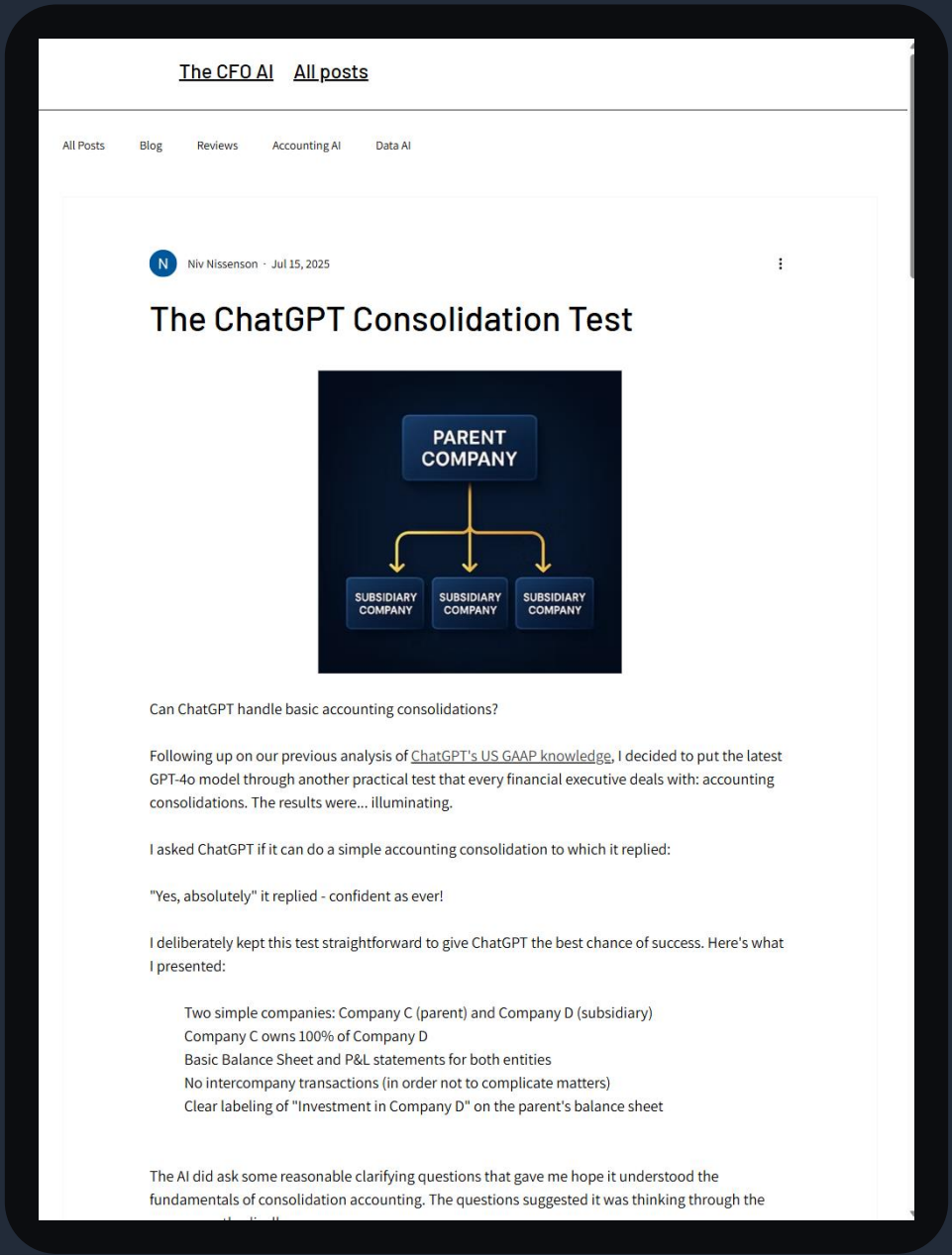
“ChatGPT is right now unable to build an entire Excel Financial Model.”

FULL STACK MODELLER · 21 MAY 2024

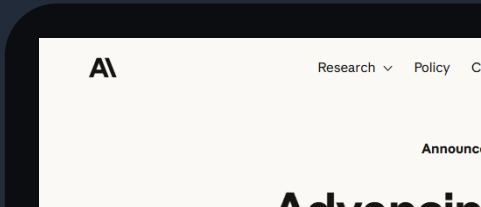
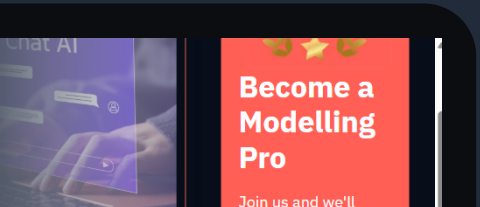
It breaks on the basics.

A trivial consolidation: doesn't eliminate the investment, doesn't balance, blames the data.

THECFOAI · 15 JULY 2025



2025



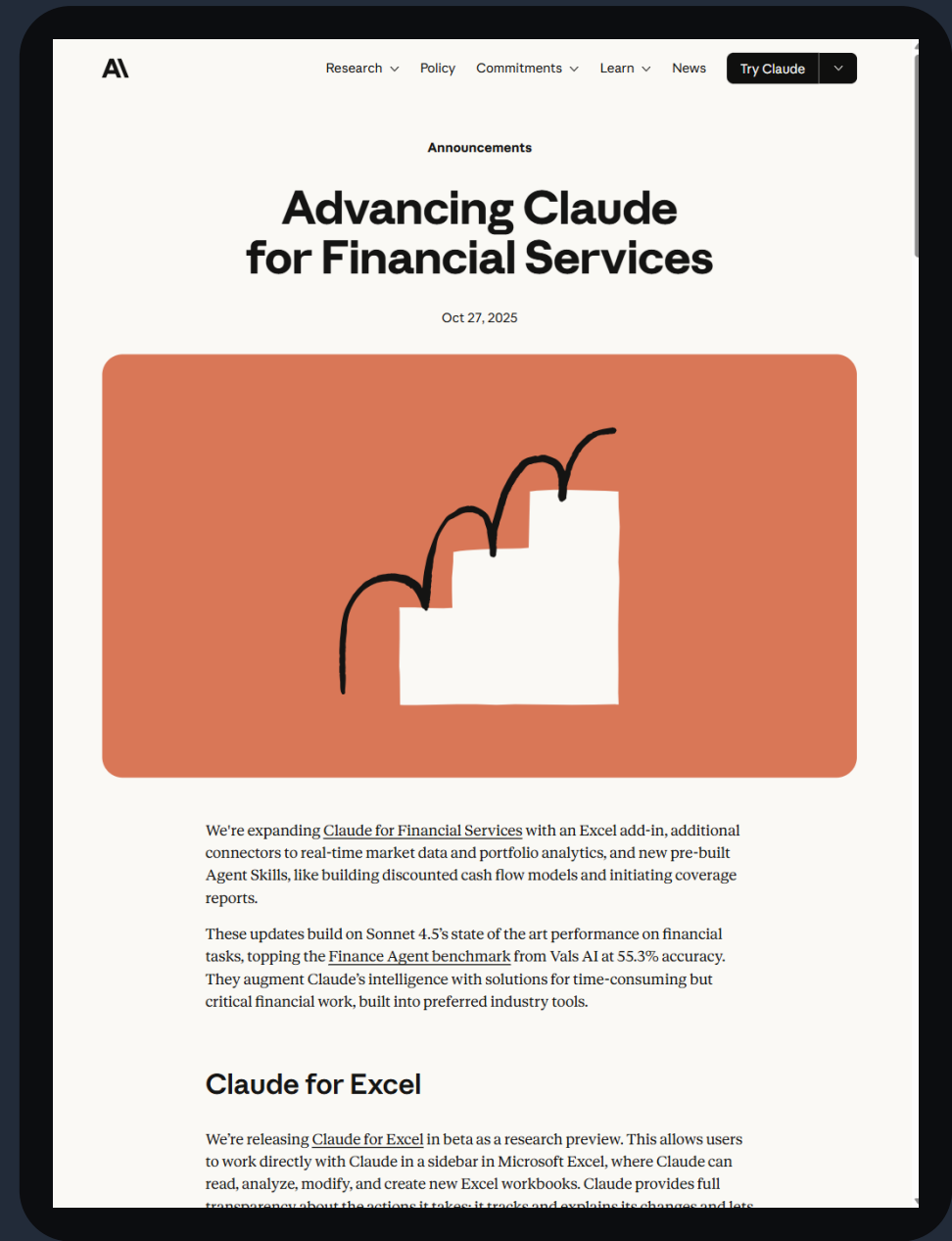
both entities
to complicate matters)
on the parent's balance sheet

is that gave me hope it understood the
estions suggested it was thinking through the

2025

OCTOBER

AI Agent is problematic.
You give it a goal, and it figures out how to achieve it.
It makes decisions along the way.
It might take a different path than you intended.
context.



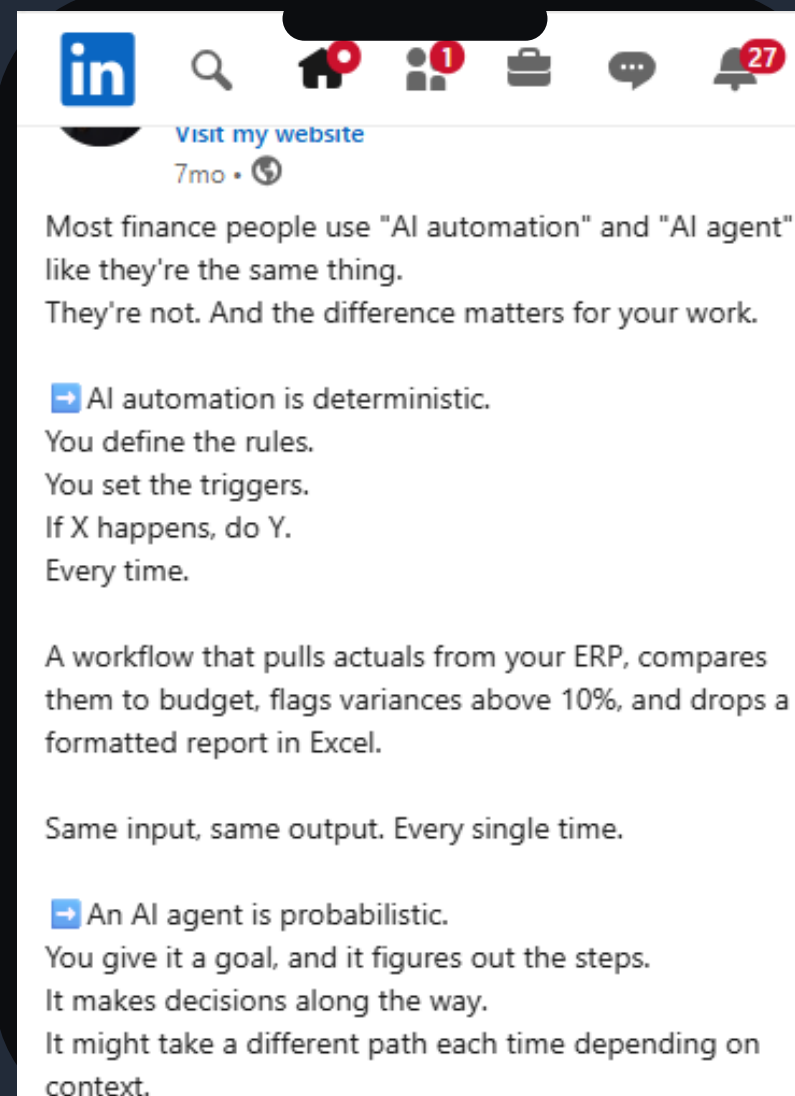
It ships as a product.

Claude for Excel, plus agent skills for DCF models with WACC. Not a demo. A feature.

Which force runs which step.

“Deterministic when you need auditability and reproducibility. Probabilistic when it takes judgment.”

CAROLINA LAGO · LINKEDIN, FEBRUARY 2026



2026

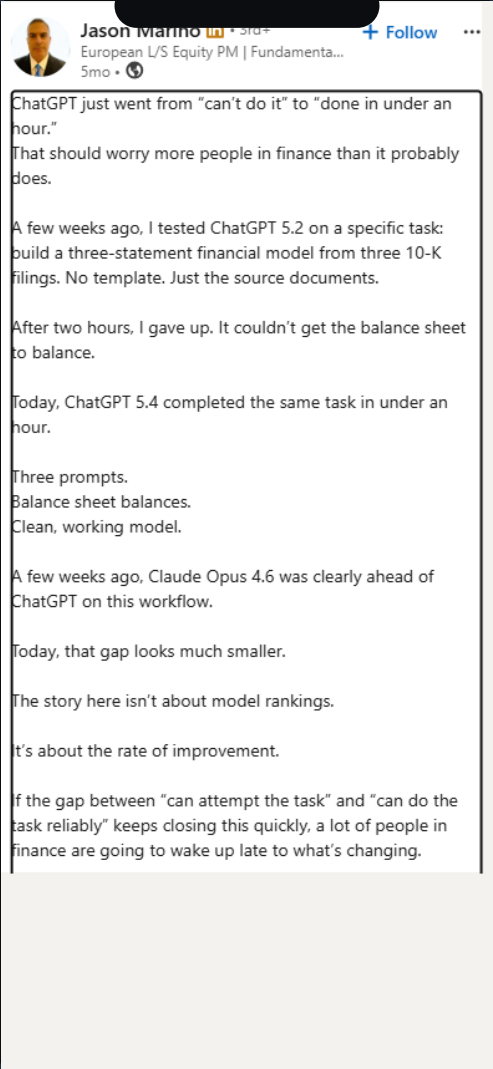
FEBRUARY

tic.
ures out the steps.
e way.
h each time depending on

2026

APRIL

starts in a model can end in a deck withou
Finally, we're continuing to expand our pe
and an MCP app, so the agents draw on th
use. Connectors give Claude governed, re
MCP apps go a step further by embedding
Claude.
These updates pair best with Claude Opu
financial tasks and leads the industry on Y
64.37%.



