

Financial Modelling for PPP/PFI Projects

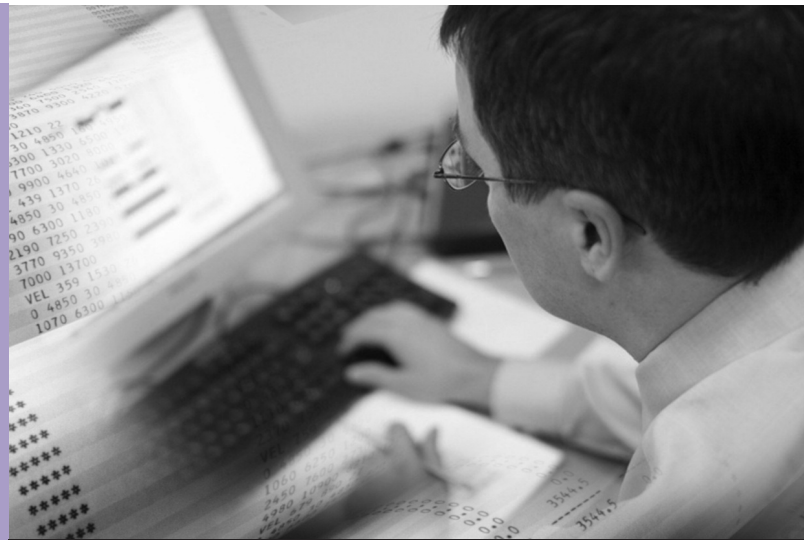
Developments In Modelling Processes

Wednesday 4th and Thursday 5th March 2009,
Crowne Plaza Hotel St James, London

Update your
knowledge of models
in PPP/PFI projects

This is a prime opportunity to hear from leading industry experts, including:

- **Jimmy McGuinness**, PPP Project Manager, **East Lothian Council**
- **Kevin Hanlon**, Director, Projects, **4ps**
- **John Richter**, Director, **Financial Mechanics**
- **Morten Siersted**, Director, **F1F9**
- **Colin Ratcliffe**, Senior Auditor, **National Audit Office**
- **Paula Jennings**, Director, **Decision Insight**
- **Jerome Brice**, Partner, **Mazars**
- **David Whittaker**, Director, **Modelling Solutions**
- **Sue Holmes**, Specialist Commercial Advisor, **Northern Ireland Water**
- **Richard McKenzie-Browne**, Associate Director, **Mace Group**



PLUS A FULL DAY PRE-CONFERENCE WORKSHOP

Financial Modelling Case Study Gain an Overview of all Aspects of a Financial Modelling Project for a PFI-PPP Bid

Tuesday 3rd March 2009, Crowne Plaza St James,
London

In association with



Attend this conference to:

- ✓ LEARN best practices on how to construct a financial model for PPP/PFI projects
- ✓ WATCH live demonstrations of key software by leading experts
- ✓ GAIN an understanding of the practical applications
- ✓ HEAR case studies on adapting the model through the project development
- ✓ DISCUSS with other industry experts new developments in the field

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www.smi-online.co.uk/09modelppp.asp

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Alternatively fax your registration to +44 (0) 870 9090 712 or call +44 (0) 870 9090 711

BOOK BY 19TH DECEMBER AND SAVE £100



8.30 Registration & Coffee

9.00 **Chairman's Opening Remarks**
 John Richter, Director, **Financial Mechanics**

AN INTRODUCTION TO MODELLING PROCESSES

9.10 **FINANCIAL MODELLING OVERVIEW**

- Why design matters in financial modelling
- Principles of good design
- Achieving good design
- Good design versus 'personal style'

Kenny Whitelaw-Jones, Partner, **Financial Mechanics**

9.50 **POST-FINANCIAL CLOSE MODELLING OF PPP/PFI PROJECTS**

- Post-financial close modelling requirements
- Amending the existing model vs starting from scratch
- Stakeholder approval for model updates and changes
- Upgrade specification and process, and ongoing change management.
- What should it all cost?

Morten Siersted, Director, **F1F9**

10.30 **DELIVERING EFFICIENCY AND FINANCIAL BENEFITS IN PPP MODELS**

- Managing funding competitions
- Transferring risk
- Payment mechanisms
- Benchmarking costs
- Corporate finance models efficiencies
- VFM in FM; Lifecycle and Construction costs

Kevin Hanlon, Director, **Projects, 4ps**

11.10 Morning Coffee

11.30 **MODEL AUDITING**

- What are the key steps in a model audit
- Latest developments and key tips in ensuring model correctness
- What assurance does (or more importantly doesn't) the model audit provide
- How to become an informed purchaser of model audit services from both public and private sector perspectives

