

F1F9ACADEMY

T201e

FAST

**PROJECT FINANCE
MODELLING ONLINE**

“ONE OF THE
BEST COURSES
I’VE EVER TAKEN.”

STEPHAN KNOBLOCH, EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

T201e

FAST PROJECT FINANCE MODELLING

Outline

FAST Project Finance Modelling (T201e) teaches you how to build a project finance model and much more. We have interviews with expert advisers, funders, contractors and investors to give you a rounded view of how project finance works and how it is developing. The modelling tutorials will teach you how to build a financial model that evaluates equity returns and may be used to secure non-recourse debt. The video interviews that accompany the modelling assignments will open up the conceptual models underlying the spreadsheet engineering that you will be doing. All this makes FAST Project Finance Modelling (T201e) a unique well-rounded learning experience.

FAST Project Finance Modelling (T201e) teaches you how to apply general business and non-recourse finance theory to forecast cash flows associated with green field projects and special purpose vehicles. By

the end of the course, you will have built a functional financial model covering the period from the beginning of construction to the end of operations. You will also have gained an understanding of how project finance works in a range of different industry sectors and disciplines.

Target audience

FAST Project Finance Modelling (T201e) is designed for those that need to build, modify and understand financial models associated with project finance and other infrastructure related transactions (including green field projects and PPP / PFI).

The course is aimed at associates and analysts with modelling experience who have responsibility within their organisation for developing or maintaining a project finance model. We recommend that you complete FAST Financial Modelling (T101 or T101e) as essential pre-course work.

Teaching approach

The financial modelling tutorials are practical and hands-on. Our modelling tutorials show you step by step how to build your own financial model. The industry insight interviews that accompany the modelling tutorials are packed with the views of senior individuals in project finance. Our contributors come from leading companies such as KPMG, Ashursts, Dexia, ING and BAM PPP.

All of our teaching applies the principles of FAST financial modelling. You can expect to build project finance models that are flexible, appropriate, structured and transparent.

Modular, practical, online project finance modelling course:
Build a first class project finance model at your own pace.

Expert tuition from experienced instructors and practical advice from project finance professionals:
Learn real world modelling & benefit from project finance experience.

Advanced modelling:
Build on core skills learned in T101 FAST Financial Modelling.

Course fee is inclusive of unlimited pre and post course access to online support:
Our support to you extends beyond the course modules.

Based on the FAST Standard:
Continue to benefit from a systematic financial modelling methodology

Agenda

This course introduces you to the primary modelling requirements for a green field investment vested in a special purpose vehicle. You will build on the experience you gained in FAST Financial Modelling (T101 or T101e) and work with calculations for capital costs and construction finance. Working with a cash flow waterfall (also known as a cash or payments cascade), you will model a variety of cover ratio calculations that sit at the heart of most structured finance transactions.

You will cover:

- Construction financing: single tranche construction loan drawn down pro rata with equity finance. Commitment, up front, agent and arrangement fees. LIBOR-based interest during construction. Accounting and tax depreciation.
- Term financing: senior term loan including cover ratios and a sculpted repayment profile.
- Model design: introduction to primary vs. secondary time resolution modelling (monthly construction vs. semi-annual repayment/operations periods). Transfer of values between resolutions simply and efficiently.
- Model optimisation.
- Calculation of blended equity returns in primary vs. secondary time resolution models.
- Debt service and major maintenance reserve accounts.
- Shareholder loans and mezzanine facilities.

T201e

FAST PROJECT FINANCE MODELLING

Pre-work

Before this course, you should complete “31 days to better financial modelling” and FAST Financial Modelling (T101 or T101e). You can get started now by signing up here <http://info.f1f9.com/31-day-financial-modelling-course>. As soon as we receive your booking, we will send you an invitation to an exclusive pre-course online classroom in the F1F9 Academy where all of this material will be available as well as course joining instructions and course files.

Requirements

You should have at least a basic understanding of MS Excel coding (e.g. how to work with IF statements, use of \$ to anchor cell references). You will also need a PC with a Microsoft Windows operating system and Microsoft Excel loaded with Analysis ToolPak.

Post course support

Our objective is to transform your financial modelling skills. For that reason, your course fee includes open-ended access to the F1F9 Academy. This gives you unlimited access to video tutorials covering all the course material. All your questions will be answered within 24 hours in our support forums (and frequently much more quickly). You will receive invitations to our webinars where we look at financial modelling problems that our members have raised in the forums. The forums are a great place to bounce ideas off our instructors and fellow modellers. In short, we don't just give you a few tutorials and leave you to it – we are by your side as you put your new learning into practice.

