

Assignment 29: Strategic UDF Investing and Project Structuring

Appendix 3a: Project Structuring and Strategic Investing – User Manual

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1. Disclaimer

On 15th March 2013, the Mazars Consortium was appointed to carry out the 29th Assignment issued under the European Investment Bank's Framework Agreement for services to be provided within the context of the JESSICA initiative, titled Strategic UDF Investing and Project Structuring.

The Financial Model and the accompanying user guide has been built under the Assignment as a tool to assess the impact of introducing Financial Instrument on the viability of urban investments at the different investing levels i.e. at project and project portfolio level. It should not be used for any other purpose.

Users should note that the Financial Model is of a medium level of complexity, therefore, it is suggested that users will need to familiarise themselves with its operations as set out in this guide. Please note that the Financial Model does not contain the full complexities of a full project finance Financial Model and users may need to adopt some "simplified" assumptions when entering project data.

2. Purpose of the Financial Model

The Financial Model is a tool to assess the impact of introducing Financial Instrument on the viability of urban investments at the different investing levels:

- Project Level
- Fund Level and
- Holding Level

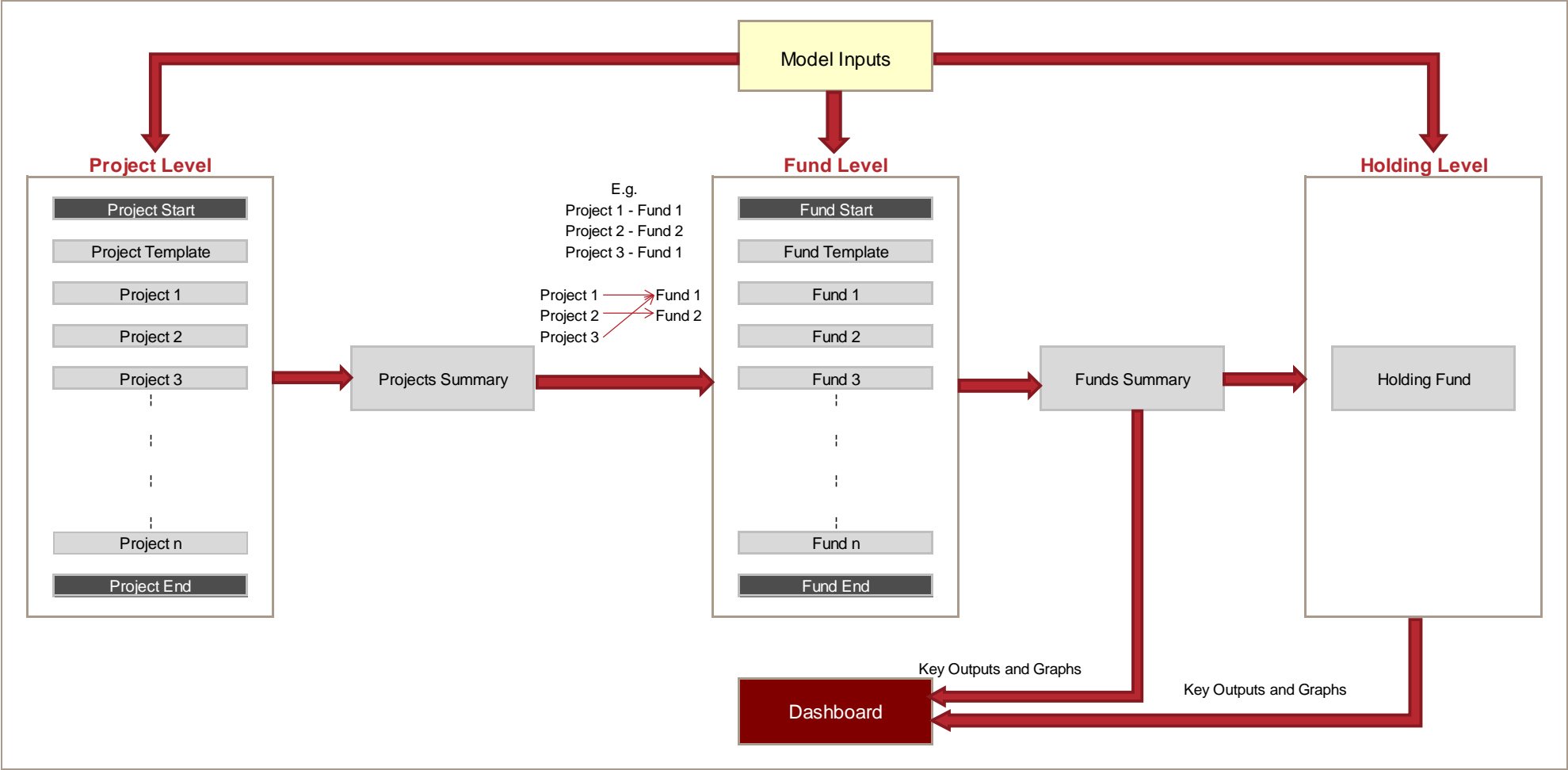
This Financial Model has been designed for relevant stakeholders currently involved or interested in using Financial Instrument. It is specifically designed for Managing Authorities and prospective fund managers, etc. who does not have high-level modelling tools to evaluate the impacts of Financial Instruments on projects or funds in order to make strategic investment decisions.

For each level, a cashflow is calculated as well as key indicators such as the payback periods, Internal Rate of Return (IRR), Net Present Value and the financial index (see the definition list in Annex).

The Financial Model has the flexibility to add and delete projects and funds using macros.

All the calculations present in the Financial Model are before tax. The impacts of the tax legislation which vary between countries within the European Union are not taken into account in this Financial Model. An analysis outside the Financial Model should be carried out to take into account the tax impacts.