Fast, plausible, still wrong.

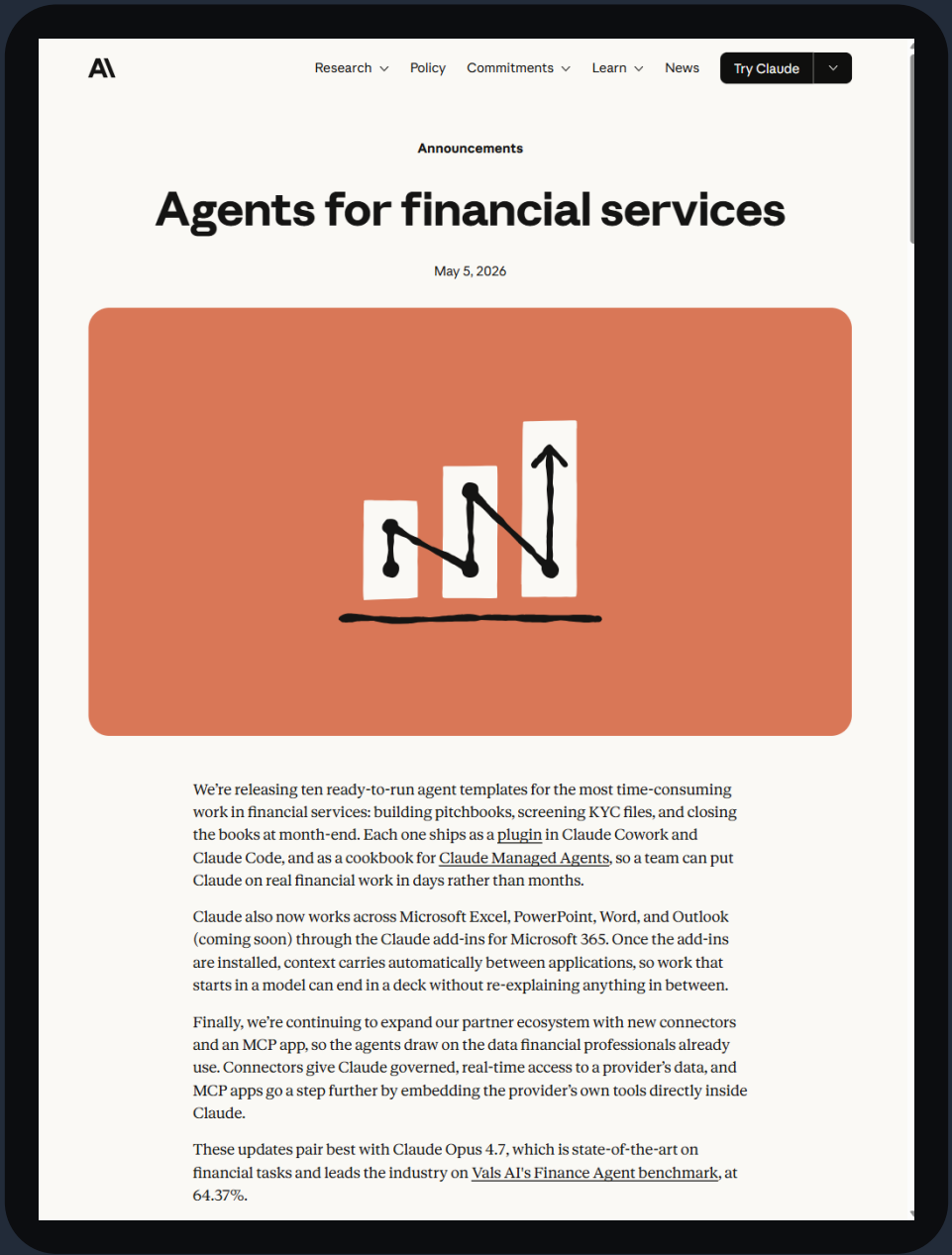
“After two hours, I gave up. It couldn't get the balance sheet to balance. Today, under an hour.”

JASON MARINO, EQUITY PM · LINKEDIN, 2026

Ten agents. One boundary.

“Firmly in the loop: reviewing, iterating on, and approving Claude's work before it goes to a client.”

ANTHROPIC · 5 MAY 2026



2026

MAY

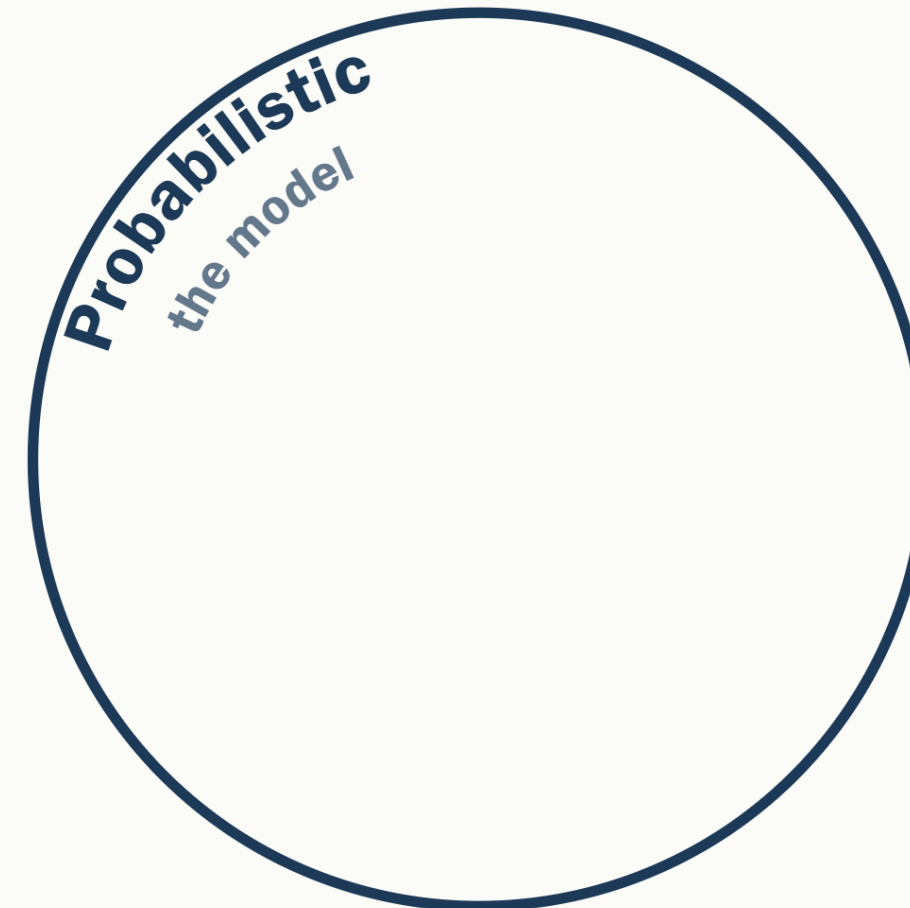
WHAT RUNS EACH STEP

THREE FORCES RUN ANY STEP

The probabilistic force.

This is the one everyone means when they say AI. It is built on machine learning, so it does not calculate an answer. It guesses, and it infers.

It infers right almost all of the time. The small share where it does not is what we call hallucination. And the worst part is that it looks right even when it is wrong.



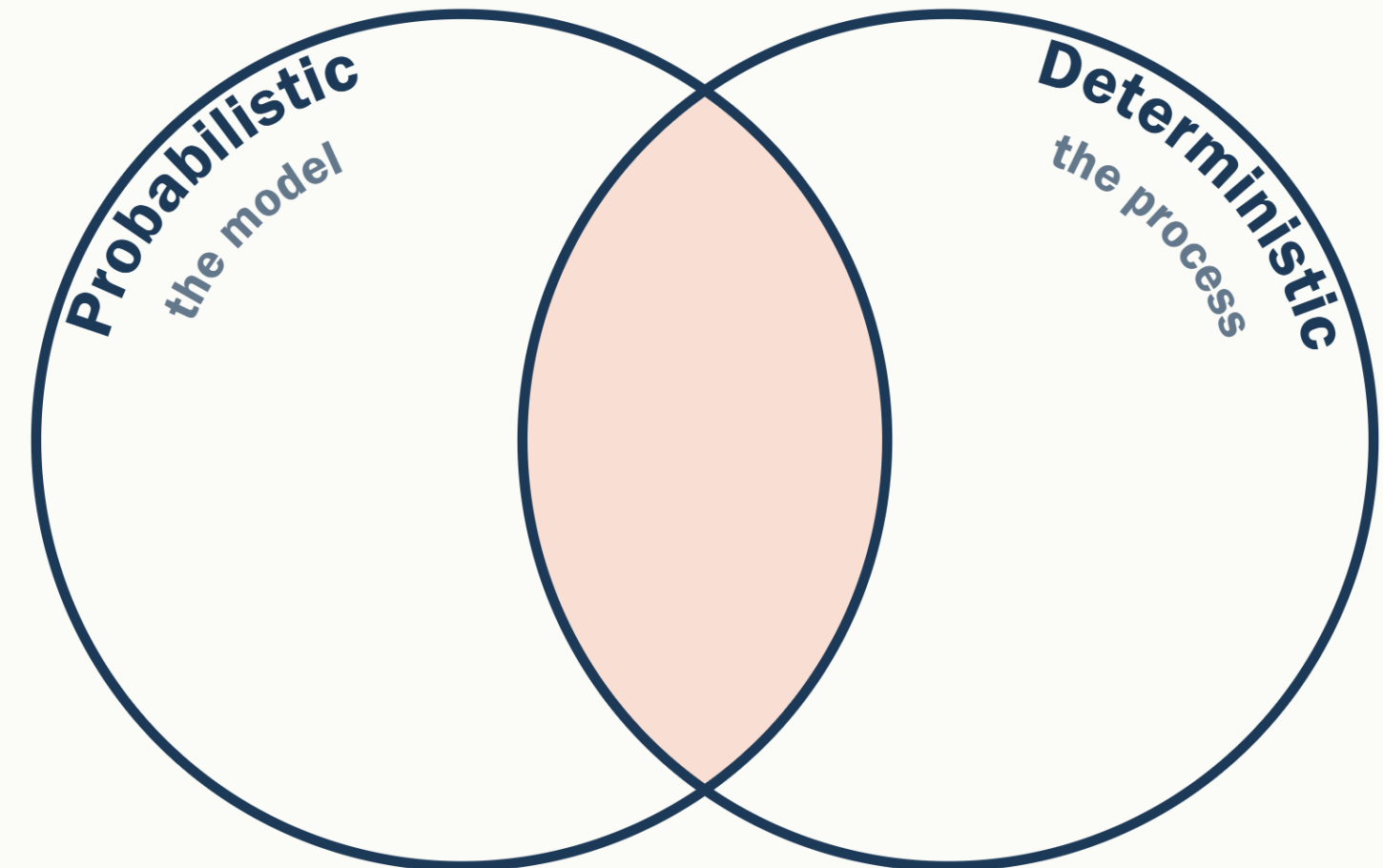
WHAT RUNS EACH STEP

THREE FORCES RUN ANY STEP

The deterministic force.

This is the boundary we put around the probabilistic force. The rules, the templates, the calculation, the scripts. Everything repeatable, that AI has to follow without inventing anything.

The balance between the two is what makes AI work. Too much probabilistic and it hallucinates. Too much deterministic and you have built a robot, not an AI workflow.



