



## PROJECT FINANCIAL MODELLING MASTERCLASS

### OVERVIEW

Project financial modelling Master Class is a practical four-day course that focuses on building efficient, effective project models from first principles, while addressing the key issues of model design, structure and sequence. Tailored to meet the modelling needs of any project, modelling techniques covered throughout the course are practical, useful and aligned with best practice modelling methodology.

As project financial models are often linked to process engineering models, which provide key operating and volumetric inputs, any domain knowledge that is required to build successful project models is also addressed.

Designed to meet the needs of any person involved in building, using and evaluating project financial models or the provision of project finance, a basic understanding of Microsoft Excel, Income Statements, Balance Sheets and Cash Flow Statements is advantageous, although not essential.

The objective of the course is to cover all aspects of project models, and to this end delegates will focus on three different project models:

- Toll Road – a 20-year infrastructural project model
- New Product Project – a 20-year model relating to the manufacture of a new product
- Real Estate Project – a 10-year real estate project model

### WHAT THIS COURSE COVERS

- Distilling the key elements of the business case as the building blocks of the model creating the input sheet
- Building a comprehensive project model from first principles taking into account model design, specifications, structure, the required sheets and financial statements
- The importance of and interaction between Income Statements, Balance Sheets, and Cash Flow Statements in financial models
- Designing and completing support schedules for the Income Statement and Balance Sheet
- Designing and completing the financial statements
- Calculating cash flow “waterfalls”
- Calculating model outputs, cash and profits available for dividends and financial ratios
- Excel techniques useful in the analysis of model output (e.g. sensitivity analysis, scenarios, data tables, etc.)
- The importance of financing ratios such as Project Ratios and Debt Service Cover Ratios
- Measuring Project returns such as Free Cash Flows, Net Present Values (NPVs), Project IRR, Equity IRR, Dividend IRR (Internal Rates of Return) and Weighted Average Cost of Capital (WACC)
- Finalising and protecting the model
- Creating a comprehensive reference manual that covers all aspects of project financial modelling