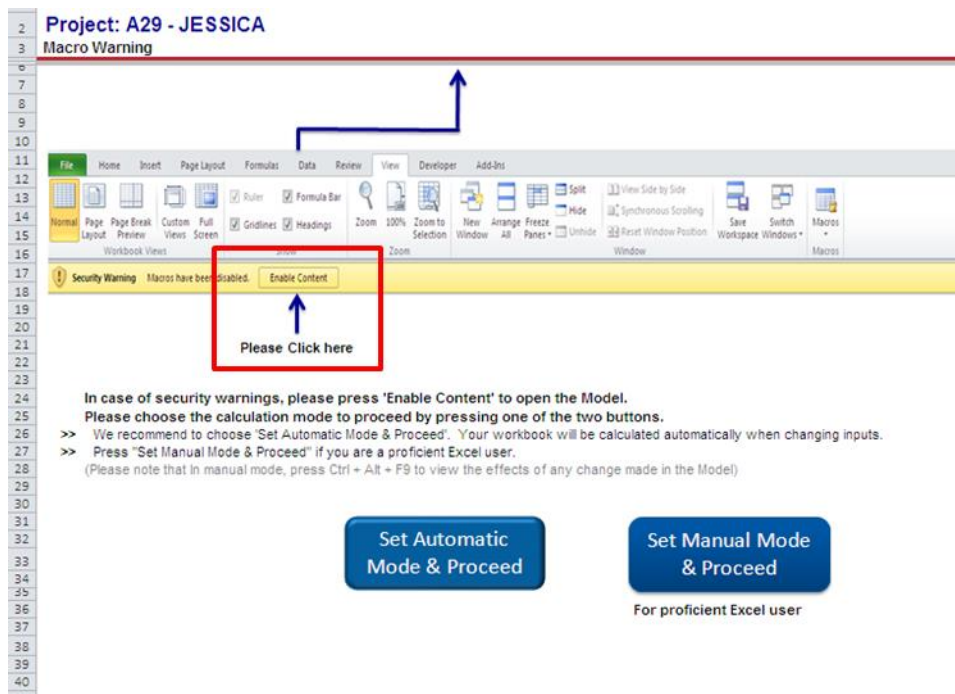
Please find below the conceptual map of the Financial Model:



3. Financial Model Guidance Sheet

3.1 Opening the Financial Model

When opening the Financial Model, you will be directed to the following tab:



Enable Content: In case of security warnings, before continuing, please press 'Enable Content'. Then, please choose the calculation mode to be used: automatic or manual.

Select Automatic Mode or Manual Financial Model

- The “Automatic mode” is recommended for beginner Excel Users. Using Automatic Financial Model will avoid pressing further keys to fully calculate the Financial Model.
- The “Manual Mode” is recommended for proficient/advanced Excel Users. To see the results of any changes to inputs you make, you will need to press the F9 key. All macros include a calculation routine, so you should not need to press F9 after running these.

Disclaimer: Once, the calculation mode chosen, you will be directed to the disclaimer sheet. Please press “Accept” to signify that you understand and accept the disclaimer contained there.

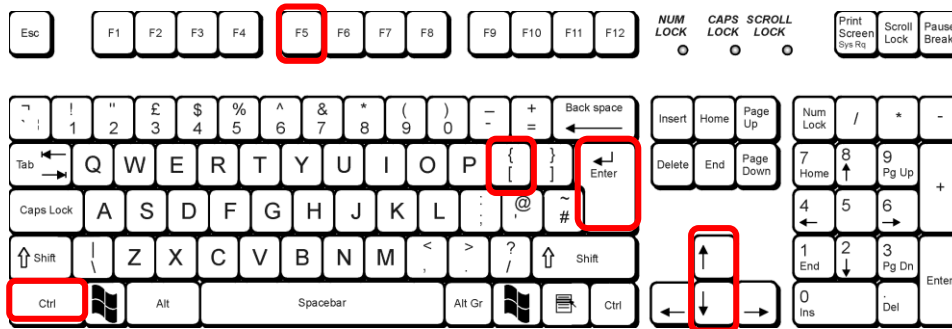
Please note that the Financial Model utilises a limited amount of VBA (Visual Basics for Applications) and therefore you may need to adjust your security settings to allow the code to run. Additionally several of the Financial Model calculations rely on functions contained within the Analysis Tool pack add-in, which you will need to make sure is installed (the Excel help function can assist with this).

The Financial Model has been build using the FAST Financial Modelling standard. For more guidance on the standard and how you can best use its structure, please visit www.fast-standard.org.

QUICK TIP – (Under a UK keyboard)

Below are some navigation tips to enable you to move efficiently around the Financial Model:

- **Ctrl+page down** will move you one worksheet to the right. **Ctrl+page up** will move you to the left.
- To navigate to the source of a figure or value in the Financial Model, press **Ctrl+ [**. This is particularly helpful if you want to navigate from a value in the working sheet back to the source input, or from an output in the summary sheet to where it is calculated.
- Once you've used **Ctrl+ [** you can return to your original location by pressing the **F5** key followed by 'enter'.



3.2 Map sheet

This sheet displays graphically the flow of the Financial Model. It illustrates the three levels (project, fund, and Holding Fund levels) building up the Financial Model.

3.3 Table of contents

This sheet lists all the sheets of the Financial Model and provides links to bring you directly to each of them.

3.4 Instructions Sheet

3.4.1 Key

This section explains the colour coding used in the Financial Model.

Input Cell	Light Yellow + Border
Input Cell with default value link	Light Green + Border
WIP Coding	HARD YELLOW
Counterflow within sheet	Icy Blue + Black Font
Counterflow between sheets	Icy Blue + Blue Font
Dead Values	Color Index 24
Import from other sheet	MZR Blue Font
Export to other sheet	MZR Red Font
Error Check	Red Shade
Alert	Orange Shade

3.4.2 Instructions

This section lists the instructions to follow in order to use the Financial Model correctly.