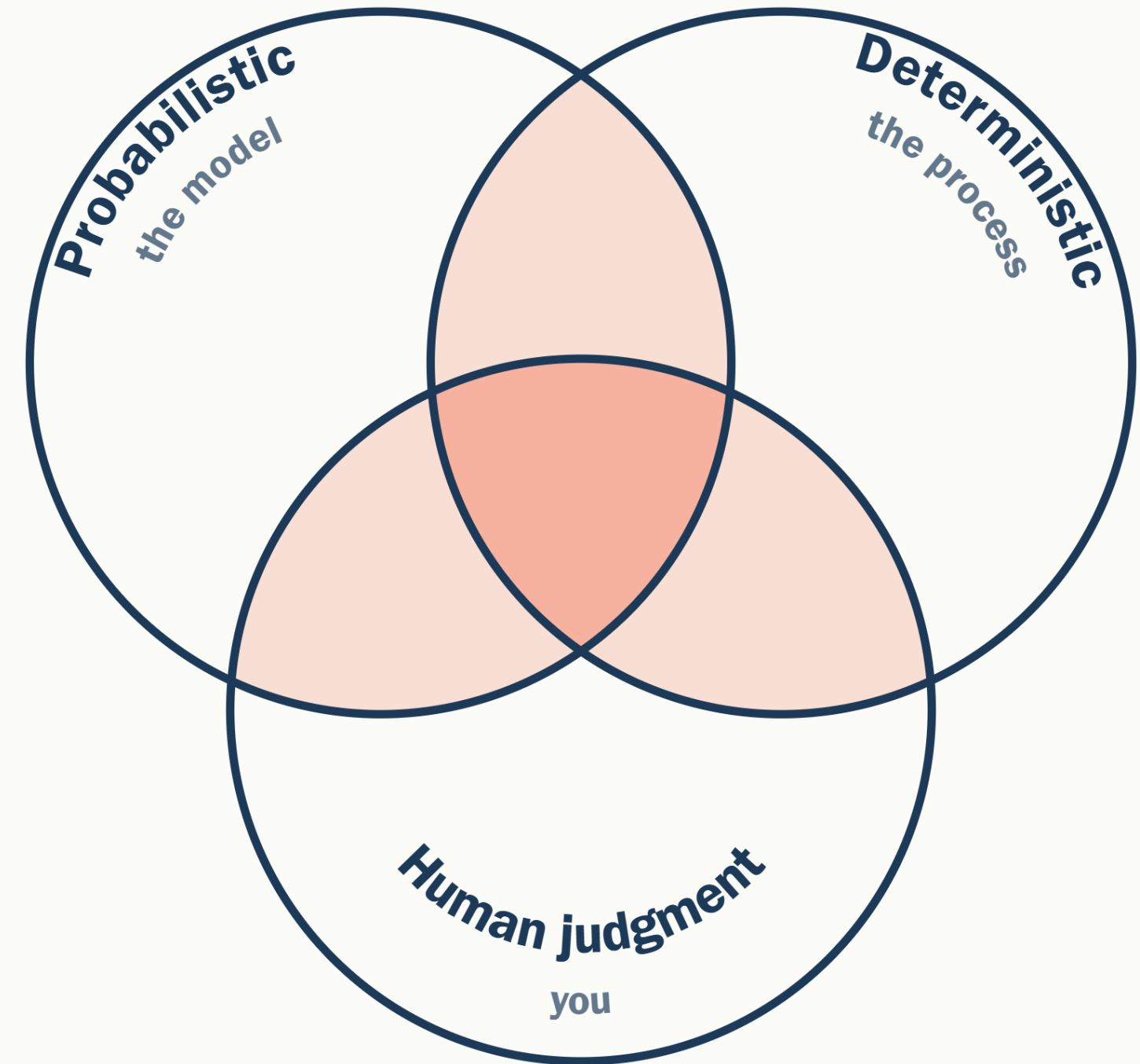
WHAT RUNS EACH STEP

THREE FORCES RUN ANY STEP

The human.

And this is where a lot of people make a big mistake. They think that once the balance is right, they can automate themselves out of the job. Once they do, the workflow starts getting worse, run after run.

That was the missing piece. Judgment on the way through, and a name on the result at the end.



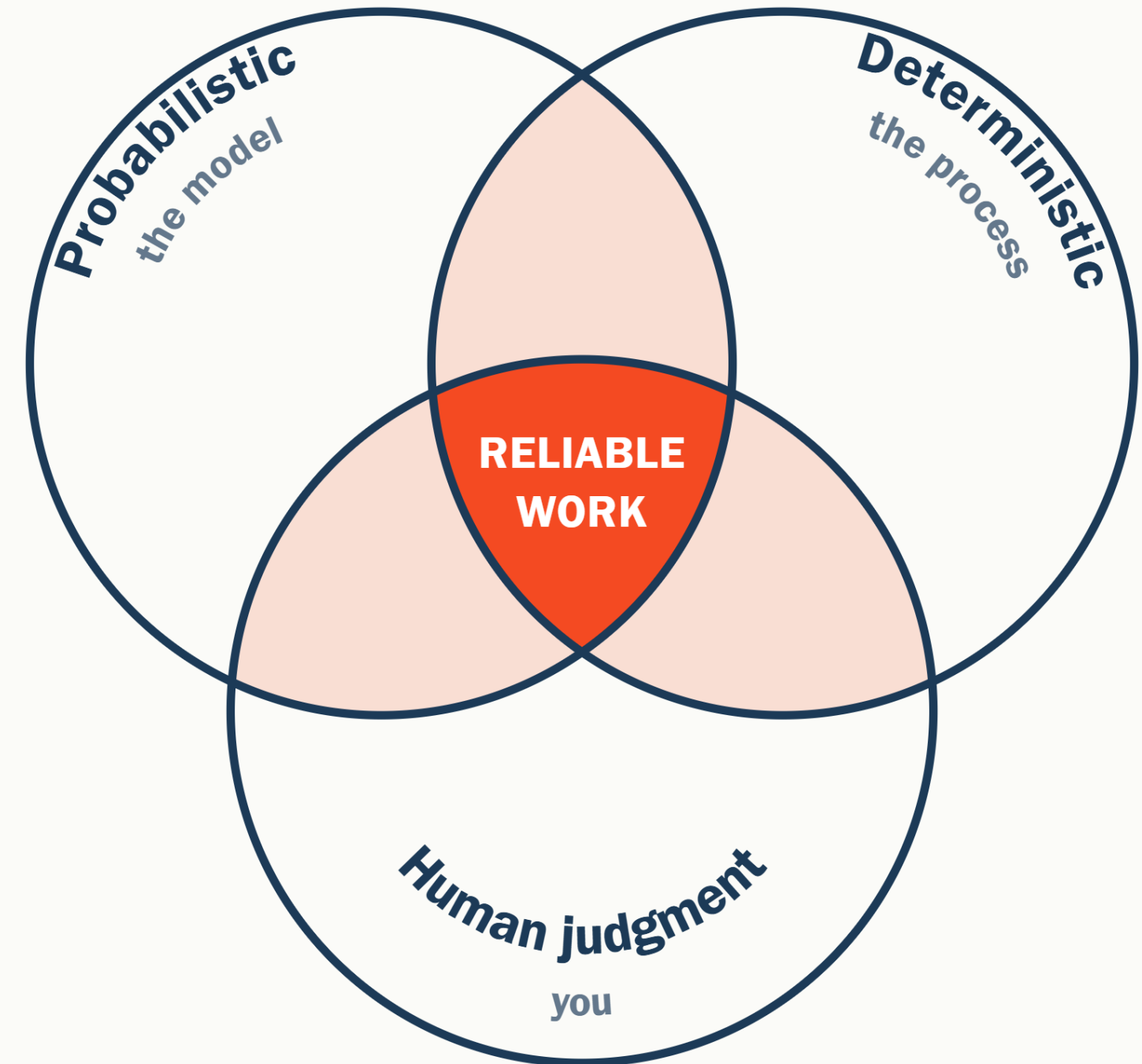
WHAT RUNS EACH STEP

THREE FORCES RUN ANY STEP

The balance is the skill.

Two of the three gets you something that works for a while.

All three is the only model that should leave the building with your name on it. Designing this work is deciding how much of each force goes on each step. That is the whole skill.



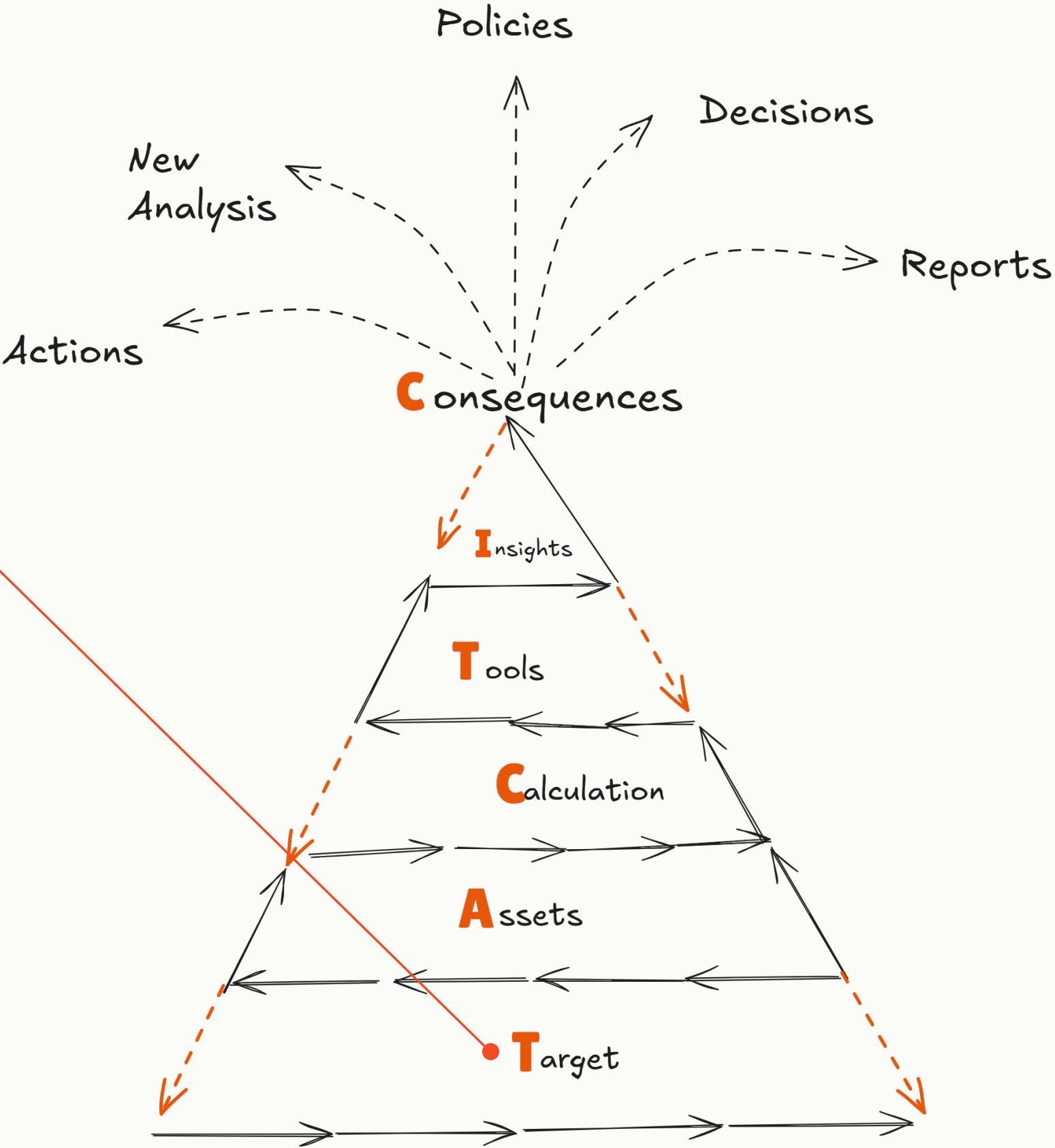
**SO WHAT DOES THAT
MODELLER ACTUALLY DO?**

THE TACTIC FRAMEWORK

Target.

The business question.
Why we need that model

Everything above this band inherits it. Two different questions
about the same company give you two different models.



THE TACTIC FRAMEWORK



ASSETS

Assets.

What I have to work with. Assumptions, data, research, whatever information exists.

This is the band that sends you backwards most often, and that is the process working, not failing.