Jerome Brice, Partner, **Mazars**

12.10 **DEALING WITH DISPUTES WITHIN THE SCOPE OF THE CONTRACT**

- Contractual scope
 - Who should participate
 - Purpose and effect
 - Consequences of failure to agree
- Philip Adams, Partner, Dispute Practice, **Shadbolt & Co.**

1.30 Networking Lunch

2.40 **AVOIDING WORST PRACTICE**

- Introduction
 - Financial modelling best practice
 - Sources and consequences of errors
 - The use and limitations of template and generic models
 - Finalising models
 - Summary and conclusion
- David Whittaker, Director, **Modelling Solutions**

RISK ELEMENTS

3.20 **FINANCIAL MODELLING – RISK ANALYSIS**

- The risk management process
- Defining and maintaining your risk strategy
- Public vs. private risk allocation in PPP/PFI schemes
- The do's and don'ts

Richard McKenzie-Browne, Associate Director, **Mace Group**

4.00 Afternoon tea

4.20 **MODELLING CREDIT RISK AND PORTFOLIO ANALYSIS OF PPP/PFI MODELS**

- Web-based rating models and methodologies
- Modelling credit risk during construction
- Modelling credit risk during operation
- Qualitative factors
- Rating transition
- Portfolio analysis

William Coley, Vice President, Senior Analyst, **Moody's**

5.00 **RISK MODELLING CASE STUDY**

- Benefits of a risk based approach
- Good practice in risk modelling
- Lessons learned from applied risk modelling

Julian Downes, Director, **JSD-UK**

5.40 **Chairman's Closing Remarks and Close of Day One**

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Financial Mechanics 

Financial Mechanics builds financial models used in forecasting business performance, evaluating projects, securing funding, and making acquisitions. They also teach clients these skills by delivering regularly scheduled training courses available worldwide. Their clients include 14 of the 25 largest global banks, and more than 20 smaller commercial banks from across the world. www.fi-mech.com

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The FAST Modeling Alliance is an informal network of companies who believe financial models should be built and maintained according to the FAST Modeling Method. FAST Modeling is characterized by an overriding focus on transparency, readability, adaptability, and implementation efficiency. The FAST acronym itself is derived from the words flexible, accurate, structured, and transparent.

8.30 Re-registration & Coffee

9.00 **Chairman's Opening Remarks**
 Morten Siersted, Director, F1F9

HOW MODELS ARE APPLIED

9.10 **UNDERSTANDING THE PRACTICAL APPLICATIONS OF MODELS**

- The reasons behind using a model
- Practicalities of using models – adjusting alongside developments
- Areas financial models have been successful – LIFT schemes, schools, housing, waste

Colin Ratcliffe, Senior Auditor, NAO

9.50 **CASE STUDY - ADAPTING A FINANCIAL MODEL TO A SCOTTISH SCHOOLS PROJECT**

- The initial bid
- Constructing a model suited to the project
- Development through the project
- Where the model was successful
- Lessons to learn

Jimmy McGuinness, PPP Project Manager, East Lothian Council

10.30 Morning Coffee

11.00 **CASE STUDY: FINANCIAL MODELS FOR WATER PROJECTS IN NORTHERN IRELAND**

- Background
- Developing the model
- Applying the model
- Where the model worked
- What we can learn from the project

Sue Holmes, Specialist Commercial Advisor, Northern Ireland Water

11.40 **CASE STUDY: BUILDING SCHOOLS FOR THE FUTURE**

- Overall BSF approach
- Modelling implications:
 - The LEP approach
 - PFI and D&B
 - Integrating ICT
 - Supporting partnering services
 - Financing setup costs
 - Modelling for performance

Glenn Richer, Partner, Rising Curve LLP

12.20 Networking Lunch

USING MODELLING SOFTWARE

1.40 **EXTENSION SOFTWARE: USING CRYSTAL BALL**

- Why Excel is used as the main program
- Benefits of using Excel in conjunction with Crystal Ball
- A practical application of Crystal Ball – developing scenarios on a basic Excel model

Dave Hammal, Senior Representative, Oracle

2.30 **APPLYING CRYSTALL BALL IN PRACTICE**

- Identifying possible risk factors at the project stage
- Interaction with Excel: constructing the model
- Setting up the simulation
- Interpreting and presentation of results

Paula Jennings, Director, Decision Insight

3.10 Afternoon tea

3.40 **MODELLING RENEWABLE ENERGY PROJECTS**

- Unique aspects of modelling a renewable project
- Who is the user?
- The life cycle of the model from the developers point of view
- What does the developer need to give the financial investor

Peter Pollak, Advisor, Financial Mechanics

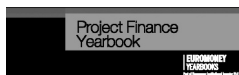
4.20 **LEGAL ASPECTS OF THE FINANCIAL MODEL**

- Where the model fits in the contract
- Other method of addressing financial consequences
- Impact of Guidance on Standardisation of Contract Terms

David Kilduff, Partner, Walker Morris

4.40 **Chairman's Closing Remarks and Close of Conference**

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The Municipal Journal (MJ) - Local government's finances are changing - in this climate it is essential that you have access to the most up-to-date and detailed information. You will find this in The MJ, the weekly publication reporting on UK local government. The MJ publishes breaking news, features, editorial and insightful analysis on a range of key issues.