3.4.3 Funding assumptions

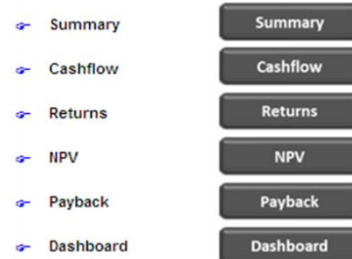
This section lists the funding assumptions taken in the Financial Model by default and how to change them.

3.4.4 Financial Index

This section explains the financial index calculation.

3.4.5 Navigation Buttons

This section explains the purpose of the navigation buttons present at the top of the project, fund and the holding sheets. These buttons make it easier to navigate through the Financial Model and reach the key output sections.



3.4.6 Macros

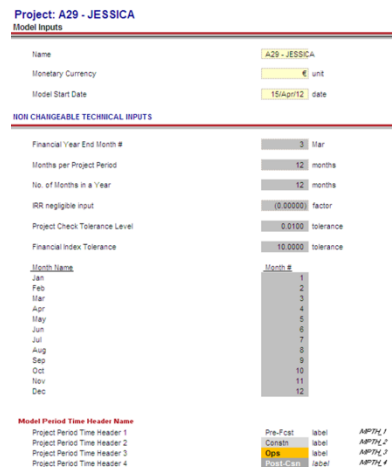
This section explains the different macros present in the Financial Model.



3.5 Inputs Sheet

This sheet includes the basic assumptions used in the Financial Model. It includes the following two sections:

- **Financial Model Inputs:** in this section you can specify the name of the Financial Model, the currency used and the Financial Model start date.
- **Non-changeable Technical Inputs:** this section is used to set basic parameters of the Financial Model. You should not need to change them. It has the basic timeline and the tolerance level values in it.



Please note that there are a variety of inputs in the Financial Model, and a separate colour is used for each type of the input:

- **Light yellow:** input cells which have to be populated manually.
- **Light green:** input cells which have a link or calculated value by default.
- **Light grey:** input cells where no value is expected (these are non-changeable and the technical inputs).

3.6 Dashboard

The dashboard sheet shows the **key indicators** to monitor the holding fund and a particular portfolio. This section summarises the Financial Index, IRR, NPV, Payback periods, Sources of Funds and the Gearing.

Under the fund section, there is a switch on cell 'E51' to display the outputs of a particular fund.

48	FUND	
49		
50		
51	Portfolio No.	Fund2
52	Portfolio No.	Fund1
53		Fund2
54	Payback	
55		
56	Project payback period	14

3.7 Project Template (Pr_temp)

The sheet is a general template for the project level.

A new copy of this sheet is created whenever the “**Add Project**” button is clicked at the top of the worksheet. You will be able to name your new Project.

This sheet has buttons at the top of the worksheet to allow the user to navigate through the sheet and to provide the functionality of adding projects.

The “**Key Inputs**” and “**Key Outputs**” are at the top of the sheet in the “**Summary**” section. The workings and calculations are below this first section.

The graphs present in the “**Key Outputs**” section of the sheet are a good way to have a quick understanding of the underlying shape of the project. The graphs present at the top of the sheet display the net cashflow, commercial and JESSICA debt service, Private and JESSICA Equity distributions.

3.8 Project Summary (Pr_Sum)

This sheet is an intermediate sheet which let to summarise all the projects calculations.

No inputs are required in this sheet. This sheet is dynamic and is updated automatically when adding or deleting projects.

3.9 Fund Template (Fund_temp)

The sheet is a general template for the Fund level.

A new copy of this sheet is created whenever the “**Add Fund**” button is clicked at the top of the worksheet. You will be able to name your new Fund as you like, for example: LEEF, Foresight, Merseyside, or Evergreen

This sheet has buttons at the top of the worksheet to allow the user to navigate through the sheet and to provide the functionality of adding funds.

The sheet includes general fund characteristics such as name, Indexations, revenue sources, Costs and Management Fees, which is entered as a % of JESSICA loan Balance.

The consolidated cashflows of the projects constitutes the cashflows of the fund (of which the project is a part of) and are further used at a portfolio level for the calculations of the key indicators such as Financial Index, IRR, NPV, Payback periods, Sources of Funds and the Gearing, which go to the Fund Summary and finally to the Dashboard.

As for the project sheet, the graphs present in the Key Output section of the sheet show the net cashflow, commercial and JESSICA debt service, Private and JESSICA Equity distributions.

3.10 Fund Summary (Fund_Sum)

This sheet is an intermediate sheet which summarises all the funds cashflows. This sheet then flows to the "**Holding**" Sheet and "**Dashboard**" Sheet.

3.11 Holding Sheet

The sheet is a final calculation sheet. This sheet has buttons at the top of the worksheet to allow the user to navigate through the sheet.

The sheet includes the general requirements such as name, Indexations, revenue sources, Costs and Management Fees, which is entered as a % of JESSICA loan Balance.

The consolidated cashflow of all the funds constitutes the cashflow of the Holding Fund. .

This cashflow is then used in to calculate key indicators at holding level: financial Index, IRR, NPV, Payback periods, Sources of Funds and the Gearing.

This information can be found at the top of the **Holding Fund** sheet or at the top of the **Dashboard**.

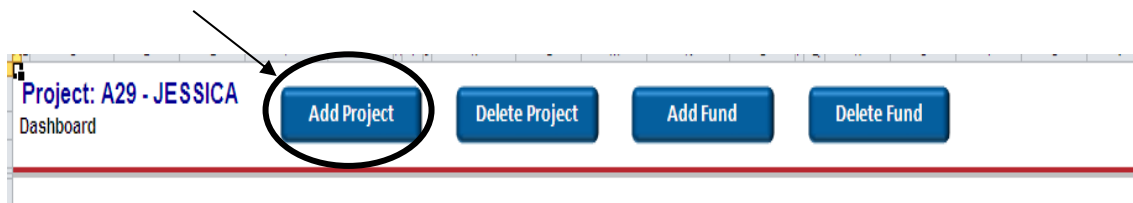
4. Instructions

This section explains in more details step-by-step how to use the Financial Model.