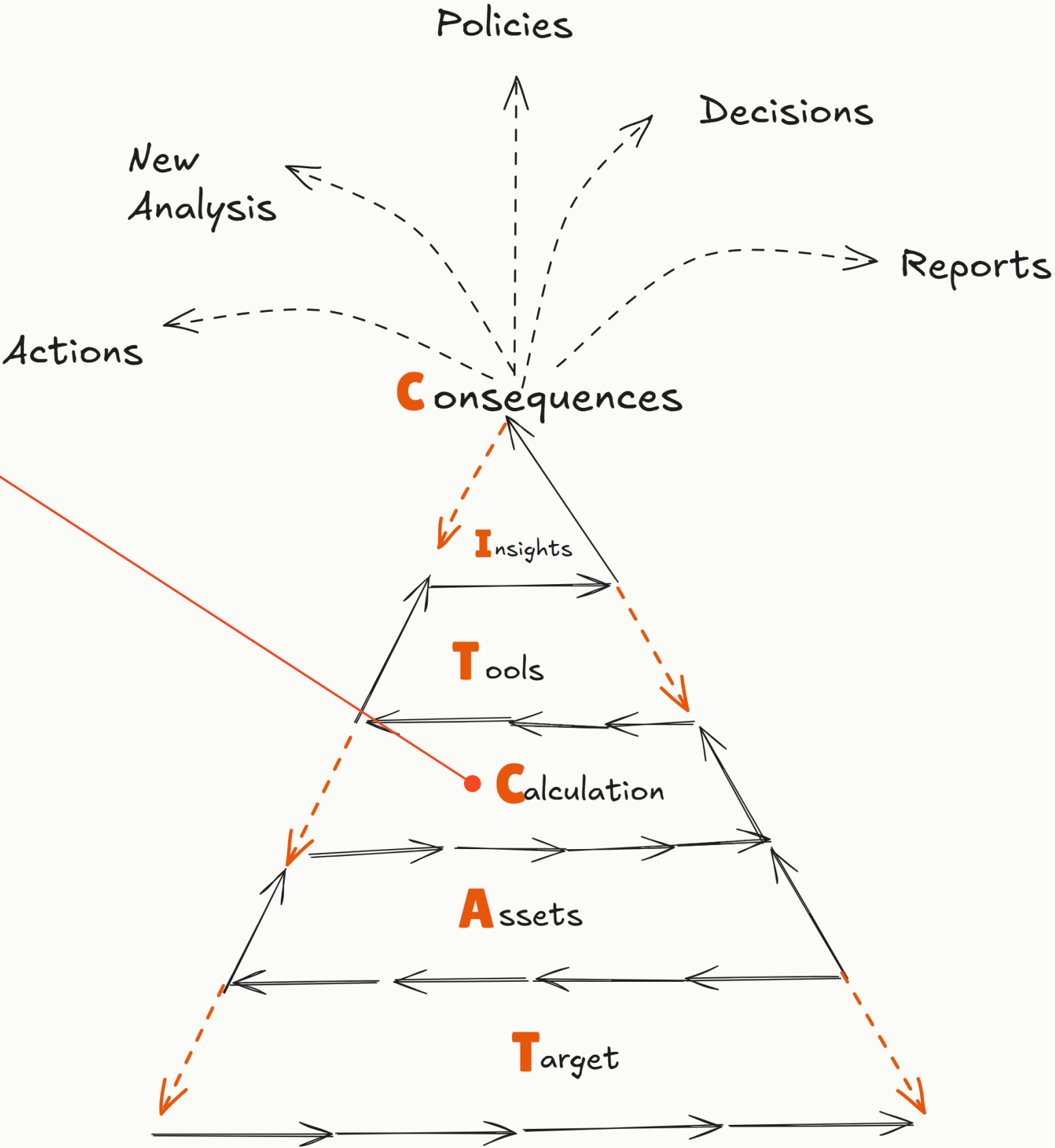
THE TACTIC FRAMEWORK

CALCULATION

Calculation.

The schedules that form the base of the model. Historicals verified, hooks wired, then the schedules in the order they have to run.

The question decides where the detail goes. Not every model needs every schedule.



THE TACTIC FRAMEWORK



TOOLS

Tools.

Where I run the analysis.

My expertise decides what kind of analysis this question actually needs. The tool does not make that call.

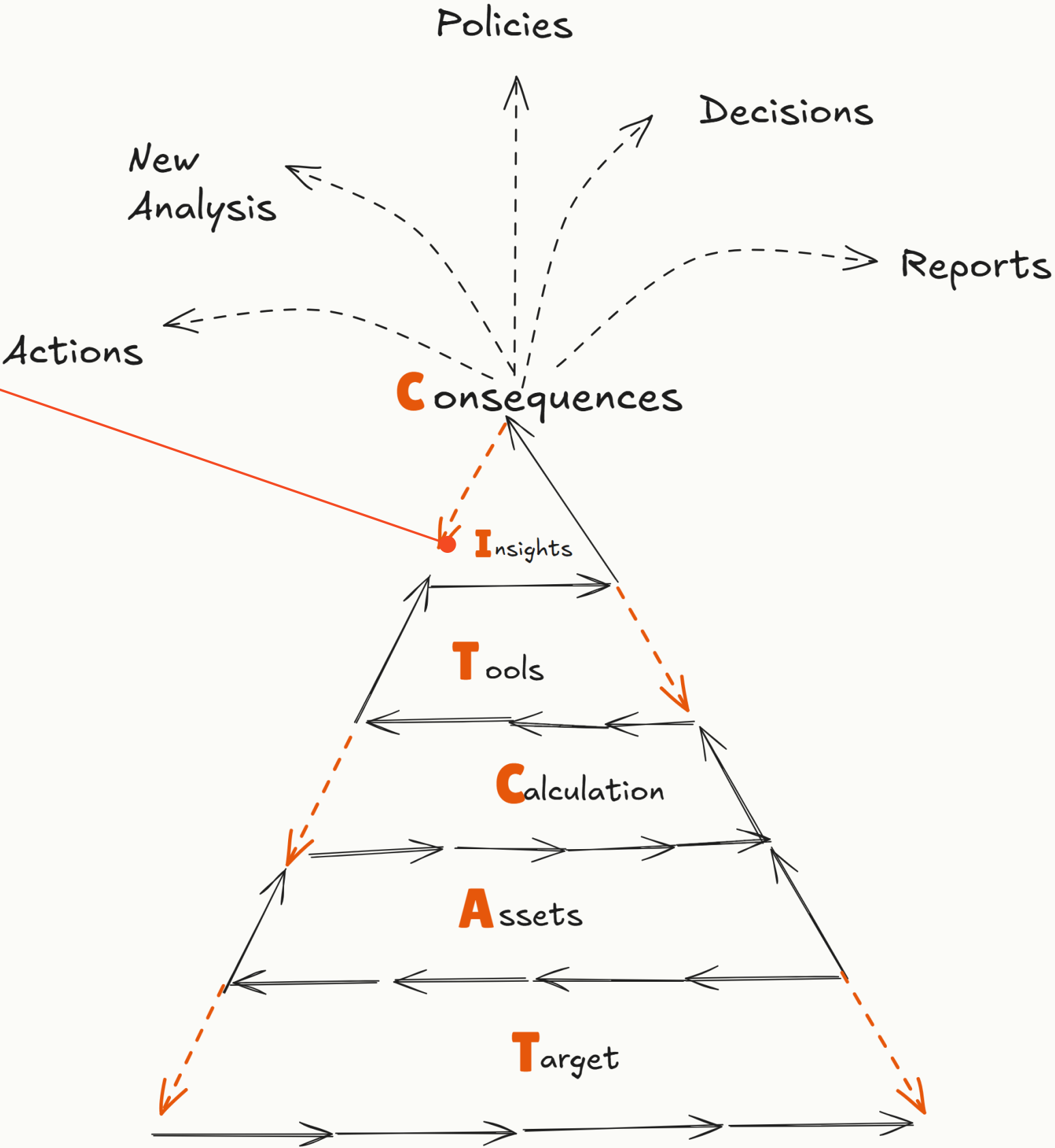
THE TACTIC FRAMEWORK

INSIGHTS

Insights.

The documented answer to the question I started with.

Not the model. The answer. If you cannot state it in a sentence, the work is not finished.



THE TACTIC FRAMEWORK



CONSEQUENCES

Consequences.

Reports, policies, decisions, actions. And the next analysis.

This fans out past the model entirely, which is the part most people never budget time for.

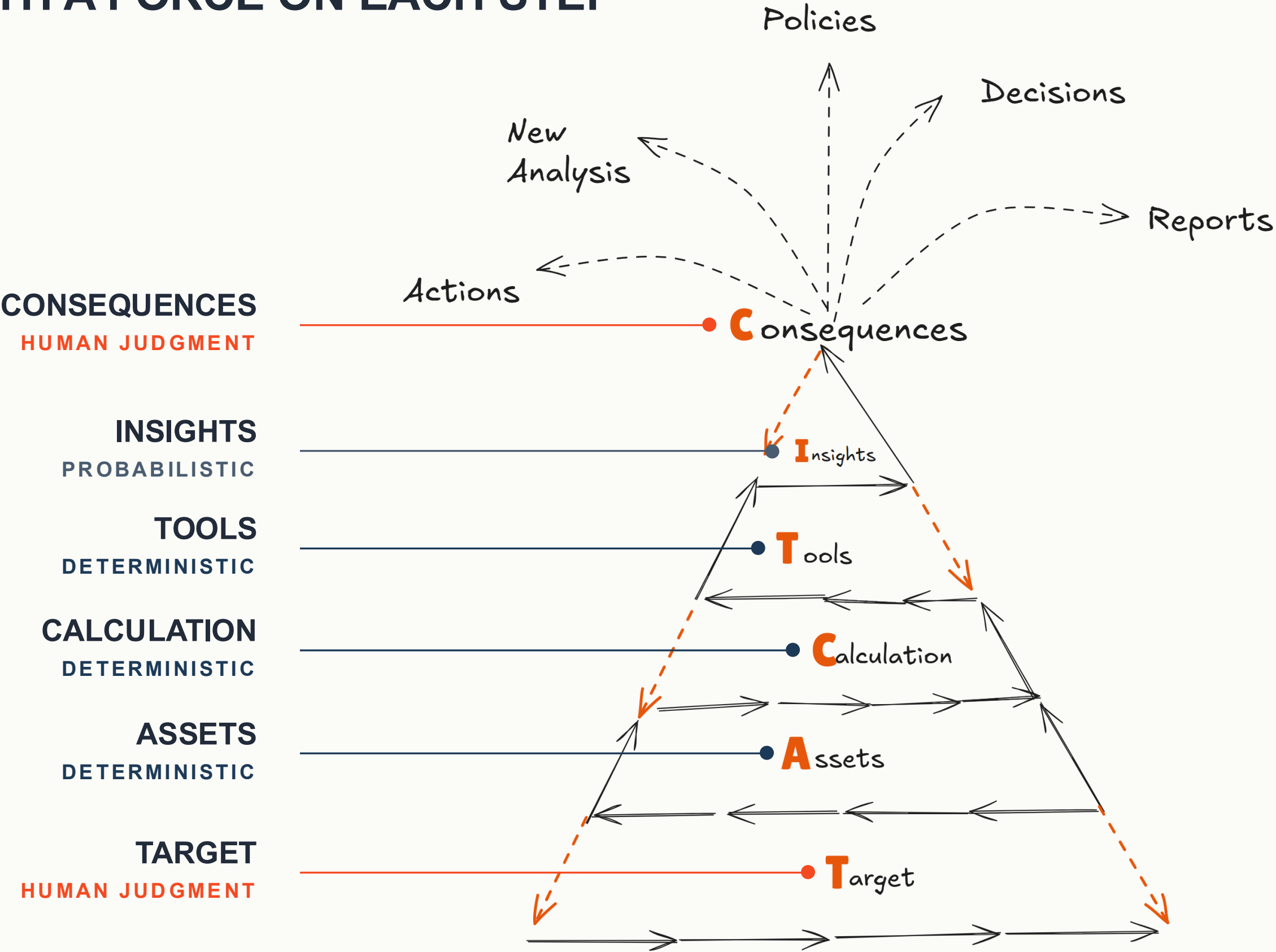
PART TWO - THE SAME PROCESS, WITH AI

A WORKFLOW IS A WORKFLOW

Building a financial model is a workflow. Whether I do every step myself or a machine does some of them, there is still a process. Step one, then step two, then step three.

AI does not change the process. It changes who executes each step.

THE SAME FRAMEWORK, WITH A FORCE ON EACH STEP



● HOW YOU ACTUALLY DO THIS

ONE SKILL PER STEP. NEVER ONE GIANT PROMPT.