FINANCIAL MODELLING CASE STUDY

Gain an Overview of all Aspects of a Financial Modelling Project for a PFI-PPP Bid

3rd March 2009, Crowne Plaza St James, London

In association with:



OVERVIEW:

This workshop will enhance your modelling abilities and understanding of their valuable analysis tools.

The programme for this workshop is tailored towards the needs of both delegates with basic knowledge and intermediate experience. You may be a manager who requires financial models for the first time, or someone who wishes to build such models.

Based around a real-life case study, this course will give you an understanding of the practical issues involved in developing and running models for PFI bids.

In 2008 this workshop received very favourable feedback from the attendees. However, there was great demand for extending the length to a full day workshop. For these reasons Modelling Solutions will again lead this informative workshop over a full day with an extended programme to provide you with even greater knowledge transfer.

PROGRAMME

8.30 **Coffee and registration**

9.00 **INTRODUCTION**

- Understanding The Basics

10.30 **Coffee Break**

11.00 **MODELLING ISSUES**

- PPP /PFI Financial Modelling Terminology
- Financing Issues
- Key Output Schedules

12.30 **Network Lunch**

13.30 **MODELLING ISSUES CONTINUED**

- Optimising The Unitary Charge
- Sensitivity Logic

15.30 **Coffee Break**

16.00 **USING THE MODEL**

16.30 **FINALISING THE MODEL**

17.00 **Discussion & Questions**

17.30 **Close And Executive Briefing**

About your workshop leader:



David Whittaker is the Director of **Modelling Solutions**, and has led successful workshops for SMi Group in the past. He is a Chartered Management Accountant, and is an author in financial modelling issues with fourteen years experience within modelling for commerce, industry, public sector and the 'big four' financial modelling practices.

Modelling Solutions provide Excel-based financial modelling services to organisations and corporate project finance, PPP and PFI. It has the benefit of the support of a network of financial modelling professionals. The company has provided modelling services to many PPP/PFI projects including NHS, police and infrastructure schemes.

2008

Secondary Markets for PPP/PFI

10th November, London

Benelux PPP Forum

24th & 25th November, Brussels

2009

Nordic Card Markets

20th & 21st January, Stockholm

Accounting & Auditing for PPP/PFI Projects

26th & 27th January, London

Financing Options for PPP/PFI

18th & 19th February, London

PPP in Ireland

2nd & 3rd March, Dublin

Financial Modelling for PPP/PFI Projects

4th & 5th March, London

PPP in Waste

09/10 March, London

CEE Card Markets

16/17 March, Budapest

Project Finance Middle East

25/26 March, London

Understanding Risk Management in PPP Projects

22/23 April, London

Retail and Transportation Cards

13/14 May, London

Branch Banking People, Processes & Profit

01/02 June, London

Contactless Cards

22/23 June, London

Want to know how to get involved?
Interested in promoting your financial services to
this market?

Contact to Steven Brock, SMi Marketing on
Tel: +44 (0)20 7827 6744 or
Email: sbrock@smi-online.co.uk

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FINANCIAL MODELLING FOR PPP/PFIs

Conference: Wednesday 4th – Thursday 5th March 2009, Crowne Plaza Hotel St James, London

Workshop: Tuesday 3rd March 2009, London

4 WAYS TO REGISTER

www.smi-online.co.uk/09modelppp.asp

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POST your booking form to: Events Team, SMi Group Ltd, Great

Guildford Business Square, 30 Great Guildford Street London, SE1 0HS, UK

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Surname: _____

Job Title: _____

Department/Division: _____

Company/Organisation: _____

Email: _____

Address: _____

Town/City: _____

Post/Zip Code: _____ Country: _____

Direct Tel: _____ Direct Fax: _____

Mobile: _____

Switchboard: _____

Signature: _____ Date: _____

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EARLY BIRD DISCOUNT Register by 19th December and receive a £100 discount

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I would like to attend: (Please tick as appropriate)	Fee	Total
<input type="checkbox"/> Conference & Workshop	£1998.00 + VAT	£2347.65
<input type="checkbox"/> Conference only	£1299.00 + VAT	£1526.33
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VENUE Crowne Plaza Hotel St James, Buckingham Gate, London, SW1E 6AF

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