Project Finance Modelling in Excel Masterclass Series: A 2-Program Series (Online)

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BA (University of Pennsylvania)

Program Overview

What returns can Financial Sponsors expect from a project? What drives these returns? Would a project be able to service its debts in a timely manner? What is the optimal level of project debt? How would the project's returns and debt servicing ability look like under various scenarios?

The **Project Finance Modelling in Excel Masterclass Series** equips participants with the skills to build a robust and fully-integrated project finance model to answer the above questions and more. In this hands-on program, we will use a methodical approach to create a financial model for a hypothetical large-scale project. In the process, we will gain insights into best practices in project finance modelling and apply useful Excel functions that can be applied to modelling various large-scale projects such as power plants, toll roads and real estate. Instead of learning Excel without applying it to project finance modelling, this Masterclass Series focusses on equipping us with practical skills to build a financial model for a project.

Benefits:

- This course is extremely hands on, where we learn step-by-step how to build a project finance model
- Learn various Excel shortcuts and useful functions for project finance modelling
- Apply the model for scenario analysis and decision making

Masterclass Series Structure

This Masterclass is a 100% self-learning online program and comprises 2 programs. Learners **are highly encouraged to attend all 2 Programs of the Masterclass.** Learners will have access to the programs selected for up to 3 months from the enrolment date. The title, duration and fee for each Program is as follows.

Participants are required to create a user profile via www.fmtcs.e-learn.com to access the selected program's content once registration is completed.

Program	Title	Duration	Program Fee inclusive 6% SST	SIDC CPE points
1 of 2	Project Finance Modelling in Excel 1- Project Finance, Model Structure and Modelling Key Schedules	4 hours	RM875.00	10 points
2 of 2	Project Finance Modelling in Excel 2- Modelling the Project's Financial Statements and Investment Analysis	4 hours	RM875.00	10 points
ALL	ALL	8 hours	RM1,750.00*	20 points

*Sign up for all 2 Programs in a single registration and SAVE RM160.00, total fee would be RM1,590.

Key Masterclass Series Takeaways

- Describe the structure and parties of a project finance deal
- Discuss the role and importance of project finance modelling for equity and bond investors
- Contrast project finance with corporate finance
- Construct a fully-integrated project finance model that incorporates all phases of the project's life
- Apply useful Excel functions and short cut keys to expedite model construction
- Implement key steps in building a robust project finance model
- Analyze a project's attractiveness and viability to Financial Sponsors (i.e. equity investors) and Lenders (e.g. bond investors) under different scenarios
- Incorporate robustness checks into the model
- Analyze how changes in capital structure would impact returns to equity investors and the risk assumed by bond investors

How Will You Learn

- Project finance modelling case study based on a hypothetical large-scale project
- Building the project finance model step-by-step

Target Audience

- Investment banking professionals
- Buy and sell-side analysts
- Project engineers and project managers of large-scale projects
- Finance professionals in a corporation involved in evaluating large-scale projects

Others

Eligible for HRD Corp claim

Prerequisites

- Good foundation in financial statements and a working knowledge of Microsoft Excel

Enquiries

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Details of Each Program in the Masterclass Series

Program 1 of 2: Project Finance Modelling in Excel 1-Project Finance, Model Structure and Modelling Key Schedules

Key Learning Aims:

- Describe the structure and parties of a project finance deal
- Discuss the role and importance of project finance modelling for equity and bond investors
- Contrast project finance with corporate finance
- Illustrate the structure of the project finance model
- Document the operating and financing assumptions for the project finance model
- Apply useful shortcuts and functions in Excel to expedite model construction
- Model key schedules of the project finance model such as the capex, funding, revenue, expenses, property, plant and equipment and capital allowance schedules
- Relate the model's key schedules to other parts of the model

Prerequisites

- Good foundation in financial statements and a working knowledge of Microsoft Excel

Detailed Program Outline

Introduction

- What is project finance?
- Comparing project finance with corporate finance
- Structure of a project finance deal
- Parties in a project finance deal

Project Finance Model Structure

- Introduction to the modelling case study
- The structure of the project finance model
- The role and importance of the model for equity and bond investors
- A list of useful Excel shortcuts and functions to expedite project finance modelling

Documenting Operating and Financing Assumptions

- Making sense of the model's key operating and financing assumptions
- What the various operating and financing assumptions mean for equity and debt investors
- Relating operating and financing assumptions to the rest of the model

Modelling the Capex, Funding and Bond Financing Schedules

- The role of the capex, funding and bond financing schedules
- Making sense of a project's sources and uses of funds
- Projecting the capex, funding and bond financing schedules
- Modelling drawdowns and repayments of the construction debt
- Projecting bond interest and principal payments under different repayment patterns
- Relating capex, funding and bond financing schedules to the rest of the model and their importance to debt and equity investors

Modelling the Revenue and Expense Schedules

- The role of the revenue and expense schedules
- Incorporating inflation into revenue and expense projections
- Relating revenue and expense schedules to the rest of the model and their importance to debt and equity investors