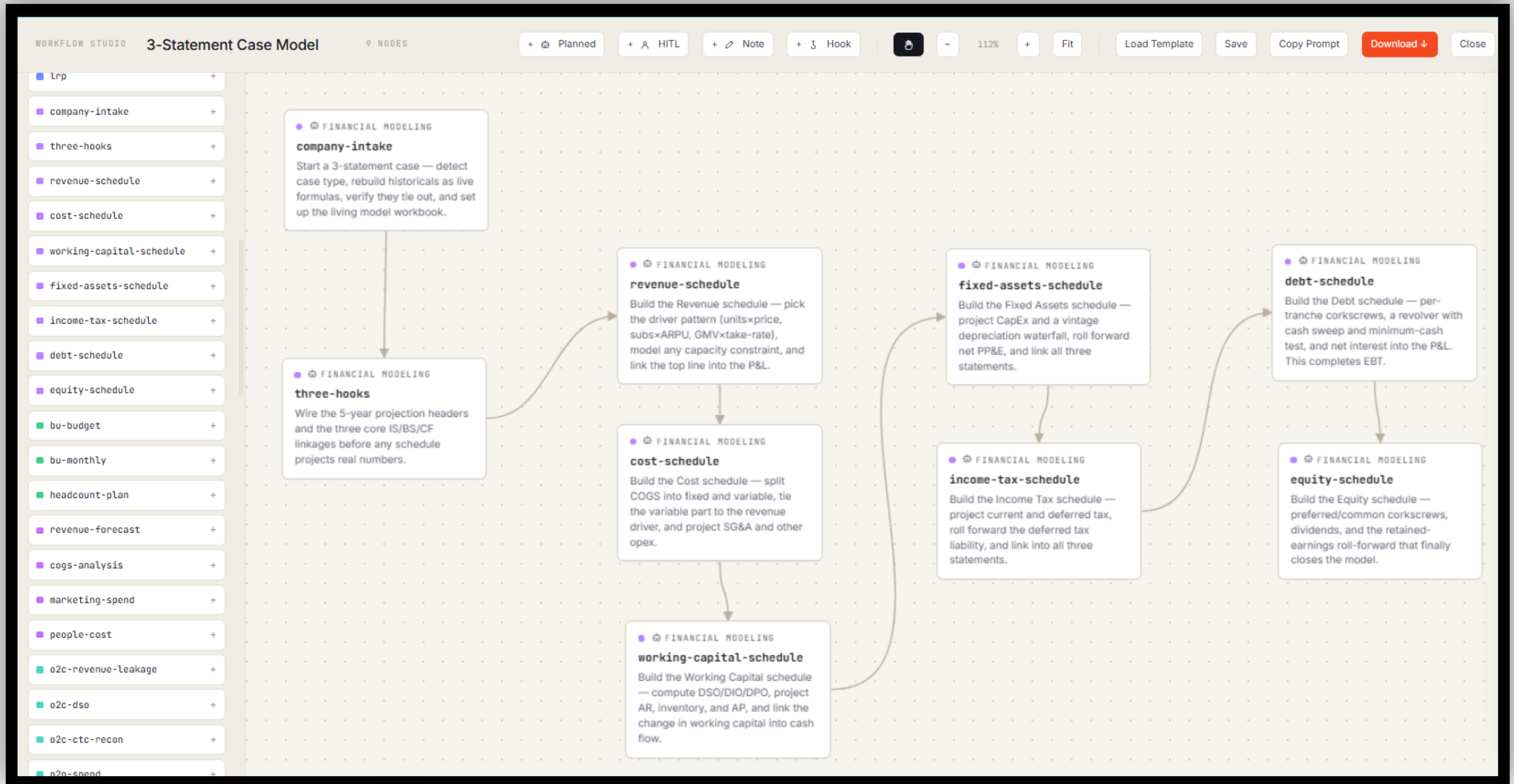
COMMON PRACTICE

One enormous prompt that tries to teach AI to build a financial model. Nothing enforced. When it goes wrong you rewrite the whole thing and hope. That's a wish, not a method.

BETTER PRACTICE

A skill for each step: its rules, its checkpoint, what it hands to the next one. The order is enforced, not hoped for. When one step is wrong, you fix one skill.

TARGET → ASSETS → CALCULATION



PART THREE · THE HUMAN IN THE LOOP

THE AI EXECUTES STEPS. IT DOESN'T DECIDE WHICH MODEL IS WORTH BUILDING.

THE DECISION BRIEF

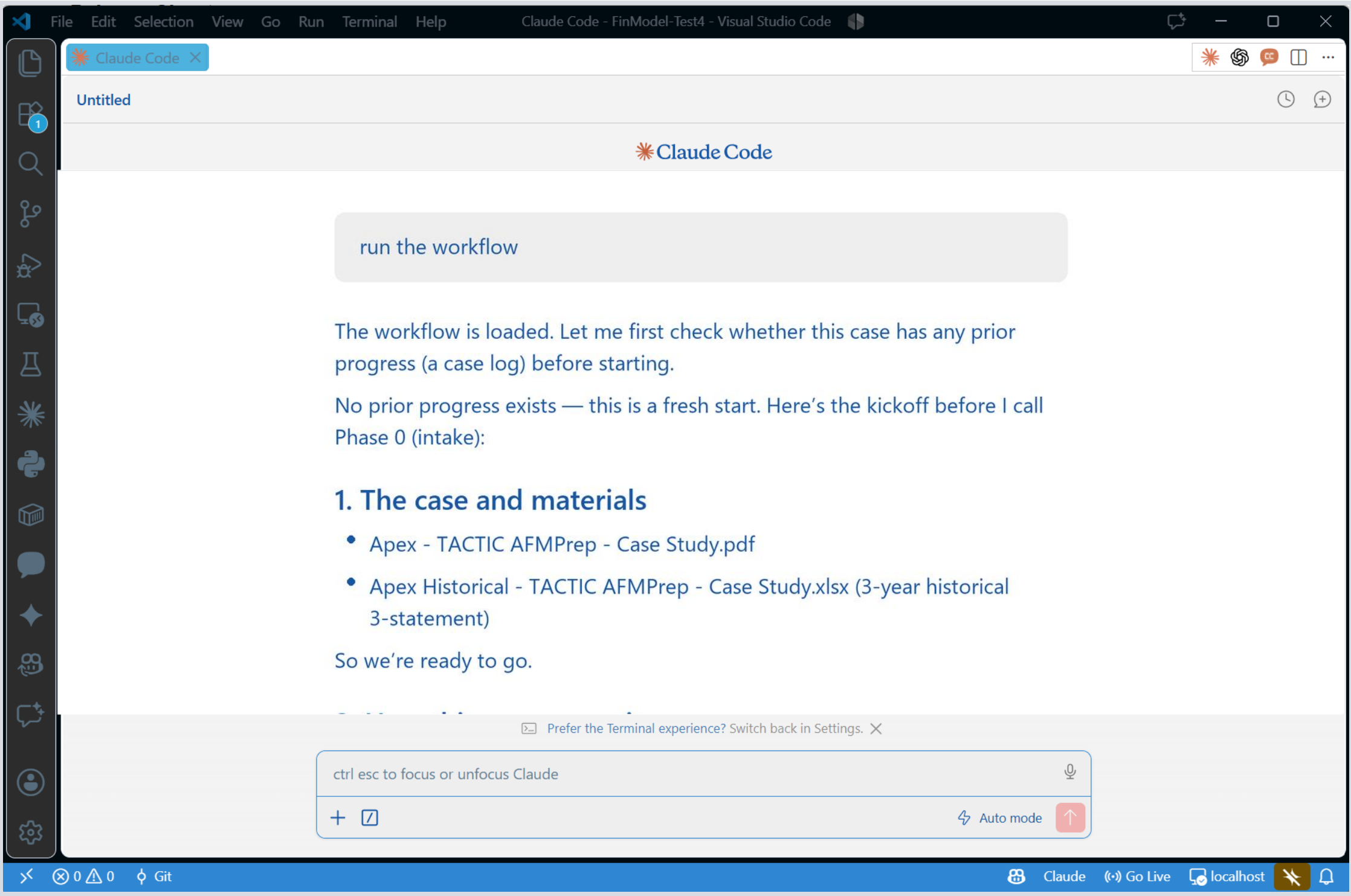
Five lines before anything is prompted: the decision, who makes it, the horizon, the uncertainty that matters most, the one output that would settle it. Same company, two questions, two entirely different models.

THE ASSUMPTION CHECKPOINTS

Every schedule step stops. Growth rates. Day counts. Useful lives. Tax rates. None are rules, all are judgment, and every one is where a modeller earns the fee.

THE WHOLE INPUT

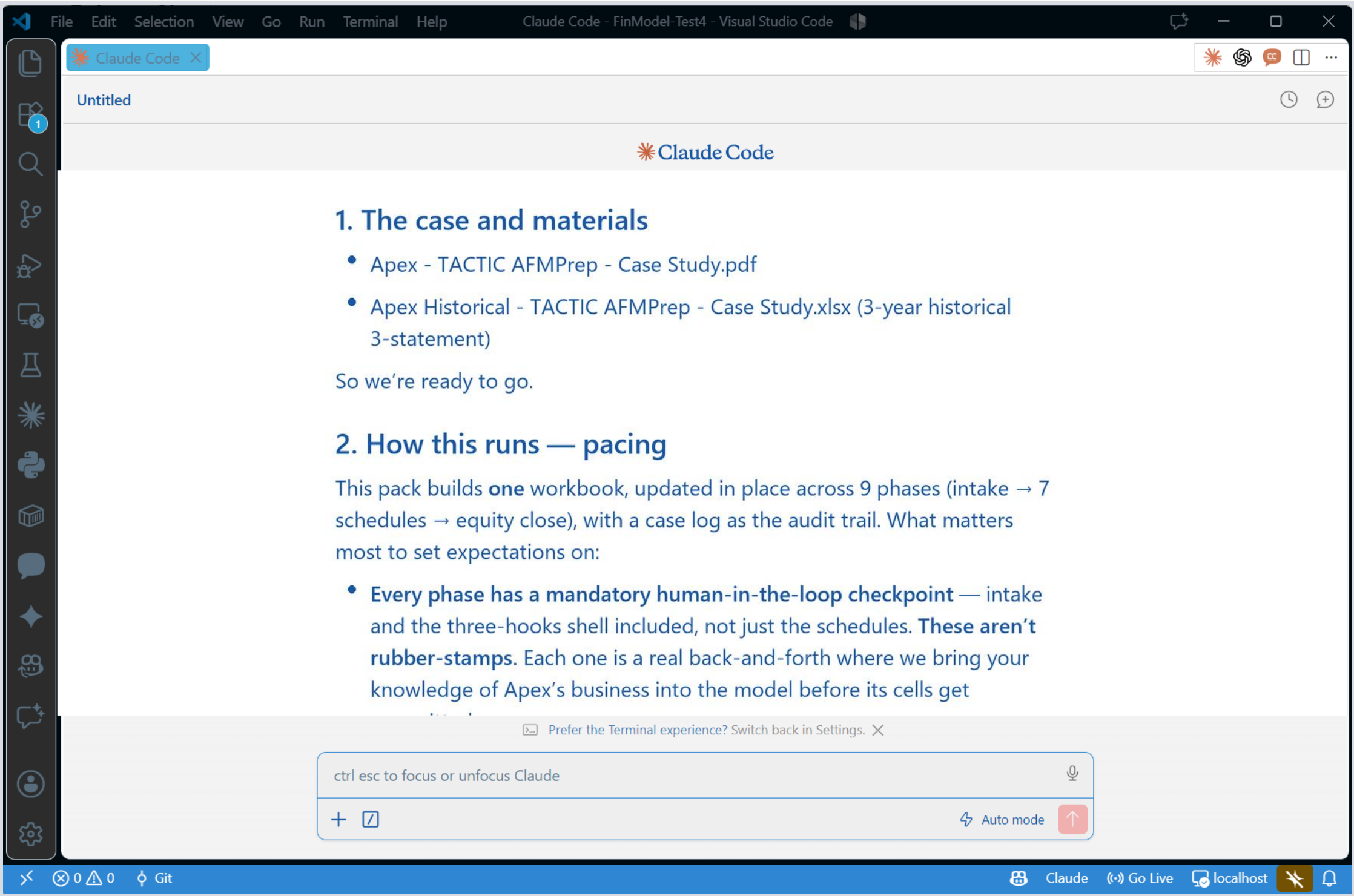
Three words.



THE WHOLE INPUT

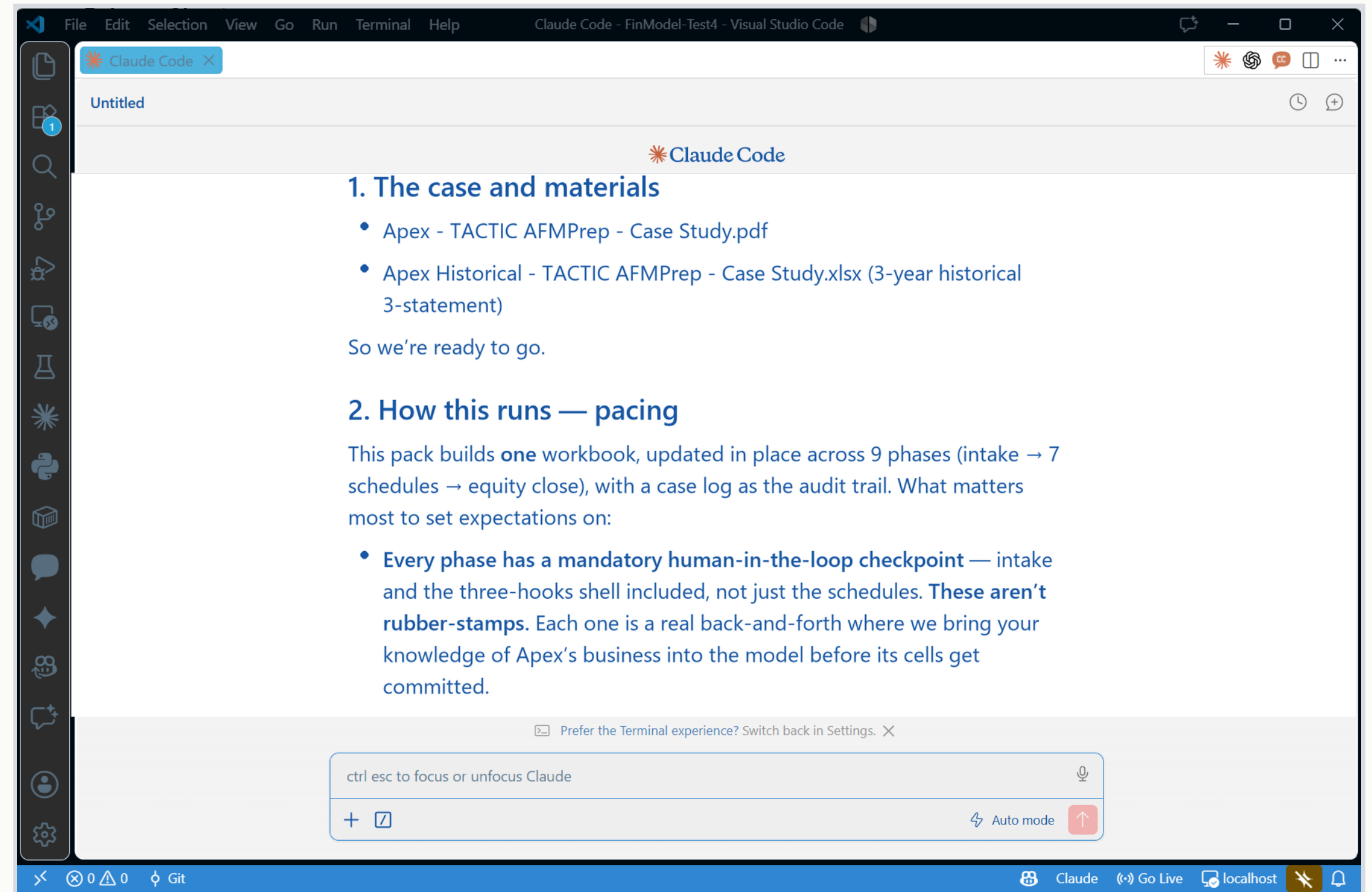
Three words.

