

Project Modeling in Excel

Practical, hands-on training for creating and understanding project finance models

Project Modeling in Excel provides you with the ability to create and understand project finance models. Through building models in a hands-on environment, you will be better able to quantify risks of different types of projects and to use models to design the best debt, equity and contractual structure to build models.

The program is designed so that you can learn to build and interpret **flexible** models with effective summary statistics; so that models will be **accurate** with effective error checks that verify the model; so you can understand and program **structured** models that incorporate complex cash flow waterfalls, alternative funding cascades and sculpted repayment techniques; and so that models will be **transparent** and clear to understand by users.

How you will benefit

- Understand the objectives and the structure of project finance models in terms of structuring and risk analysis
- Be able to interpret models developed by other people and add master scenario pages to any model
- Create flexible models with effective summary statistics to evaluate alternative timing, operating assumptions, financial structures, re-financing and contract pricing
- Work through the difficult problems in project finance modeling
- Quantify project risks using different techniques and understand mistakes in risk assessment
- Incorporate structural enhancements into models and gain insight into the costs and benefits of the alternative features
- Learn Excel techniques to make better presentations from models and to make models more transparent and efficient

Optional Excel Session

An optional extra Excel session is available, at no extra charge, for participants who do not regularly use Excel in their day-to-day work. The session will take place on the evening prior to day 1 of the program.

EARLY ENROLLMENT DISCOUNT - Enroll more than 90 days in advance and receive a 10% discount on the program fee

	3 days
	€3500
	Corporate Finance
	English
	4.7/5
	4 – 6 October 2016

Faculty

Edward Bodmer teaches a number of modeling courses and is a consultant who specializes in financial analysis and modeling. He is a former banker and has taught courses for major corporations and financial institutions around the world for many years. Visit his website to see some samples of models: www.edbodmer.com. He received an MBA specializing in econometrics (with honors) from the University of Chicago and a BSc in Finance from the University of Illinois (with highest university honors).

“ This course helps you to improve your models and makes them more stable, which in turn helps you to make better investment decisions ”

- Business Analyst
ENECO
The Netherlands



This program is eligible for **18 CE credit hours** as granted by CFA Institute.

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Program Content

Subject	Content
Introduction and Model Structure	<p>The program begins with introductory comments about the skills and general objectives in project finance modeling with an emphasis on the difficulty in measuring and valuing risk. After the introductory discussion, participants begin work on construction of a flexible, structured, accurate and transparent project finance model.</p> <ul style="list-style-type: none"> • Flexible timing in project finance models • Operating analysis and pre-tax IRR • Depreciation, capital allowance and fixed asset module
Financial Structuring In Model During Construction	<p>The second module of the program begins the addressing details of project finance models including funding structure during construction, interest during construction, liquidated damages, bond financing and various other exercises relevant to financing during construction in project finance models.</p> <ul style="list-style-type: none"> • Review of financing calculations in actual modes • Funding cascade • Debt schedule during construction • Circularity macros and functions for capitalized interest and fees • Circularity macros and functions for capitalized interest and fees • Model verification and accuracy audits
Debt Structure, Sculpting and Debt Sizing	<p>As project finance is a type of debt, the third module addresses various theoretical and practical issues related to debt financing in general and project debt in particular. Subjects included in module three include setting up a debt schedule, debt sculpting, flexible debt terms, debt capacity, debt structure and credit measures.</p> <ul style="list-style-type: none"> • Debt schedule and debt capacity • Debt structuring • Debt sculpting
DSRA, MRA and Cash Flow Waterfall	<p>The fourth module moves from debt structuring to risk analysis. The principal issue addressed is how to model a cash flow waterfall where different instruments such as cash flow sweeps reserve accounts and covenants are used to protect senior debt service.</p> <ul style="list-style-type: none"> • Cash flow sweep and cash trap covenants • Efficient cash flow waterfall modeling • Debt service reserve accounts
Taxes and Financial Ratios	<p>The fifth module completes the project finance model through inclusion of a profit and loss statement and computation of income taxes. Given the income, a balance sheet is computed to verify calculations in the model. Finally, the LLCR, PLCR and the average debt life are computed.</p> <ul style="list-style-type: none"> • Profit and loss statement and income taxes • Calculation of alternative financial ratios • Balance sheet calculation
Re-financing and Risk Analysis	<p>In the final part of the program participants use the model they have created to analyze a series of decisions and evaluate various risks. Participants first address traditional measurement of risk through break-even analysis, scenario analysis and sensitivity analysis. Next, the program moves to mathematical approaches that directly attach a numeric value to risk. Exercises in this part of the program include creation of time series models, Monte Carlo simulation, and credit issues associated with long-term supply contracts.</p> <ul style="list-style-type: none"> • Economic value drivers in projects • Major risks of projects (analysis and mitigation) • Re-financing • Risk Analysis Exercises • Break-even analysis • Sensitivity analysis and graphs • Scenario analysis • Tornado analysis • Monte Carlo Simulation

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Enrolling & Practical Information

Enrollment requirements

AIF considers each enrollment application carefully to ensure the quality and level of the program is maintained and that participation of candidates is beneficial to both themselves and their companies. The general prerequisite for all AIF programs is the possession of an academic or equivalent degree, as well as proficiency in English and practical experience.

How to enroll

Enrollment applications are available via www.aif.nl. There is no closing date for enrollment although it is advisable to enroll early as places are limited. General Terms & Conditions of enrollment are available via www.aif.nl

Program calendar

Program dates and information about all AIF programs are available at www.aif.nl or by contacting AIF directly.

Accommodation

AIF has special reduced rates available for participants at nearby hotels.

Program location

All AIF programs take place at AIF's premises in the center of Amsterdam. AIF's premises are easily accessible by public transport and car and are a 30-minute drive from Schiphol international airport and a 5-minute walk from Amsterdam's central train station.

Program fees

Program fees include all the comprehensive program materials, books, and software that are required per program, as well as daily luncheons. Accommodation is not included.

As an educational and not-for-profit foundation, AIF is exempt from charging VAT. For clients located within the Netherlands, the AIF program fee is exempt from VAT. For other EU and all non-EU clients, VAT may be due by client to the tax authority.

Certificates

An AIF certificate of attendance is awarded to all participants who successfully complete an AIF Open Enrollment or In-Company program.

About Amsterdam Institute of Finance

AIF is a global financial education and innovation institute headquartered in Amsterdam. Through our programs (open enrollment and in-company) we connect ambitious professionals with the best minds in finance. Taking part in one of our programs or events is a direct investment in your personal future. Joining the AIF alumni network means connecting with the world's leading financial experts, in addition to professionals from more than 1200 organizations. Together with them we endeavor to impact your career and shape the future of finance.

This is what makes AIF and the AIF experience unique:

- We believe in responsible and sustainable finance
- AIF is a not-for-profit foundation which allows us to independently select our faculty from the world's leading business schools (such as INSEAD, NYU Stern, Berkeley, etc.) and other institutions
- Our clients, rather than profits, come first for us
- AIF delivers top quality. Our alumni give our faculty an average rating of 4.6 out of 5.0
- Enrollment in one of our programs means you become part of the AIF network which connects you to professionals in more than 110 countries
- Our programs are applicable to daily practice and prepare you for the future of finance.

CONTACT US

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