ADD A PROJECT

1.1 To add a new project, click on the 'Add Project' button presented on the top of Dashboard/ Pr_Temp / Projects sheet. A new project sheet with the default values as in the Project Template will be added.

Please note that 'Pr_Temp' is the template sheet for the project level. No inputs should be added here.



1.2 Update the project inputs into the particular project sheet from row 13 to row 75 in the input cells (format: light yellow + border).

1	ABCD	E	F	G
2	Project: A29 - JESSICA		Model	Checks OK
3	Proj Template		Proj Template	Checks OK
7	SUMMARY			
11	KEY INPUTS			
13	Project Name	Proj Template	label	
14	Part of which Portfolio	-		
16	Time Inputs			
17	Construction Start Year	2013	years	
18	Construction Length	3	years	
19	Operations Length	25	years	
21	Indexation			
22	RPI Index	-	% p.a.	
24	Revenue			
25	Revenue 1	-	€ /year	
26	Revenue 2	-	€ /year	
27	If profile revenue, provide inputs here (double click the link >>)			
28	Lump sum Revenue	-	€	
29	Lump sum Revenue Receipt Date	31/Dec/40	date	
30	Project is of Real Estate?	No	1=Yes / 0=No	
31	Rental Revenue	-	€ /year	
32	Revenue from Property Sales?	No	1=Yes / 0=No	
33	If yes, Revenue Yield %			
34	Capex			
35	Capex 1	-	€	
36	Capex 2	-	€	
37	If profile revenue, provide inputs here (double click the link >>)			
39	Operating Cost			
40	Operating Cost 1	-	€ /year	
41	Operating Cost 2	-	€ /year	
42	If profile cost, provide inputs here (double click the link >>)			
44	Lifecycle Cost			
45	Lifecycle Cost 1	-	€ /year	
46	Lifecycle Cost 2	-	€ /year	
47	If profile cost, provide inputs here (double click the link >>)			
49	Funding			
50	Project Gearing [debt / (debt+ equity)]	-	%	
51	Commercial Loan % of Debt Funding	100.00%	%	
52	JESSICA Loan % of Debt Funding	-	%	
53	Private Equity % of Equity Funding	100.00%	%	
54	JESSICA Equity % of Equity Funding	-	%	
56	Debt Inputs			
57	Arrangement Fees %	Commercial	JESSICA	
58	Loan Rate (% p.a.)	-		
59	Repayment Term (years)	20	20	
60	Repayment profile to be used (1=annuity, 2=profile based)	1	1	
61	If profile repayment, provide inputs here (double click the links >>)			
62	Grant Funding			
63	Grant Funding to be used (1=one off receipt, 2=profile based)	1	switch	
64	Grant Funding One off Receipt Amount	-	€	
65	Grant Funding Receipt Date	31/Dec/15	date	
66	If profile grant funding, provide inputs here (double click the link >>)			
68	Interest rate (LIBOR)			
69	Interest rate on Cash / (Overdraft) Balance	-	% p.a.	
71	NPV / Costs of Capital Calculation Rate			
72	Use WACC for NPV?	Yes	1=Yes / 0=No	
73	Weighted Average Cost of Capital Rate	13.00%	%	
74	For the WACC calculation, as a simplification we have assumed that the cost of Equity was the expected Equity IRR			

Financial Model and Project specific checks

All the light yellow marked cells with borders are used for input.

1.3 Input the Portfolio / Fund name of which the project is a part of in cell F14.

Project: Structuring Project1

Model: Project1 | Checks OK

SUMMARY

KEY INPUTS

- Project Name: Project1
- Part of which Portfolio (name): Fund1
- Part of which Portfolio (number): Fund1
- Time Inputs**
 - Construction Start Year: 2013
 - Construction Length: 3
 - Operations Length: 25
- Indexation**
 - RPI Index: 2.50%
- Revenue**
 - Revenue 1: 25,000

KEY OUTPUTS

- Private Equity IRR Expected
- Private Equity IRR
- Financial Index IRR
- Profitability Index (PI)
- NPV - Operational Cashflow (excluding Cap)
- Initial investment
- NPV / Initial investment

1.4 If the selected calculation mode is manual, calculate the Financial Model using **Ctrl + Alt + F9**. This will generate the outputs (Cash flow, Returns, NPV, and Payback) for the projects. The Cash flow of the projects would also flow into the selected fund.

Project: A29 - JESSICA

Model: Project | Checks OK

SUMMARY

KEY INPUTS

- Project Name: Project1
- Part of which Portfolio: 1
- Time Inputs**
 - Construction Start Year: 2013
 - Construction Length: 3
 - Operations Length: 25
- Indexation**
 - RPI Index: 2.50%
- Revenue**
 - Revenue 1: 20,000
 - Revenue 2: 3,000
- Capex**
 - Capex 1: 100,000
 - Capex 2: 50,000
- Operating Cost**
 - Operating Cost 1: 10,000
 - Operating Cost 2: -
- Lifecycle Cost**
 - Lifecycle Cost 1: 5,000
 - Lifecycle Cost 2: -
- Funding**
 - Project Gearing (debt / debt-equity): 80.00%
 - Commercial Loan % of Debt Funding: 50.00%
 - JESSICA Loan % of Debt Funding: 50.00%
 - Private Equity % of Equity Funding: 50.00%
 - JESSICA Equity % of Equity Funding: 50.00%
- Debt Inputs**
 - Arrangement Fees %: 1.00%
 - Loan Rate (% p.a.): 2.75%
 - Repayment Term (Years): 20
 - Repayment profile to be used: 1
- Grant Funding**
 - Grant Funding to be used: 1
 - Grant Funding One off Receipt Amount: 25,000
 - Grant Funding Receipt Date: 31/Dec/15
 - Interest rate (% p.a.): 5.00%
 - Use WACC for NPV: Yes
 - Weighted Average Cost of Capital Rate: 4.76%