That is the entire instruction. Everything after it came out of written skills, one per step, and the four times it stopped to ask me something.



BEFORE ANYTHING IS BUILT

It says what it will do.

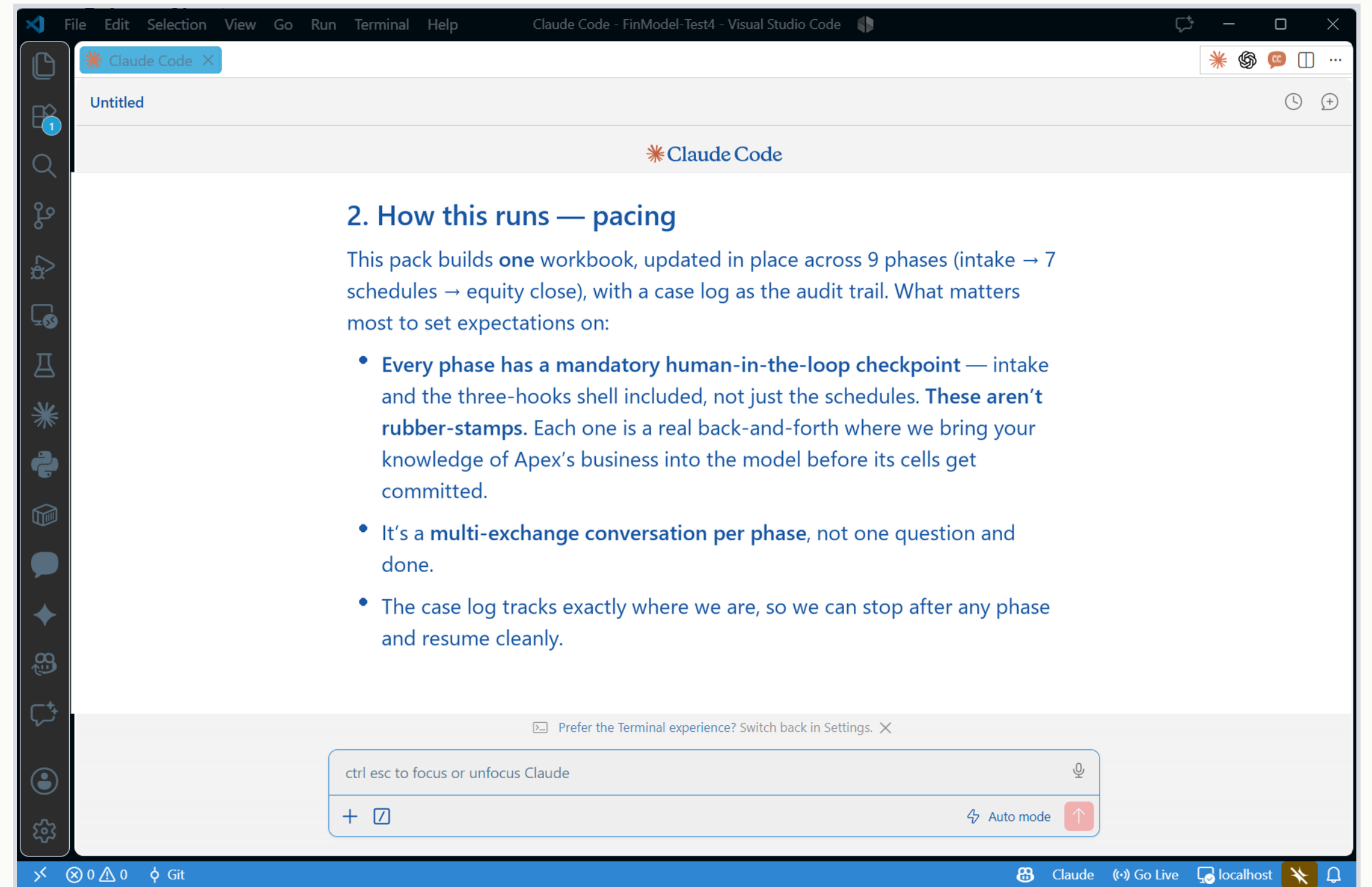


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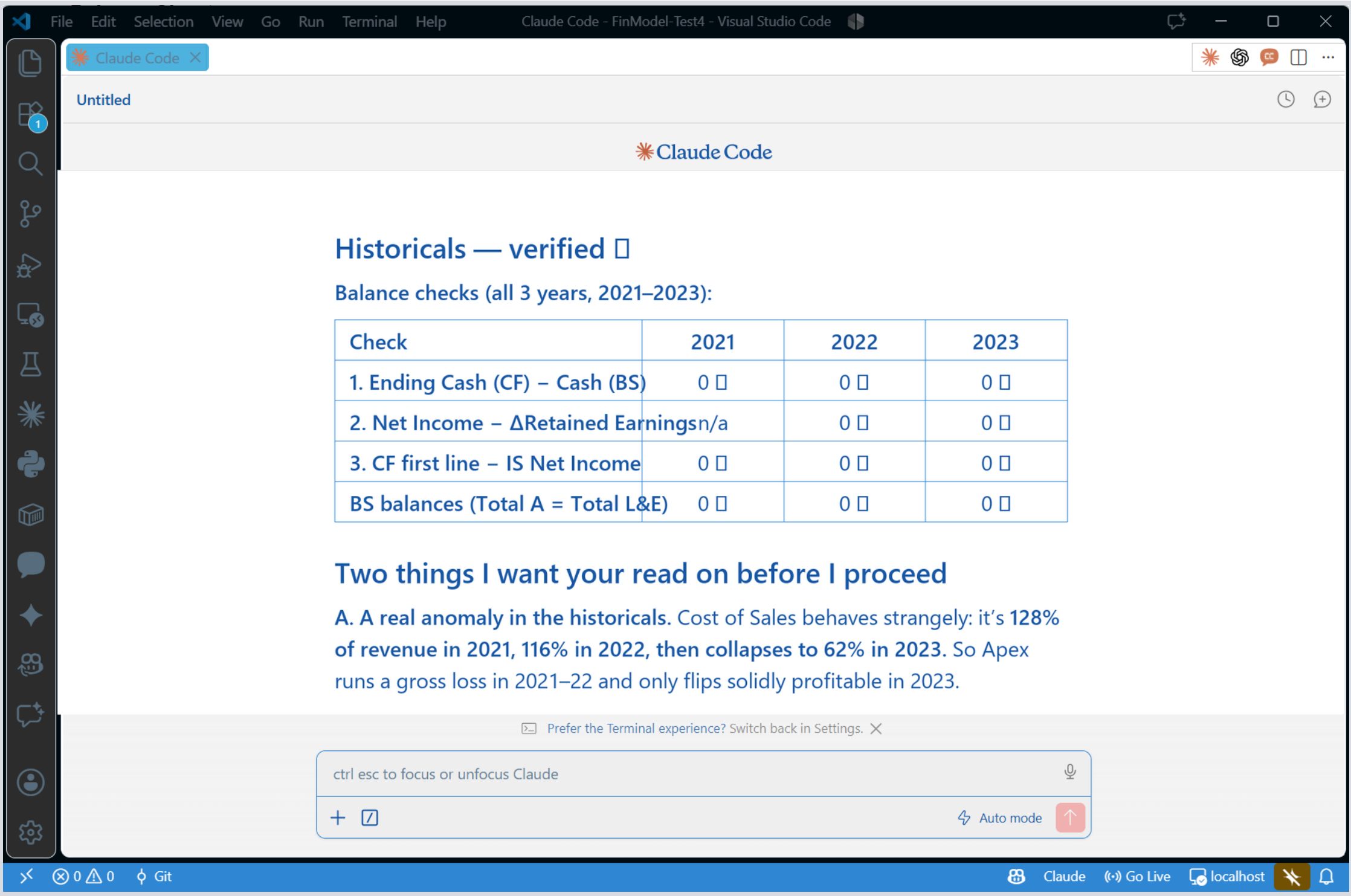
“Every phase has a mandatory human-in-the-loop checkpoint. These aren’t rubber-stamps.”

Nine phases, and a stop at every one. Not a progress bar. A question it cannot answer on its own.



THE STOP THAT MATTERS

It asked me something the data could not answer.