FULL COURSE MODULE LISTING

- **Welcome to the course** – Kenny Whitelaw-Jones and Andrew Berkley
- **Overview:** Introduction to Project Finance (Morten Siersted, CEO, F1F9)
- **Perspectives:** The importance of the financial model in Project Finance (Andrew Watson, Managing Director, Quayle Munro)
- **Module 1:** Roadmap of the start model
- **Perspectives:** Simplicity in financial modelling (Moray Watt, Director, Quayle Munro)
- **Perspectives:** What the project sponsor wants from the financial modeller (Robert Young, Managing Director, BAM PPP UK)
- **Module 2:** Review of construction costs
- **Perspectives:** Construction issues in Project Finance - part 1 (Robert Young, Managing Director, BAM PPP UK)
- **Perspectives:** Construction issues in Project Finance - part 2 (Robert Young, Managing Director, BAM PPP UK)
- **Module 3:** Construction period sources and uses of funds
- **Perspectives:** Project Finance issues in the power sector (Mark Somerset, Vice President & General Manager - UK & the Netherlands, InterGen)
- **Module 4:** Modelling sources of funds
- **Perspectives:** The future of infrastructure financing (Tim Stone, Global Senior Advisor, KPMG Corporate Finance)
- **Module 5:** Modelling finance costs during construction
- **Perspectives:** Understanding a term sheet (Iain Wales, former CEO, Dexia Project Finance UK)
- **Module 6:** Modelling and testing interest during construction
- **Perspectives:** Role of the banks & Credit Committee process (John Kirwan, Managing Director & Head of Infrastructure & Project Finance (EMEA), Scotia Bank)
- **Module 7:** Construction debt: pro rata vs. equity first
- **Perspectives:** The Due Diligence process (Iain Wales, former CEO, Dexia Project Finance UK)
- **Module 8a:** Modelling opening balances - compare and contrast different approaches to timelines
- **Module 8b:** Modelling opening balances - building the air lock
- **Module 8c:** Modelling opening balances - what qualifies as a non-current asset?
- **Module 8d:** Modelling opening balances - understanding the opening balance sheet
- **Module 8e:** Modelling opening balances - track sheet
- **Perspectives:** The wrapped bond is back! (Dominic Nathan, Managing Director, Assured Guaranty)
- **Module 9a:** Debt service cover ratios - current period DSCR and minimum DSCR
- **Module 9b:** Debt service cover ratios - backward looking
- **Module 9c:** Debt service cover ratios - forward looking
- **Module 9d:** Debt service cover ratios - average ratios
- **Perspectives:** The role of the European Investment Bank (Tim Stone, Global Senior Advisor, KPMG Corporate Finance)
- **Module 10a:** Loan life cover ratios - Initial LLCR
- **Module 10b:** Loan life cover ratios - rolling LLCR
- **Perspectives:** Pension funds and infrastructure financing (Toby Stokes, Relationship Manager, Aviva)
- **Module 11:** Project life cover ratios
- **Perspectives:** Credit documents (Paddy Boyle, Partner, Ashurst)
- **Module 12:** Debt sculpture and converged ratios
- **Perspectives:** Security package (Paddy Boyle, Partner, Ashurst)
- **Module 13a:** Blended equity rate of return
- **Module 13b:** Blended equity rate of return - continued
- **Perspectives:** Credit enhancement options (Glenn Fox, Chief Investment Officer, Hadrian's Wall Capital Limited)
- **Module 14:** Debt service reserve accounts
- **Perspectives:** Collaboration in Project Finance (Morten Siersted, CEO, F1F9)
- **Module 15:** Shareholder loans
- **Perspectives:** Project Finance is a rewarding career (Tim Stone, Global Senior Advisor, KPMG Corporate Finance)
- **Perspectives:** Background of a Project Finance banker (Andor Lips, Vice President - Metals and Mining, ING Bank N.V.)
- **Module 16:** Revolving credit facility
- **Module 17a:** Model optimisation - part 1
- **Module 17b:** Model optimisation - part 2
- **Module 17c:** Model optimisation - part 3
- **Module 18a:** Major maintenance reserve account - relocating checks
- **Module 18b:** Major maintenance reserve account - assessing the impact of the MRA on the financial statements
- **Module 18c:** Major maintenance reserve account - modelling the MRA
- **Module 18d:** Major maintenance reserve account - assessing and modelling smoothed maintenance costs

ABOUT F1F9 ACADEMY

We teach the best financial modelling courses available on the market today.

We also run a busy financial modelling practice with over 40 modellers, all of whom use the techniques we teach on our courses.

Financial modelling is our core business.
This is what we do.

FIND OUT MORE ONLINE:

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F1F9 is accredited by the FAST Standard Organisation Ltd to deliver FAST training courses. See: www.FAST-standard.org/training for details

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