

# DEBT MODELLING MASTERCLASS

Build realistic debt optionality into your financial model



## Key benefits from attending this outstanding course

- Master the modelling of comprehensive debt mechanics, sizing and sculpting
- Learn how to model and test a Debt Service Reserve Account (DSRA)
- Understand the seniority of payments and Mezzanine debt mechanics
- Add cash sweep metrics to your credit analysis toolbox
- 100% hands-on – bring your own problems or discussion points

## How will this course help you and your team?

- Work confidently with debt concepts such as sculpting and target DSCR profiles
- Get comfortable working with sophisticated debt structures
- Improve your credit analysis and approval processes
- Build more transparent debt models that are easier to check

## Debt modelling for project finance

If you can build a basic model but still find yourself wanting to learn more in order to deliver peak performance within a banking environment, you should participate in the Debt Modelling Masterclass. This course builds on the key concepts obtained in Navigator's course PFM(A) but can also be attended as a stand-alone course.

This course is essential to improve your ability to build, review or analyse financial models where debt sizing, repayment, refinancing and seniority are issues to consider. It is designed to appeal to project finance, corporate finance and investment banking professionals.

## Navigator is the debt modelling expert

Over the past five years this course has been given to hundreds of enthusiastic debt modellers who have wanted to avoid 'learning the hard way' and leverage off of the experience that Navigator has formed into a solid framework. The material is delivered with a focus on what works in a transaction and what issues to avoid when modelling the ever changing content of a term sheet!

Participants in Asia, United States, Australia and Europe have all enjoyed the global best practices helping you build robust, flexible and transparent financial models. Learn new skills that will impress your clients, colleagues and managers.

## Interactive workshop – use your own laptop

During this 2 day project finance modelling course you will, under personal coaching from our Expert Trainer, build your own project finance model from scratch. You will be working on your own laptop which ensures that you will absorb all the key concepts and become more confident in using hyper-efficient Excel keyboard shortcuts which will save you an amazing amount of time.

## Analyse project finance debt transactions

The majority of this highly interactive course is spent developing comprehensive debt mechanics into the financial model built in PFM(A) for a greenfield project. All techniques are based on Navigator's internal standards of model development designed to ensure the highest quality and practicality under transaction conditions.

[www.navigatorPF.com](http://www.navigatorPF.com)

Strictly limited to 10 participants to maximise your learning

# Work confidently with debt sculpting and target DSCR profiles

## Day one

### Sculpting debt repayments

- Introduction to different debt sculpting methods and when to apply them
- Advance techniques to annuities to enable sculpting
- Sculpting repayments to a target DSCR
- Dynamic modelling of multiple repayment methods

### Stand alone cash sweep

- Difference between standard cash sweeps
- Capturing payback dates for all scenarios
- Incorporating a flexible start date for cash sweep
- Explain the relationship to the live debt account
- Graphical representation to compare the cash sweep to the live account

### Debt Service Reserve Account

- Explanation of the DSRA/c and why it is used
- Transparent modelling of the funding and releases of the account
- Rigorous testing of the DSRA/c
- Incorporate into the Cashflow Waterfall at the correct position
- Modelling a target that is flexible for the number of periods to look forward
- Integration into the DSCR calculation

### Mezzanine Debt Facility

- Explanation of what a mezzanine facility is used for
- Using mezzanine debt as a source of funds during construction
- How to repay the mezzanine facility and what interest rate to use
- Incorporate into the Cashflow Waterfall correctly

*"The Debt Service Reserve Account and the individual explanations to questions were the most valuable aspects of the course. Hopefully we get the budget for another course soon."*

Senior Consultant, PricewaterhouseCoopers

## Day Two

### Cash Sharing

- Cash sharing as an alternative repayment method
- How to avoid circular references using this method
- Setting up different cash sharing proportions for different scenarios

### Debt Sizing

- Explain the challenges faced in debt sizing with multiple covenants
- Size debt with specific annuity constraints
- Size debt to a constant DSCR
- Using goal seek to optimize debt
- Using data tables to find the correct debt size based on different scenarios

### Model analysis and output

- Prepare DSCR for senior and mezzanine debt for all scenarios
- How to calculate an off-sheet data table
- Interpreting results of multiple scenarios
- Refining the Executive Summary to include key debt output

### Circular Reference & MIRR

- Explanation of what triggers a circular references
- Set up a circular reference example using average interest
- Breaking the circular reference using a macro
- Breaking the circular reference using algebraic techniques
- Definition of the MIRR and when to use it
- Simple example of an MIRR and comparison against the IRR

### Continuous emphasis

- How to avoid Circular References
- Working efficiently with Data Validation and Conditional Formatting
- Functions to avoid and why – HLOOKUP, OFFSET, SUMPRODUCT, INDEX, ISERROR, CHOOSE, VLOOKUP, IRR, NPV, IF(IF(..)), RND()
- How to work effectively with dates in Excel
- Powerful usage of Array Functions {Average()}, {Min()}, {Transpose()}
- Discussion around recommended functions and their applications

**Get comfortable working with sophisticated debt structures**

# Improve your credit analysis and approval processes

## Course Schedule

Registration: 8.30 am

Course Begins: 9.00 am

Morning Break: 10.30 am

Lunch: 12.30 pm

Afternoon Break: 3.00 pm

Close: 4.00 pm

The trainer will remain available after the course for one-on-one questions

## In-house training – we come to you!

If you are thinking about organising a course for your team, give us a call today to discuss.

- Content is tailored to your industry and level of expertise
- Duration of courses range from 1-5 days
- We come to you, anywhere in the world

Contact us today to receive our fact sheet on our credentials and experience in in-house training!