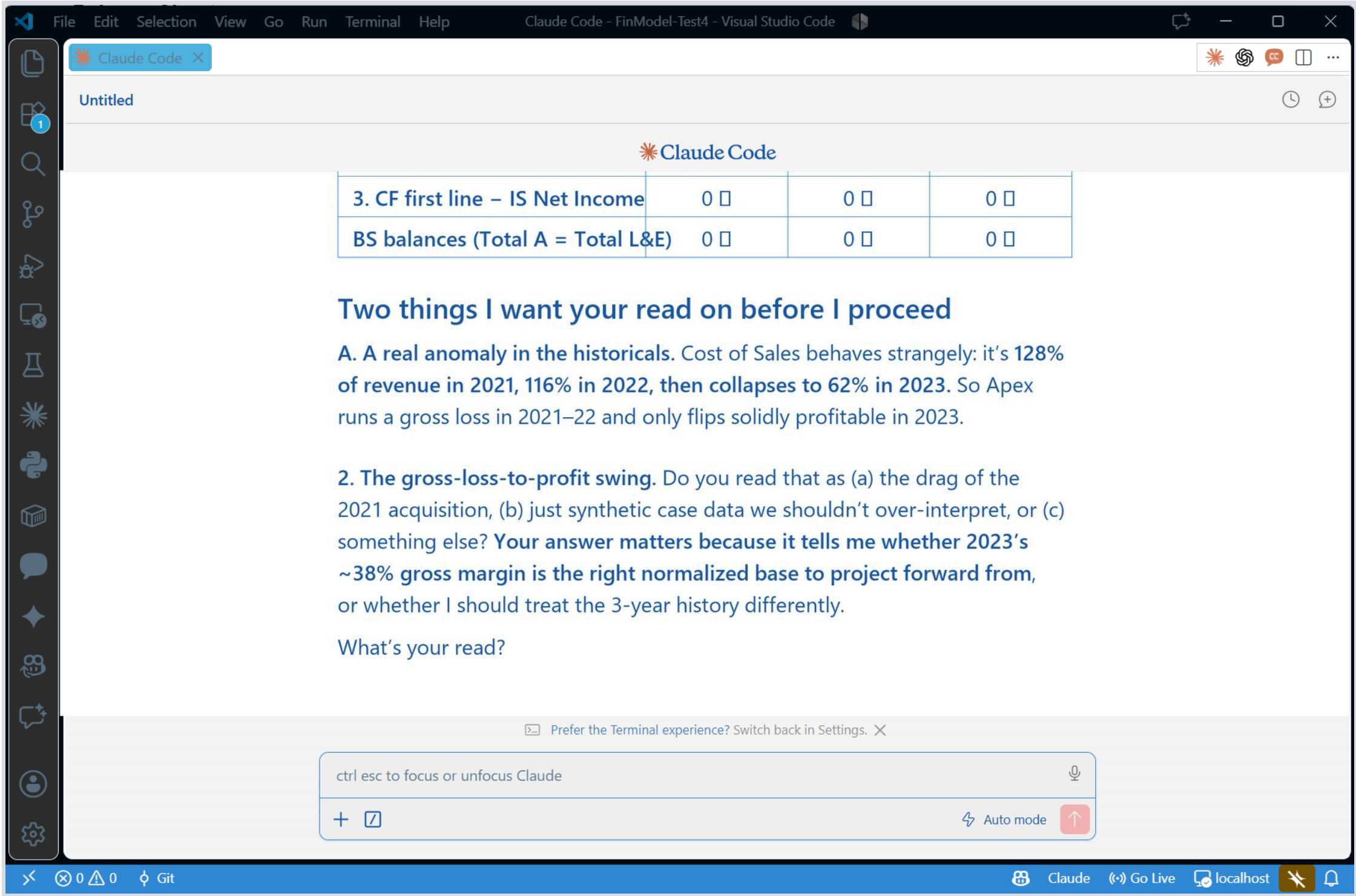


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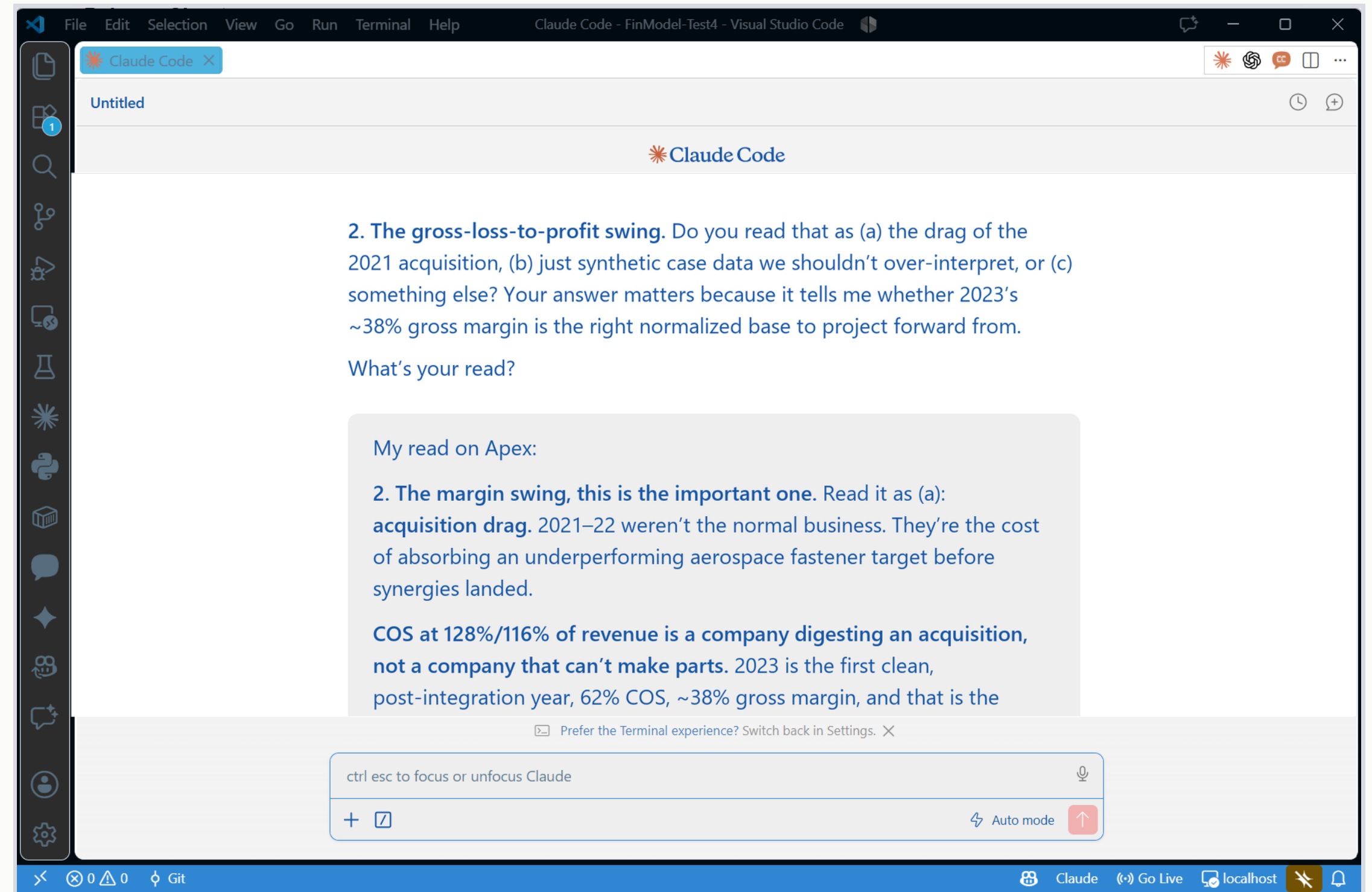
“No cells get committed until we’ve talked this through.”

Cost of sales ran at 128% of revenue, then 116%, then collapsed to 62%. The numbers show the swing. They do not say what it means, and what it means decides the whole forecast.



TWENTY-FIVE YEARS, ONE PARAGRAPH

This is the part no model can do.

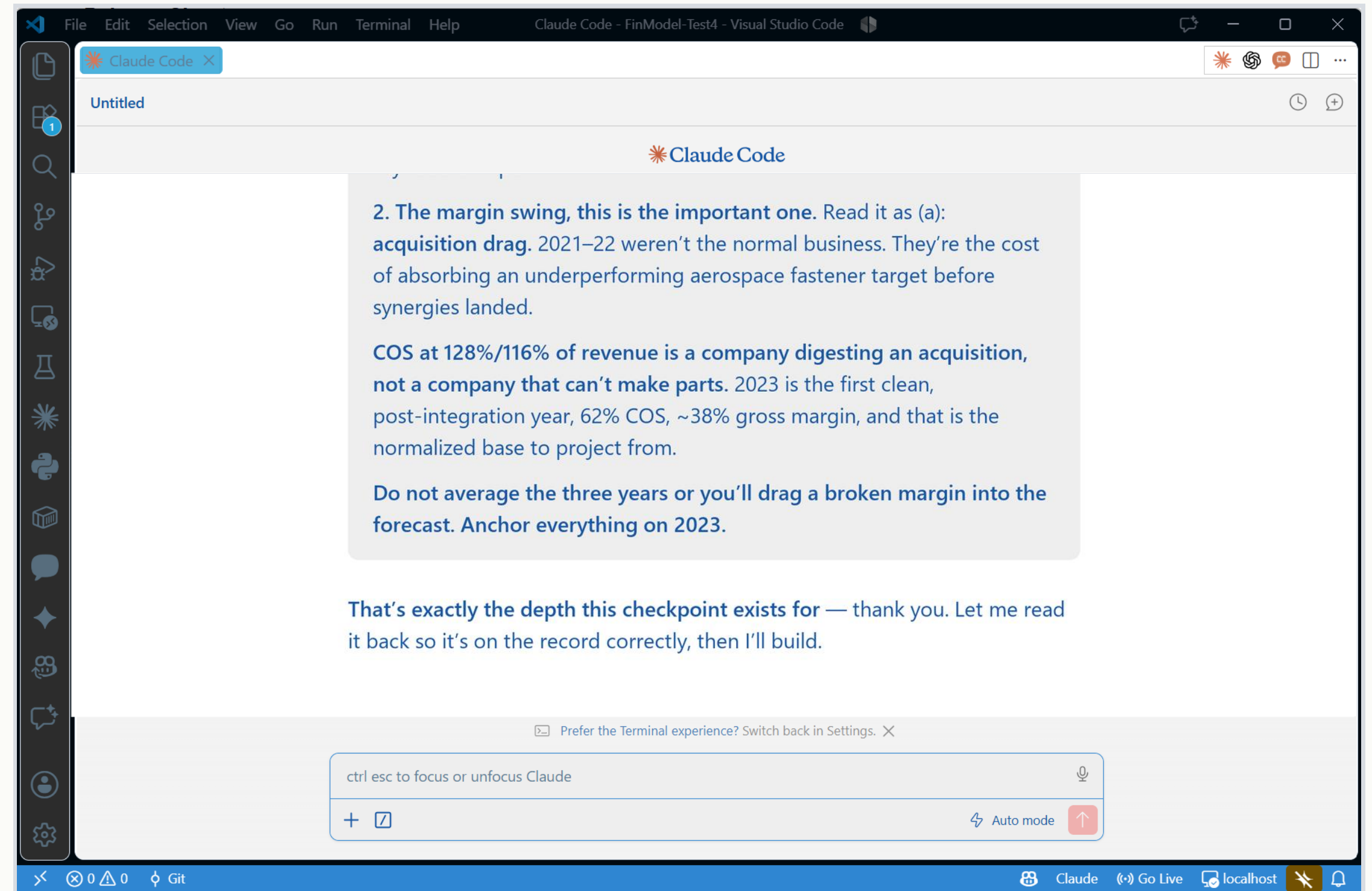


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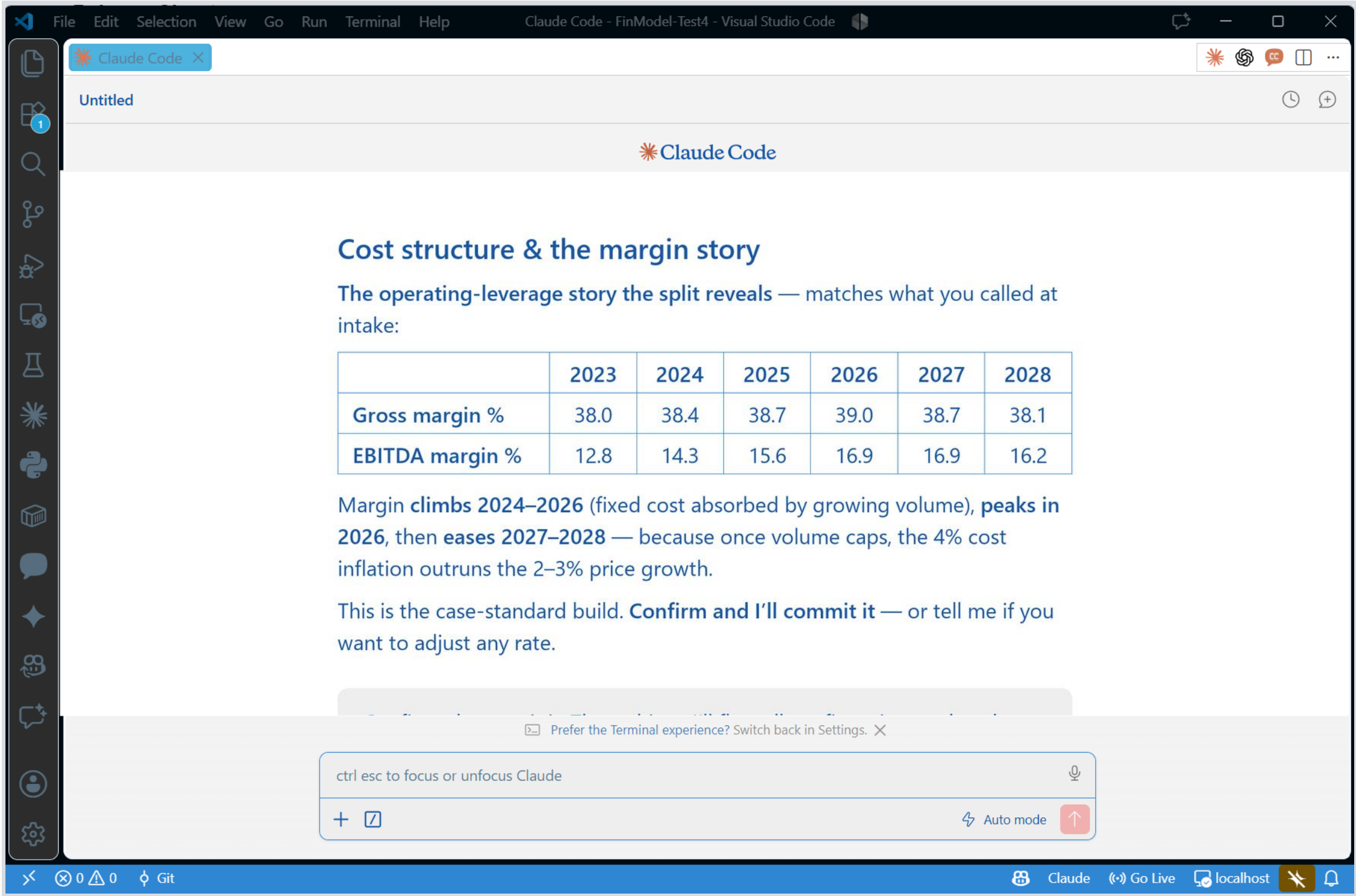
“COS at 128% of revenue is a company digesting an acquisition, not a company that can’t make parts. Do not average the three years or you’ll drag a broken margin into the forecast.”

Nothing in the file says this. It is pattern recognition from having seen a company digest an acquisition before.



THE RESULT THAT LOOKS WRONG

Margin peaks, then fades.
Keep it.

