

Evening course in financial modelling for project finance

Evening Course in Financial Modelling for Project Finance

To reserve a place or for more information contact Penny Lynch via www.projfinmod.co.uk

Course Structure

The course will be structured around a series of evening seminars held in the City of London. During each seminar assignments will be set, with a specified completion date. Assignments will be assessed and returned with feedback and comments. Tutorial support will be provided via e-mail and during pre-seminar open sessions.

Achievement of satisfactory grades in all assignments will be required for award of the Certificate in Project Finance Modelling. Distinction can be achieved through satisfactory performance in the optional examination at the end of the course.

Delegates unable to attend on a given evening will be provided with a record of the seminar, and e-mailed copies of any relevant handouts and other materials, as well as details of the assignment. So far as practicable, they will be assisted in catching up the missed material.

Venue & Fees

The seminars will be held between 6Pm and 9PM in the City of London. Delegate numbers will be restricted to a maximum of twelve.

The first full presentation will take place in Autumn 2009, please contact Penny Lynch via www.projfinmod.co.uk if you would like to be notified when dates are confirmed, or provisionally reserve a place.

Faculty

The course will primarily be presented by Penelope Lynch, drawing on more than twenty-five years of project finance modelling experience and more than a decade of teaching in this field.

Additional faculty may present some specific modules, where their expertise brings extra breadth to the course.

Required Skills

Delegates must have good Excel skills in order to benefit from this course. The practical exercises and assignments form a large part of the course, and delegates lacking knowledge of Excel may struggle to complete them. For delegates concerned that their Excel skills need to be improved prior to the course, attendance at a presentation of Penny's 'Basic Excel skills for project-finance modellers' course is recommended. If there is demand, a special presentation of this course will be run specifically for CPFM delegates ahead of the first seminar.

Materials

Course materials will be distributed at the commencement of each topic and will comprise illustrative excel files and handouts of the seminar presentations, together with a copy of "Financial Modelling for Project Finance" by Penelope Lynch.

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Course Objectives

On successful completion of the course, delegates will have acquired and demonstrated knowledge and practical skills in the following topics;

- Understanding the roles and functions of the model in the development of a project finance deal from feasibility to financial close and beyond
- Understanding the interaction between the model and the project assumptions and documentation, including loan agreements, construction and operating agreements, concession agreements etc.
- Understanding the requirement for flexibility in all aspects of model structure, and knowledge of methods to achieve this
- Understanding the base case and the process of sensitivity analysis
- Understanding the process of establishing model data and assumptions
- Knowledge of the best use of the Excel environment to support the process of model development
- Understanding of the significance of model error and the possible types of error
- Knowledge of methods for minimising the risk of error at all stages of model development and operation
- Knowledge of methods for checking, debugging and auditing models
- Understanding of key project finance indicators, IRR, ADSCR, LLCR etc.
- Understanding the use of macro-economic assumptions in the model, inflation and exchange rates
- Understanding the content and significance of model outputs
- Understanding all aspects of timing in the model
- Knowledge of methods for incorporating timing assumptions into the model, including flexibility for all key timings
- Knowledge of the key sections comprising a project finance model, the modelling issues associated with each, and how to resolve such issues
- Understanding the issues associated with use of macros in project finance models
- Ability, where appropriate, to add simple macros to a model, and to import more complex pre-prepared macros.
- Understanding the issues associated with circularity in project finance modelling
- Knowledge of methods allowing avoidance of circular Excel code
- Understanding the principals of constraints and targets allowing models to be optimised in various ways
- Knowledge of methods for optimisation of eg. revenues, debt repayment profiles, funding ratios
- Knowledge of methods for generating and storing tables of inputs and results
- Ability to write a project finance model, preparing a simple feasibility model and expanding and developing it through various intermediate stages to produce a detailed final-stage model able to run a range of base case and sensitivity analyses, with multiple sources of funding, and optional revenue optimisation.