

**10 SIDC
CPE points**

VALIDATION OF ASSUMPTIONS

(14-15 FEB 2012)

**Symphony Digest
Sdn. Bhd. (870359-P)**

**69-3, Block F
Zenith Corporate Park
Jalan SS7/26,
Kelana Jaya
47301 Petaling Jaya
Selangor**

T: 603-78062806 / 16

F: 603-78062800

info@symphonydigest.com

www.symphonydigest.com



This course is eligible for HRDF claims under Skim Bantuan Latihan (SBL) scheme, subject to prior application to HRDF by the employers.

A model is only as good as the assumptions behind it. A sophisticated model can be built, BUT if the assumptions are unreasonable, the results will be useless for decision-making purposes. You may be ended up with non-performing loan assets or an investment that cannot generate enough returns to cover your

Symphony Digest

Centre for Financial Mastery

Who Should Attend?

- ✓ **Investment Bankers**
- ✓ **Fund Managers**
- ✓ **Analysts**
- ✓ **Commercial & Corporate Bankers**
- ✓ **Finance Managers**
- ✓ **Treasury**
- ✓ **Corporate Finance Executives**
- ✓ **Accountants**

Course Outline

Day 1

Introduction to Cash Flow Modelling

- Overview of cash flow modelling
- Identify the drivers of the project
- Set out the assumptions in different categories, e.g. commercial, financial, technical, economy, tax, etc.
- Base case vs. Worst case vs. Best case scenarios and assumptions used

Construction of cash flow model

- Use the assumptions to project the cash flows
- Classification of cash flow
 - Cash flow from operations
 - Revenue worksheet / Cost worksheet
 - Cash flow from investing
 - Capex worksheet
 - Free cash flow and its importance to lenders and shareholders in structuring the capital structure, the credit strength and viability of the project
 - Cash flow from financing
 - Funding using bank borrowing
 - Funding using bonds
 - Reserve accounts
 - Use the model to determine the maximum gearing that can be sustained and develop the financing structure
- Tax worksheet
 - Capital allowance and other tax incentives

Day 2

Techniques of Project Analysis

- Payback period
- NPV
- IRR (project return and shareholders' return)
- Debt service cover ratio

Testing the Assumptions

- Learn how assumptions can be manipulated in presenting a set of cash flows
- Perform sensitivity analysis to test the quality of cash flow and build project's risk profile
 - Cost overrun
 - Delay in completion
 - Increase in cost of production
 - Reduction in selling price / volume
 - Increase in interest rate
 - Exchange rate movements
 - Plant break down / downtime
- Impact of working capital on the cash flow projections
 - Debtors' adjustment
 - Creditors' adjustment
- The cash effect of taxes
- Cash flow waterfall – tracing the cash in cash flow waterfall and how funds can be diverted

Note: As this is a hands-on workshop, please bring your laptop to maximise your learning experience

Trainers' Profile

Saw Ann Ping, is a CFA charterholder with over 18 years experience in financial advisory, fund raising and consulting. Her areas of specialization are financial structuring, Islamic finance and privatisation. Her work has been recognised by various Malaysian and international bodies such as Euromoney and Islamic Finance News for its innovation. Her last position was head of wholesale banking for Hong Leong Islamic Bank. Prior to that, she was the head of corporate finance in RHB ISLAMIC Bank and head of corporate banking and debt securities in Utama Merchant Bank. Before becoming an investment banker, she was a management consultant with Arthur Andersen, involved in various advisory projects for the Asian Development Bank, KL International Airport and other Government agencies and the private sector.

She was a speaker at China Development Bank's Senior Policy Seminar in Beijing and at the Middle East Business Forum in Dubai on Islamic finance for infrastructure projects. She has conducted financial mastery courses, cash flow modelling, getting bank loans, debt capital market for numerous clients including financial institutions, public listed companies and private companies. She holds a Bachelor of Science (honours) degree from the University of Canterbury, New Zealand, majoring in Economics and Operations Research.

Chan Leng Kei

With a degree in Economics & Management, Chan Leng Kei was awarded the Best Overall Performance in Diploma in Economics from the prestigious London School of Economics. During her 8 years of practical experience in banking and financial advisory, she has performed numerous financial analysis and cash flow modelling for small and large corporations. The financing structures that she was involved in have been recognised by various Malaysian and international bodies such as Euromoney and Islamic Finance News for innovation.

Prior to joining Symphony Digest Sdn Bhd, she was attached to a few commercial banks such as Hong Leong Islamic Bank, RHB ISLAMIC Bank and CIMB Bank, where she conducted in-house training for new division staff. She has conducted various courses on finance for numerous participants from companies / financial institutions such as EPF, SOCSO, Hong Leong Bank, RHB Investment Management, UEM Group, Sindora Berhad, Sarawak Energy Berhad and clients of Multimedia Development Corporation.

Registration: Validation of Assumptions (14-15 Feb 2012)

Name:		Name:	
Designation:		Designation:	
Department:		Department:	
Company:		Company:	
Address:		Address:	
Tel:		Tel:	
Fax:		Fax:	
Email:		Email:	
CMSRL Holder:	Yes	No	CMSRL Holder: Yes No

Contact for administrative matters if different from above

Name:	Department:
Tel:	Fax:
Email:	Address:

Date: 14-15 February 2012

Workshop duration and time: 2 days, 9.00 am to 5.00 pm

Venue: 69-3, Block F, Zenith Corporate Park, Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor

Course fee (inclusive of course materials, lunch and 2 tea breaks): RM2,600

Registration is confirmed upon receipt of payment, unless otherwise notified.

Payment Options

- Cheque Bank _____ Cheque No. _____ Amount RM _____
Payable to **Symphony Digest Sdn. Bhd.**
**Please write company name and programme at the back of the cheque and mail to 69-3, Block F, Zenith Corporate Park, Kelana Jaya, 47301 Petaling Jaya, Selangor.*
- Bank Transfer Account holder: Symphony Digest Sdn. Bhd.
Bank: Maybank Berhad A/C No.: **512688105442**
**Please e-mail or fax (03-7806 2800) us the bank-in slip / transfer confirmation together with the completed registration form.*