Contact: Training Sales

Phone: +61 2 9229 7409

Email: [training@navigatorPF.com](mailto:training@navigatorPF.com)

## Financial training by Navigator Project Finance

Our Trainers are regularly travelling to clients worldwide to present courses in financial modelling. We have extensive experience in all sectors including oil & gas, mining, infrastructure, power and utilities in project finance bids, brownfield refinancings and greenfield projects.

Founded in 2004, Navigator Project Finance Pty Ltd (Navigator) is the project finance modelling expert. Headquartered in Sydney, Australia, Navigator has raised the global benchmark in financial modelling services to the project finance sector.

Navigator designs and constructs financial models for complex project financings, offers training courses throughout the Middle East, Asia, Europe and the US and conducts independent model reviews of project finance transaction models. Navigator delivers fast, flexible and rigorously tested project finance services that provide unparalleled transparency and ease of use.

Our Customers include market leaders such as Deutsche Bank, ANZ Investment Bank, Ma'aden Infrastructure, Reliance Rail, KPMG, BNP Paribas, Lend Lease, Oxiana, Mirvac Property, Westpac and the Commonwealth Bank of Australia, together with leaders from the finance, mining, property, utilities, banking, chemical and infrastructure sectors.

*"The Excel Tricks, the model discipline and structure were valuable take-aways"*

Executive, ANZ

## Participants

ABN Amro	Indus Capital Advisors
Acciona Energy	Intergen
ACWA Power	International Power
Aktif Unggul Holdings	Japan Bank for International Cooperation
Alargan	Kharafi National
Allied Irish Banks	KPMG
ANZ	Lend Lease
ANZIS	Merrill Lynch
Asciano Infrastructure	Mizuho Bank
Asteco	NBK Capital
Azure Capital	Petsec Energy
Babcock & Brown	PKF
Bank of Tokyo Mitsubishi	Premier Partners
BOS International	PT Pertamina
Commonwealth Bank of Australia	PricewaterhouseCoopers
Chevron	RFC Corporate Finance
Colonial First State	Royal Bank of Scotland
Credit Industriel et Commercial	SEB
Emirates Utilities Company	Societe General (SGCIB)
Energy Australia	Standard Chartered
Ernst & Young	Suncorp Metway
European Investment Bank	Transfield Services
First Qatar	UBS
Gulf International Bank	UniCredit Group
HVB	UPC Renewables
	Westpac

*"I really enjoyed the different ways of debt sizing and modelling cash sweeps. The presenter was concise and very helpful."*

Analyst, Royal Bank of Scotland

**Build more transparent debt models that are easier to check**

## Pre-course knowledge

Prior to the course you are welcome to contact us to discuss suitable preparation. Upon registration you are entitled to the course documentation of our introductory material 'Financial Modelling Fundamentals', Tutorials and sample workbooks for pre-course reading, all included at no extra cost.

## Pricing

Refer to our web page for current pricing.

## In-house

Contact us for a tailored solution

**Book 12 weeks in advance and  
get the 10% Early Bird Discount**

## Group booking Discounts

3 course bookings - 20% discount

4 course bookings - 25% discount

5 course bookings - 30% discount

Group booking discounts are available for one person booking multiple courses or one organisation booking multiple participants on one course.

*We welcome follow-up questions and discussions in the weeks and months following the course! It is all included in our offering of a complete package.*

Nick Crawley,  
Managing Director, Navigator Project Finance

[www.navigatorPF.com](http://www.navigatorPF.com)

- Course schedule
- Free Tutorials
- Financial modelling blog

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PROJECT FINANCE

GLOBAL PROJECT FINANCE MODELLING SERVICES

## Registration form

Number of participants 1 2 3 4 5 6 7 8 9 10

Course Name \_\_\_\_\_

Course Dates \_\_\_\_\_

Our public courses are strictly limited to a maximum of 10 participants. In order to guarantee attendance on a course we need your registration a minimum of 6 weeks prior to the course start date.

### 5 easy ways to register or get more information

1. email: [training@navigatorPF.com](mailto:training@navigatorPF.com)
2. Call Training Sales on +61 2 9229 7409
3. Fax us on +61 2 9229 7499
4. Use our web form: <http://www.navigatorpf.com/contact>
5. Post this form to:  
Navigator Project Finance Pty Ltd  
Level 1, 23 Hunter Street  
Sydney, NSW, 2000 Australia

## Personal Details

Please print clearly or attach business card

Family Name (Mr/Mrs/Ms) \_\_\_\_\_

First Name \_\_\_\_\_

Position \_\_\_\_\_

Department \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Postcode \_\_\_\_\_ Country \_\_\_\_\_

Email \_\_\_\_\_

Telephone \_\_\_\_\_

Fax \_\_\_\_\_

I understand and accept the booking terms and conditions

Signature \_\_\_\_\_ Date \_\_\_\_\_

## Cancellation & Refunds:

If any registered delegate cannot attend a course/s, a replacement or substitute is welcomed. Cancellations must be made in writing and acknowledged by Navigator Project Finance and must reach our office at least 30 days prior to the first course commencement date. A full refund less an administration charge of USD\$200 will be provided. For any written cancellation requests that reach us less than 30 days prior to the course, no refunds will be provided. However if you wish to attend any other Navigator Project Finance training course, a discount voucher will be issued that is equivalent to 75% of the original total payment value. Any voucher issued must be used within 1 year of the original registration date. Discount Vouchers are transferrable within the same organisation, however they cannot be used in conjunction with any other offer or discount scheme. Discount vouchers will not be issued for no-shows where cancellation notice has not been received. Should any dispute arise from the above, Navigator Project Finance reserves the right to the final decision.