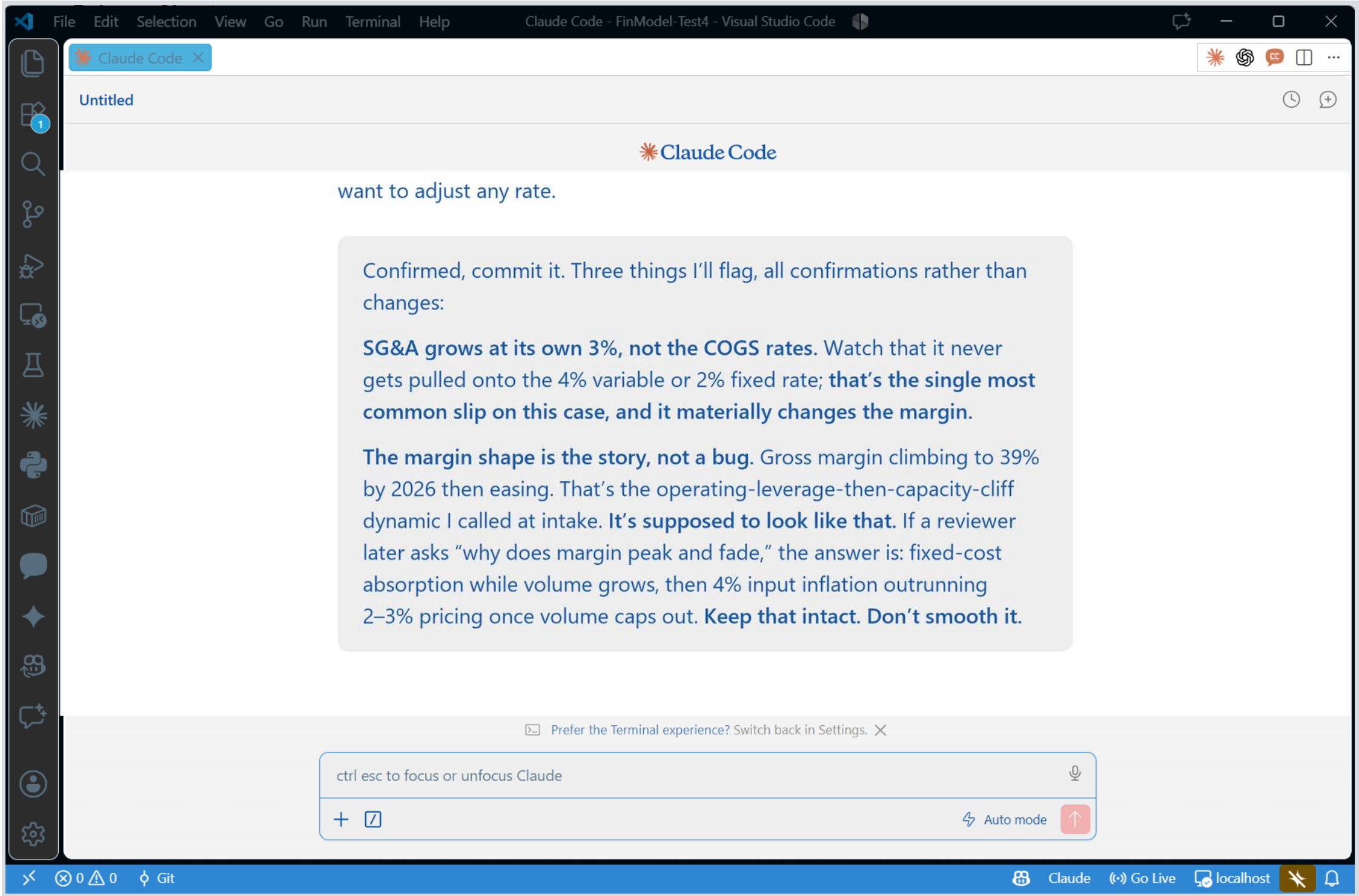


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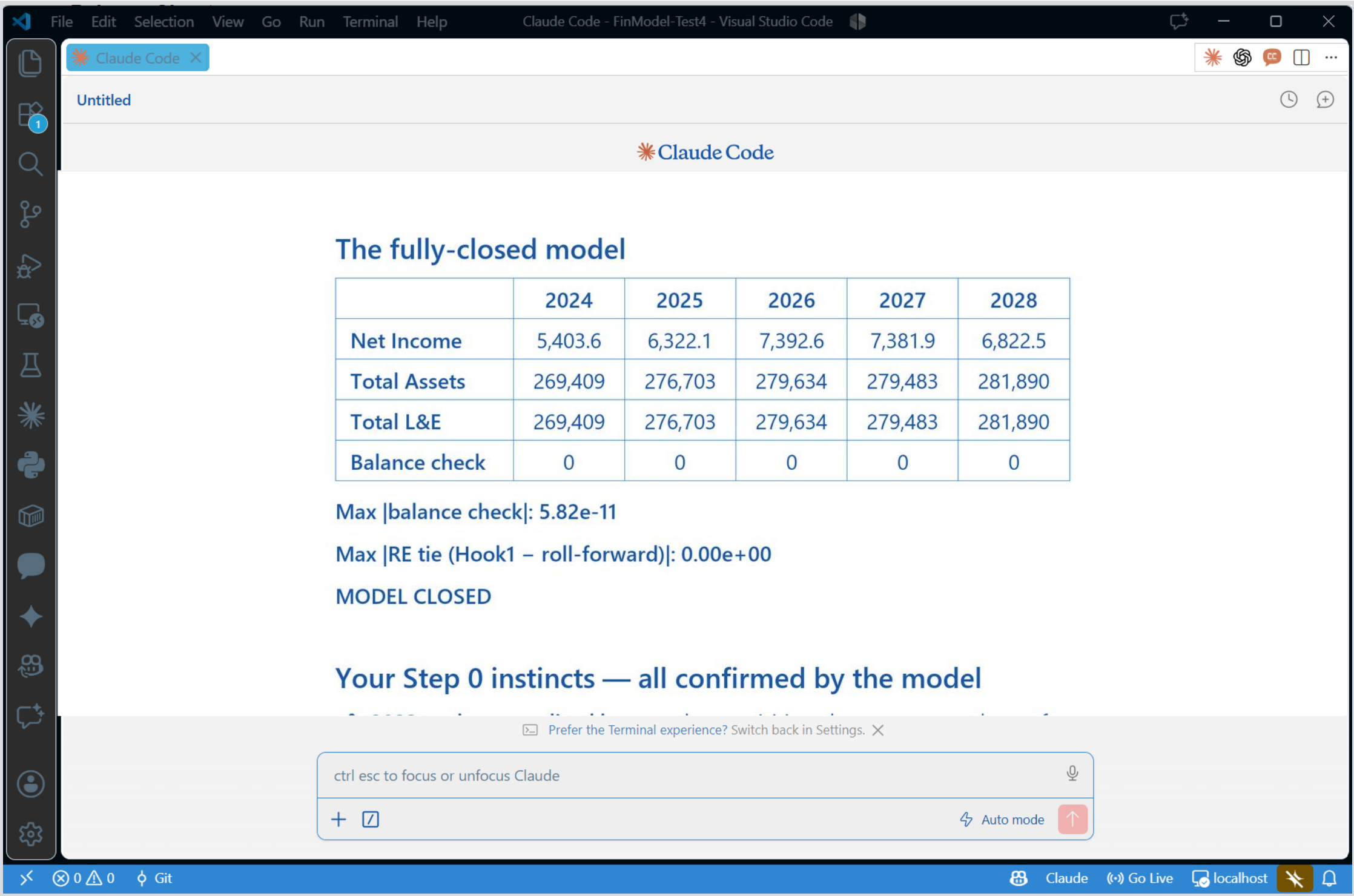
“The margin shape is the story, not a bug. It’s supposed to look like that. Keep that intact, don’t smooth it.”

An analyst who has not seen this before smooths that curve and deletes the finding. No check can catch it, because nothing is broken. The number is correct and it looks wrong.



FIVE YEARS LATER, IN THE ARITHMETIC

Every call, confirmed.

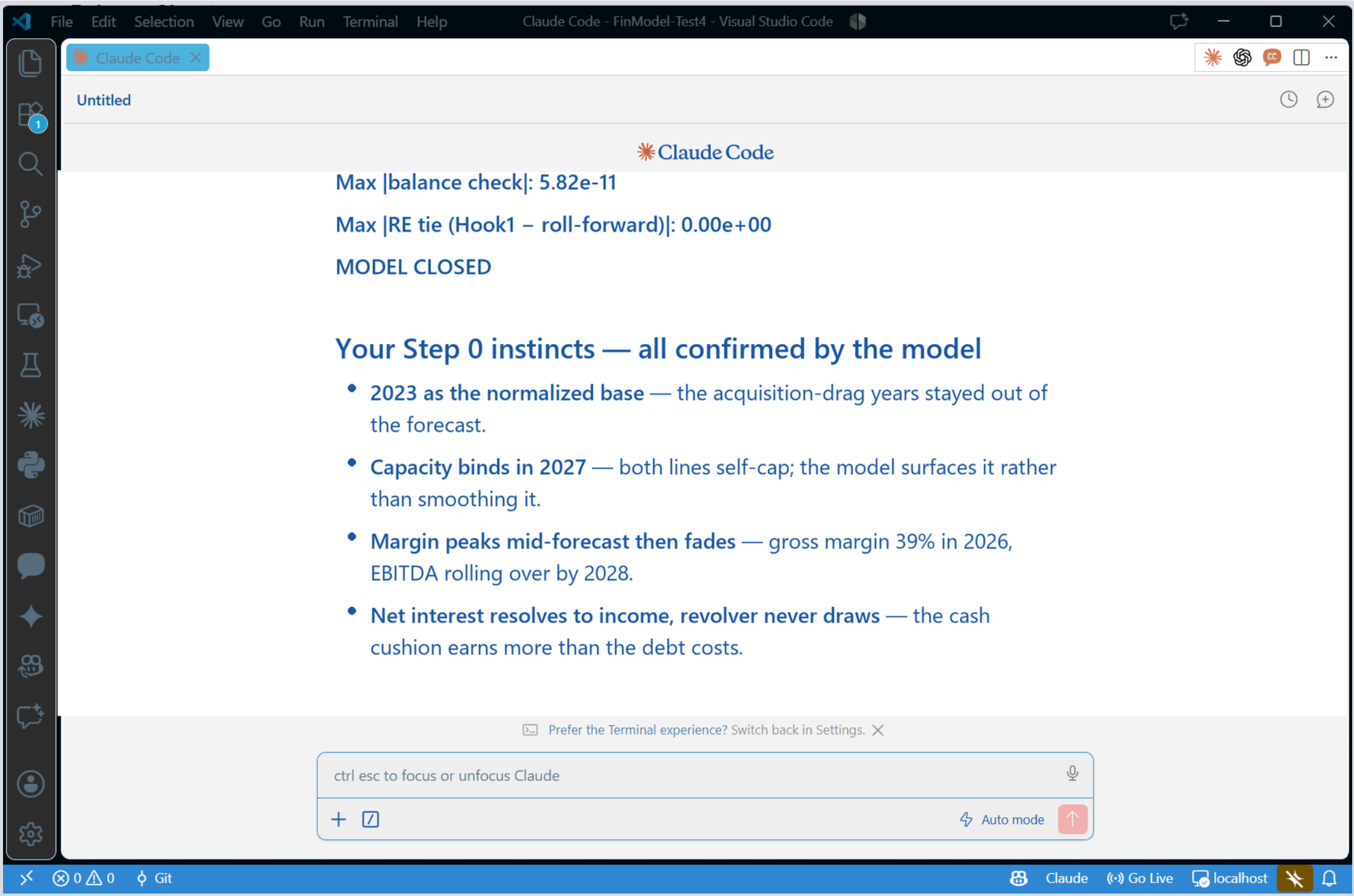


FIVE YEARS LATER, IN THE ARITHMETIC

Every call, confirmed.

Capacity binds in 2027. Margin peaks mid-forecast, then eases. The revolver never draws. Net interest resolves to income.

I could not have told you gross margin peaks at 39.0%. The model did that. I could tell you it would peak and then fade, and why, before a single cell existed.



YOU STOP BUILDING MODELS

AND YOU STILL HAVE TO UNDERSTAND THEM.

Once you don't have to build every formula in the model, once you don't have to worry about where the numbers are coming from, once you don't have to worry about how the layout of the model is designed, now you have time to understand the numbers, ask the hard questions, and go deeper into each analysis.

“

That's building intelligence

THE CONVERSATION

INTERROGATE

Which assumption is this most sensitive to, and why that one? Rank them. What breaks first?

ATTACK

Argue the opposite case. What would have to be true for this to be wrong? Where is it wrong in a way I wouldn't notice?

FIND THE UNASKED

What does this model imply that I haven't looked at? What did you assume that I never told you? And: explain this business to me from the numbers.

AND THEN THE LOOP CLOSES

INTO THE NEXT BRIEF

The question you didn't know to ask this quarter is the one you open with next quarter.

INTO THE NEXT RULE

Every time the AI does something you'd never do, that becomes a line in a skill. The system grows from mistakes caught.

INTO YOU

The exchange produces a better modeller. That compounds in a way no workbook does.

**THE SKILLS BUILD THE MODEL.
YOU BUILD THE INTELLIGENCE.**

● IN CLOSING

KEY TAKEAWAYS

One skill per step. Never one giant prompt. Write down your own steps first. Then turn them into skills.

Don't stop at the answer. The model is finished and the conversation isn't. That's where the intelligence is.

START THIS WEEK

QUESTIONS WELCOME





● THANK YOU

QUESTIONS?

CAROLINA LAGO

Let's
connect!