KEY OUTPUTS

Financial Index calculations

- Private Equity IRR: 10.49%
- Private Equity IRR Expected: 7.87%
- Financial Index IRR: 10.49%
- Profitability Index (PI): 1.2015
- NPV - Operational Cashflow (excluding Capex): 161,483
- NPV / Initial investment: 1.2015

Others Key Outputs

- Project Payback Period: 16 years
- Private Equity Payback Period: 17 years
- Commercial Loan Payback Period: 19 years
- JESSICA Loan Payback Period: 19 years
- Net Present Value: 161,483
- NPV - Operational Cashflow: 161,483

Source of Funds

- Revenue: -
- Grant Funding: 25,000
- Private Equity: 12,500
- JESSICA Equity: 12,500
- Commercial Loan: 50,403
- JESSICA Loan: 50,403
- Total: 151,808

Users of Fund

- Costs: 150,000
- Debt Fees: 1,000
- Surplus Cash: -
- Total: 151,000

Notes

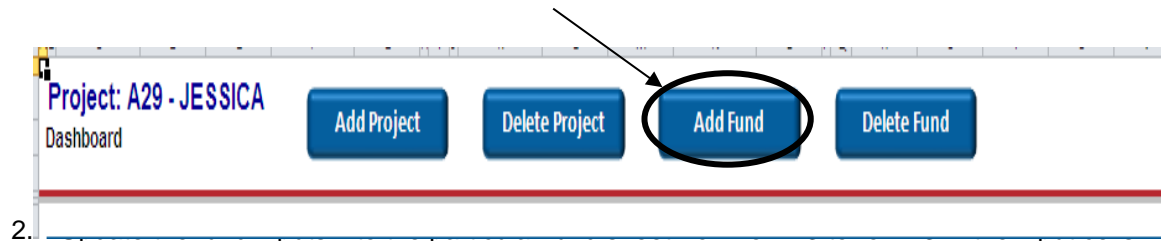
For the WACC calculation, as a simplification we have assumed that the cost of Equity was the expected Equity IRR

Charts: Commercial Loan, JESSICA Loan, Private Equity, JESSICA Equity, Cashflow

ADD A FUND

2.1 To add a new fund, click on the 'Add Fund' button presented on the top of Dashboard/ Fund_Temp / Funds sheet. A new fund sheet with the default values as in the Fund Template will be added.

Please note that the 'Fund_Temp' sheet is the template sheet for the fund level. No inputs should be added here.



(format: light yellow + border).

1	AB/CD	E	F	G	H
2	Project: A29 - JESSICA		Model	Checks OK	
3	Fund_Template		Fund_Template	Checks OK	
6	SUMMARY				
11	KEY INPUTS				
13	Portfolio Name	Fund_Template	label		
14	Portfolio Number		<< Macro Generated		
16	Time Inputs				
17	Construction Start Date	-	date		
18	Construction End Date	-	date		
19	Operation End Date	-	date		
21	Indexation				
22	RPI Index	-	% p.a.		
24	Management Fees				
25	Management Fees %		%		
27	Interest rate (LIBOR)				
28	Interest rate on Cash / (Overdraft) Balance	-	% p.a.		
30	Equity Distribution				
31	Private Equity % of Equity Distributions	-	%		
32	Discount rate				
34	Use WACC for NPV?	No	Yes / No		
35	Weighted Average Cost of Capital Rate		%		
36	If no, provide Discount rate input here	-	%		
38	Preferential Equity Distribution Used?				
39	Preferential Equity Distribution Used?	No	Yes / No		
40	Private Equity % of Equity Distribution	-	%		
41	JESSICA Equity % of Equity Distribution	100.00%	%		
42	Project Summary				
66	Projects	Project IRR	Capex		
67		(Nominal)%	€		
68	Pr_End - IRR	-			
69	Pr_End - IRR	-			
71	No. of Projects active in this Fund	2	#		
74	DETAILED INPUTS				