Modelling the Property, Plant and Equipment and Capital Allowance Schedule

- The role of the property, plant and equipment and capital allowance schedule
- How the property, plant and equipment and capital allowance schedule relate to the rest of the model

Program Summary, Conclusion and Assessment Quiz

- What's next? Program Wrap Up, Summary and Conclusion
- Program assessment: Quiz

Program 2 of 2: Project Finance Modelling in Excel 2-Modelling the Project's Financial Statements and Investment Analysis

Key Learning Aims:

- Model the project's income statement, balance sheet, cash flow waterfall and equity schedule to complete the model
- Use the cash flow waterfall to evaluate the project's cash flows to equity investors and bondholders
- Analyze the project's equity internal rate of return (IRR) and equity net present value (NPV)
- Decide whether equity investors should fund the project based on the project's equity IRR and equity NPV
- Assess the project's risk to bond investors using debt service coverage ratios
- Evaluate the project's attractiveness to equity and bond investors under different scenarios
- Estimate how changes in the project's capital structure would impact the returns to equity investors and the risk to bondholders
- Determine if the model is robust using the model's robustness checks

Prerequisite

- Completion of Project Finance Modelling in Excel 1-Project Finance, Model Structure and Modelling Key Schedules

Detailed Program Outline

Projecting the Income Statement

- The role of the income statement in the project finance model
- Relating key schedules in Module 1 to the income statement
- Estimating taxes paid by the project
- The role of net operating losses and how they affect taxes paid

Projecting the Balance Sheet

- The role of the balance sheet in the project finance model
- The concept of working capital, what it means for cash flow and how it relates to the balance sheet
- Relating key schedules in Module 1 to the balance sheet

Projecting the Cash Flow Waterfall and Equity Schedule

- Making sense of the structure of the cash flow waterfall
- Relating the income statement and balance sheet models to the cash flow waterfall
- Evaluating the project's cash flows to equity investors and bondholders using the cash flow waterfall
- Projecting the equity schedule
- Balancing the model

Investment Analysis

- The Equity IRR and Equity NPV concepts and why they matter to investors
- Interpreting the debt service coverage ratio and why it matters to investors
- Determine if equity investors should fund the project using Equity IRR and Equity NPV
- Assess the risk of the project to bondholders by using the debt service coverage ratio

Sensitivity and Scenario Analysis

- Evaluate the attractiveness of the project to equity and bond investors under various scenarios
- Analyze the impact of changes in capital structure on the returns to equity investors and risk to bondholders
- Using the model to answer the case discussion questions

Robustness Checks

- The importance of model robustness checks
- Key robustness checks to incorporate into the model
- Evaluating the model's robustness

Program Summary, Conclusion and Assessment Quiz

- Summary and Conclusion
- Assessment: Quiz

Speaker Profile

Kah Teck has more than a decade of capital markets experience. He was a portfolio strategist in CIMB Investment Bank and Am Investment Bank where he was responsible for spearheading investment advisory and product development initiatives and also played an active role in evaluating numerous plain vanilla and hybrid fund raising options. He has also worked for the Securities Commission in research and formulating capital market development policies.

Now the Managing Director and Principal Trainer for FMTCS Sdn Bhd, Kah Teck passionately shares his knowledge and experience with professionals in many of Malaysia's leading financial institutions and government-linked institutions. His trainees frequently credit him with the ability to make finance interesting and demystify complex finance concepts.

Kah Teck graduated *summa cum laude* with a dual degree in finance and economics from the University of Pennsylvania's Wharton School and School of Arts and Sciences, and holds an MBA (with Honors) from the Booth School of Business, University of Chicago. He is also a Chartered Financial Analyst (CFA) charterholder. Kah Teck was also awarded the prestigious ASEAN scholarship to pursue pre-university studies in Singapore.

His teaching and research interests are in corporate finance, derivatives, securities valuation, financial risk management, financial modelling and financial analysis.

What our past participants say about Kah Teck's training delivery:

- *"Finally**,** a financial modelling course that teaches us how to **build an effective financial model from scratch**"*
- ***"Practical, fun and easy to follow** -accounting and valuation concepts are brought alive in this Program"*
- ***"Awesome Excel short cuts** that expedite my daily use of Excel"*
- *"He has **immense knowledge** of finance and is very passionate and eager to teach and share-it amazes me how one can **make finance so interesting and easy to comprehend**"*

Registration Form

Financial Modelling in Excel Masterclass Series (online)

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Sign up for all 2 Programs in a single registration and SAVE RM160.00, total fee would be RM1,590.00

Name : _____

Designation : _____

Company Name (for billing) : _____

Contact Tel. No. : _____

Email Address : _____

Payment Details

☐ **BY BANK TRANSFER**

- Participants will bear all bank telegraphic transfer charges.
- Once we receive your registration form, we will provide you with an invoice and bank-in details.

Cancellation and refund policy

Please visit our webpage https://fmtcs-elearn.com/frequently-asked-questions-faqs/ for information.

Enquiries

Please contact +6 016 633 2883 or email us at fmtcs.sb@gmail.com

Disclaimer

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