

Advanced Modelling for Project Finance

This 2-day course is designed for participants who would like to learn advanced analytical techniques used in the project finance industry.

Participants will build upon the Foundation course model and add additional funding sources and covenants. Basic VBA coding will be written from scratch to debt size and prevent model circularities.



The best practice techniques and tips garnered from the course has helped take financial modelling within our organisation to another level.

Add additional scenarios and sensitivities

- Review commonly used Excel formulas for modelling
- Add a construction delay scenario and review the scenario manager

Optimise the funding mix

- Calculate the optimal debt capacity and optimise the capital structure
- Introduction to the VBA environment
- Write basic VBA coding from scratch

Add lender's required modelling features

- Build a Debt Service Reserve Account using advanced Excel formulas
- Discuss the use of other reserve accounts such as maintenance reserve account
- Understand how circularities can be eliminated Review commonly used project finance ratios Calculate cash sweeps and lock-ups

Different funding sources and interest rate swaps

- Consider the modelling of multiple funding sources and hierarchy
- Discuss the use of shareholder loan and its impact on shareholder return
- Add shareholder loan to the model, and calculate rolled up interest and repayments

Tax, depreciation and financial statements

- Grouping asset classes and using a streamlined approach to straight-line depreciation
- Calculate tax losses and carry-forward tax losses
- Consider the impact of thin capitalisation rules and apply a typical calculation to the deductibility of the shareholder loan interest
- Building integrated financial statements and ensuring the balance sheet balances

Refinancing

- Consider typical refinancing scenarios and discuss case studies of recent transactions
- Add refinancing scenarios to the model incorporating refinancing fees

Multi-asset and portfolio model techniques

- Discuss the different approaches to multi-asset and portfolio modelling
- Learn Excel functions which are useful when creating multi-asset models
- Use Excel-based case studies to illustrate and apply these modelling techniques

Operational and business models (optional time permitting)

- Consider different model timing including actuals period and business planning period
- Use Excel-based case studies to illustrate the addition of actual data to a forecast model