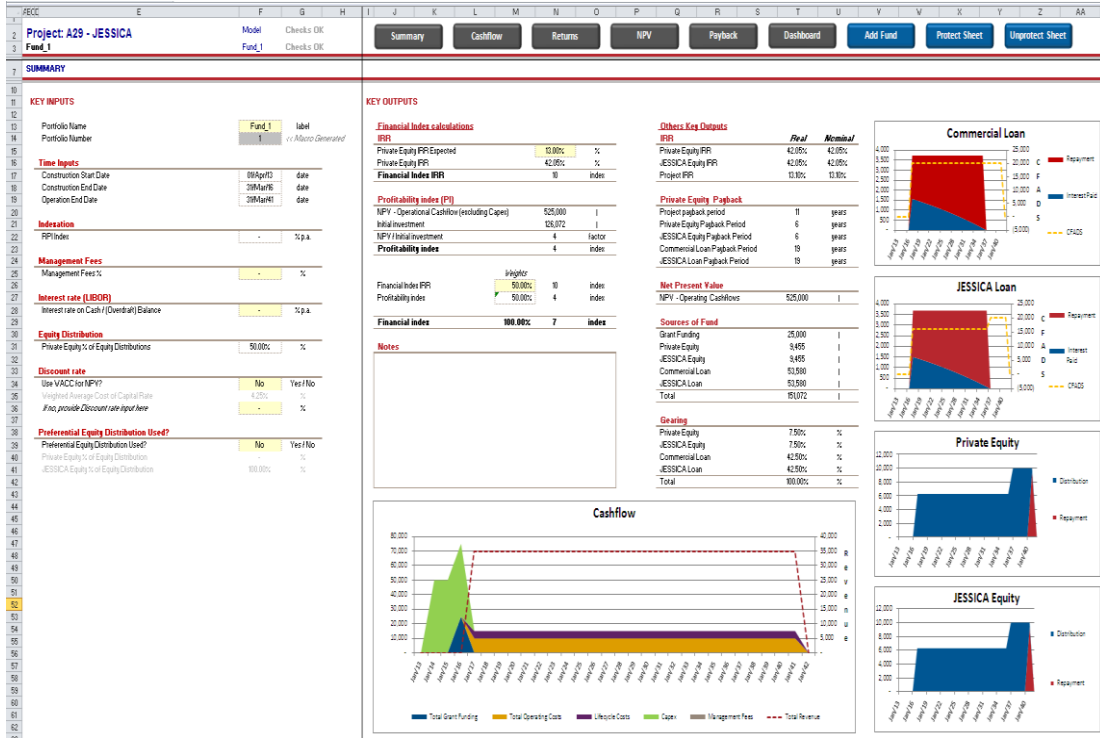
Macro generated Input,

Financial Model and sheet specific

Input to be entered into the cells marked with light yellow and

IRR details of the projects active in this

2.3 If the selected calculation mode is manual, calculate the Financial Model using Ctrl + Alt + F9. This will generate the outputs (Cash flow, Returns, NPV, and Payback) for the funds. The Cash flow of the funds would also flow into the holding sheet.



UPDATE THE HOLDING INPUTS

3.1 Update the holding inputs into the holding sheet row 13 to row 43 in the input cells (format: light yellow + border).

KEY INPUTS

Portfolio Name	Holding	label
Time Inputs		
Construction Start Date	01/Apr/13	date
Construction End Date	31/Mar/16	date
Operation End Date	31/Mar/41	date
Indexation		
RPI Index	-	% p.a.
Management Fees		
Management Fees %	2.00%	%
Interest rate (LIBOR)		
Interest rate on Cash / (Overdraft) Balance	5.00%	% p.a.
Equity Distribution		
Private Equity % of Equity Distributions	-	%
Discount rate		
Use WACC for NPV?	Yes	Yes / No
Weighted Average Cost of Capital Rate	-	%
<i>If no, provide Discount rate input here</i>		
	10.00%	%

Inputs to be entered into the light yellow cells marked with a border.

3.2 If the selected calculation mode for the Financial Model is manual, calculate the Financial Model using Ctrl + Alt + F9. This will generate the outputs (Cash flow, Returns, NPV, payback) for the holding which will further flow into the Dashboard.

KEY OUTPUTS

Financial Index calculations

Private Equity IRR Expected	51.00%	%
Private Equity IRR	42.00%	%
Financial Index IRR	10	index

Profitability Index (PI)

NPV / Operational Cashflow (excluding Capex)	204,371	I
Initial investment	120,072	I
NPV / Initial investment	2	factor
Profitability Index	2	index

Financial Index

Weights	50.00%	10	index
Profitability Index	50.00%	2	index
Financial Index	100.00%	6	index

Other Key Outputs

	Real	Monthly
Private Equity IRR	42.00%	42.00%
JESSICA Equity IRR	42.00%	42.00%
Project IRR	13.00%	13.00%

Private Equity Payback

Project payback period	10	years
Private Equity Payback Period	6	years
JESSICA Equity Payback Period	6	years
Commercial Loan Payback Period	10	years
JESSICA Loan Payback Period	10	years

Net Present Value

NPV - Operating Cashflows	204,371	I
---------------------------	---------	---

Sources of Fund

Grant Funding	25,000	I
Private Equity	9,495	I
JESSICA Equity	8,465	I
Commercial Loan	51,580	I
JESSICA Loan	51,580	I
Total	126,072	I

Chart: Commercial Loan

Chart: JESSICA Loan

Chart: Private Equity

Chart: JESSICA Equity

Chart: Cashflow

Chart: Sources of Fund

IF THE CHECKS ARE ACTIVE

- If the Financial Model checks (cell G2 on the top of every sheet) are active, trace them by pressing 'Ctrl + ['. The further explanations of the checks are presented in front of the individual checks.

Press 'Ctrl + [' on cell 'G2' of the Holding/ Project/ Fund sheet. This will direct to the 'Checks and Alerts' section on the Holding Sheet.

The check links can be traced by pressing 'Ctrl + [' or with the help of instructions written on the side.

DELETING A PROJECT

- To delete a project, click on 'Delete Project' button presented on the top of Dashboard sheet. The project's sheet and the project's data in the project summary sheet will be deleted.

DELETING A FUND

- To delete a fund, click on the Delete Fund button presented on the top of Dashboard sheet. The fund's sheet and the fund's data in the fund summary sheet will be deleted.

NAVIGATING BETWEEN THE THREE LEVELS

- 7 To navigate to different parts of a Project / Fund / Holding sheet use the different navigation buttons provided at the top of these sheets. (Summary, Cashflow, Returns, NPV, Payback).



USING THE DASHBOARD

- 8 To navigate to the Dashboard sheet from the **Project / Fund / Holding** Sheet, use the navigation button provided at the top of these sheets. The Dashboard provides the user with an additional functionality of Deleting Projects and Funds.

The screenshots illustrate the navigation interface across three levels: Project, Fund, and Holding. Each level has a set of navigation buttons at the top of the sheet. A yellow callout box labeled "Dashboard Button" points to the "Dashboard" button in each of these sheets. The bottom screenshot shows the Dashboard sheet, which contains various financial metrics and a chart.

Financial Index calculations		Others Key Outputs	
IRR		Real	Nominal
Private Equity IRR Expected	13.00% %	Private Equity IRR	42.05% 42.05%
Private Equity IRR	42.05% %	JESSICA Equity IRR	42.05% 42.05%
Financial Index IRR	10 index	Project IRR	13.10% 13.10%

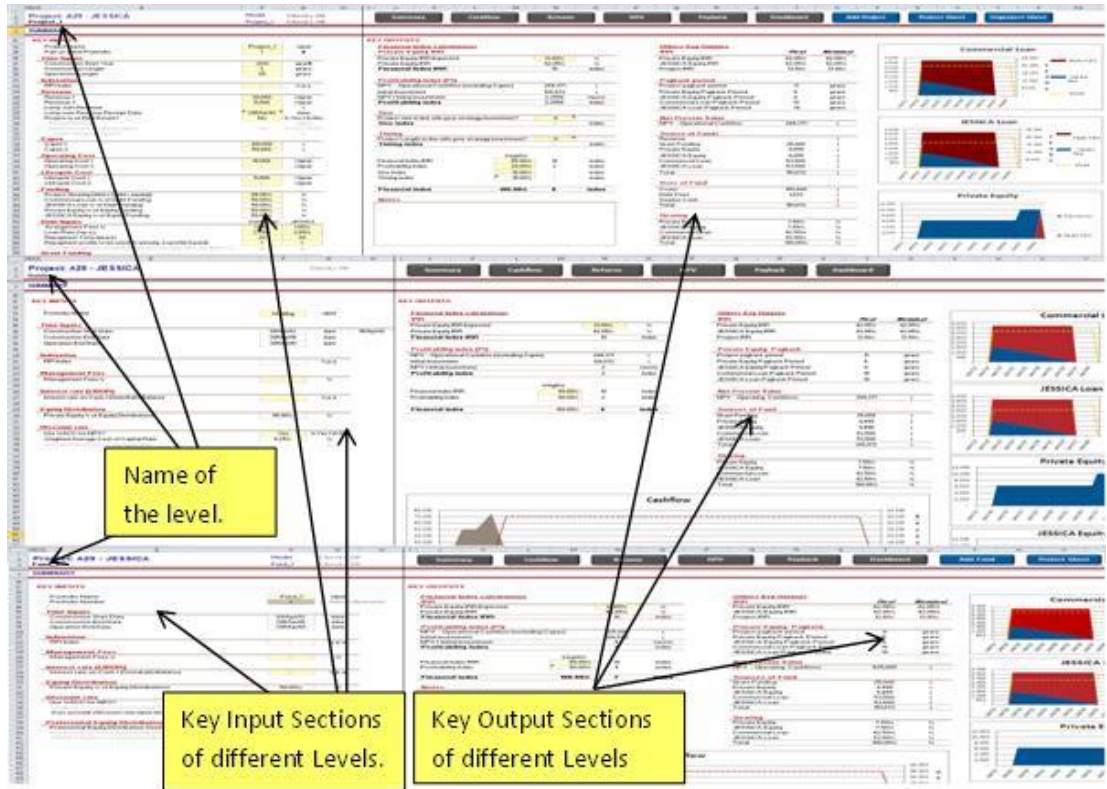
Profitability index (PI)		Private Equity Payback	
NPV - Operational Cashflow (excluding Capex)	264,371 €	Project payback period	11 years
Total investment	138,072 €	Private Equity Payback Period	6 years
NPV / Total investment	2 factor	JESSICA Equity Payback Period	6 years
Profitability index	2 index	Commercial Loan Payback Period	19 years
		JESSICA Loan Payback Period	19 years

Commercial Loan

The chart shows the Commercial Loan balance over time, with a red area representing the loan balance and a blue area representing the interest paid. The x-axis shows time from 1/1/16 to 31/12/19, and the y-axis shows the amount in Euros, ranging from 0 to 25,000.

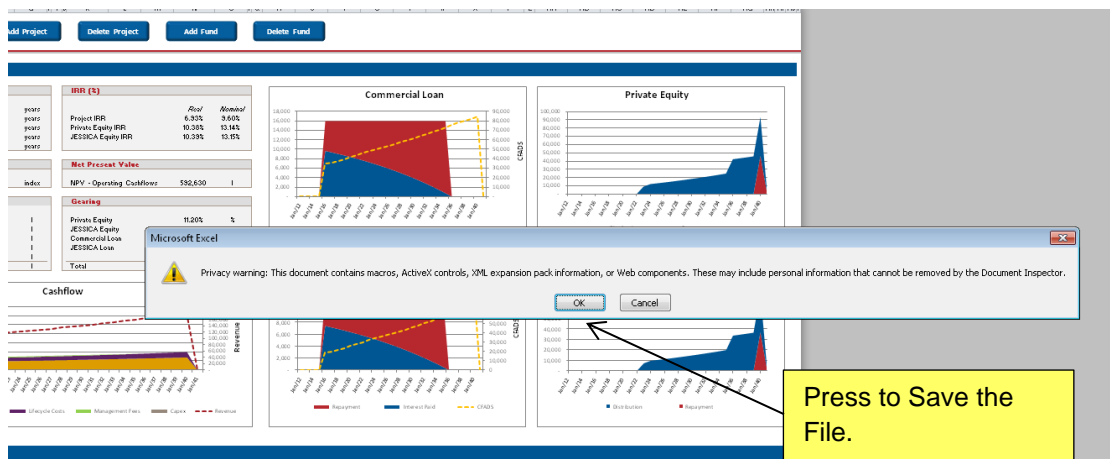
USING THE SUMMARY SECTION

9 'Summary' section presented at the top of **Projects / Funds / Holding** sheets consists of 'Key Inputs', 'Key Outputs' (Financial Index, IRR, NPV, Payback periods, Sources of Funds, Gearing %) and Graphs.



MACROS WARNING

10 When saving the Financial Model, you may have a privacy warning, just press 'Ok' to continue.



DASHBOARD

11 Other information: The **Dashboard** has a switch to change between funds in the funding section which can be used to see the output graphs of a particular fund.

Add Project

Delete Project

Add Fund

Delete Fund

HOLDING

Payback

Project Payback Period	14	years
Commercial Loan Payback Period	16	years
JESSICA Loan Payback Period	16	years
Private Equity Payback Period	15	years
JESSICA Equity Payback Period	15	years

IRR (2)

Project IRR	6.33%	Real	8.60%	Nominal
Private Equity IRR	10.38%		13.14%	
JESSICA Equity IRR	10.33%		13.15%	

Financial Index

Financial Index	2	index
-----------------	---	-------

Net Present Value

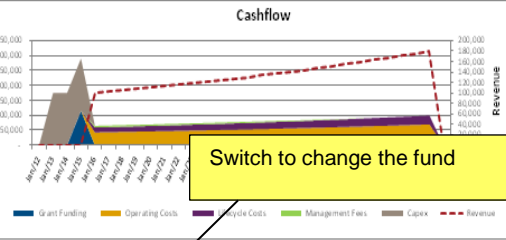
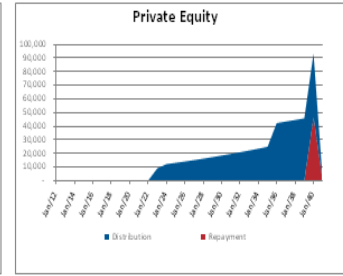
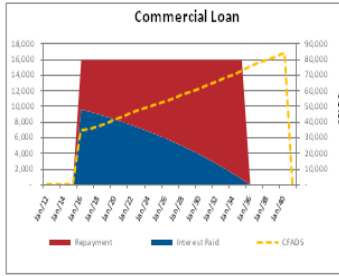
NPV - Operating Cashflows	592,630	
---------------------------	---------	--

Sources of Fund

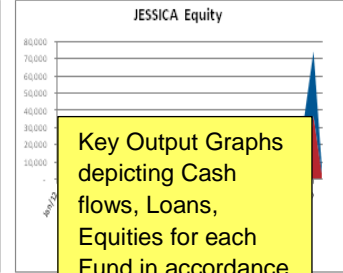
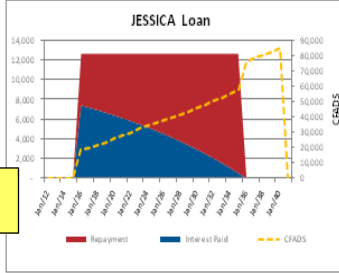
Grant Funding	115,000	
Private Equity	46,407	
JESSICA Equity	36,936	
Commercial Loan	182,678	
JESSICA Loan	148,203	
Total	529,224	

Gearing

Private Equity	11.20%	%
JESSICA Equity	8.32%	%
Commercial Loan	44.10%	%
JESSICA Loan	35.78%	%
Total	100.00%	%



Switch to change the fund



Key Output Graphs depicting Cash flows, Loans, Equities for each Fund in accordance with the switch selected.

FUND

Portfolio No. Fund2

Payback

Project payback period	14	years
Private Equity Payback Period	15	years
JESSICA Equity Payback Period	15	years
Commercial Loan Payback Period	16	years
JESSICA Loan Payback Period	16	years

IRR (2)

Private Equity IRR	10.12%	Real	13.48%	Nominal
JESSICA Equity IRR	10.12%		13.48%	
Project IRR	7.03%		9.77%	

Net Present Value

NPV - Operating Cashflows	236,342	
---------------------------	---------	--

Financial Index

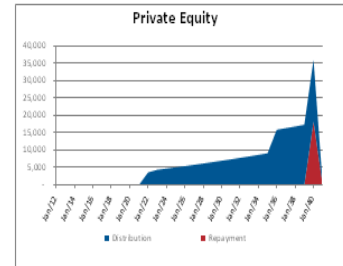
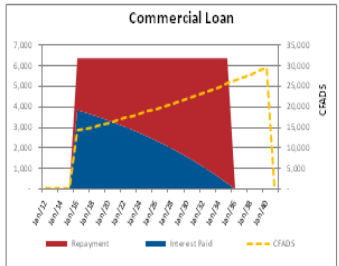
Financial Index	3	index
-----------------	---	-------

Sources of Fund

Grant Funding	50,000	
Private Equity	18,183	
JESSICA Equity	12,126	

Gearing

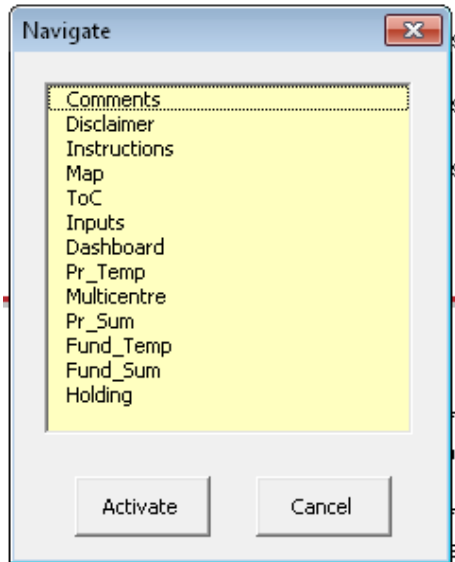
Private Equity %	12.00%	%
JESSICA Equity %	8.00%	%
Commercial Loan %	48.00%	%



NAVIGATE BETWEEN SHEETS

12 In order to navigate more easily between the sheets, a window has been created with the list of the sheets available in the Financial Model.

Press: **Ctrl + Shift + J** and the following window will appear:



If you want to go to the 'Dashboard' sheet for example, just click on 'Dashboard' and press 'Activate'.
Click 'Cancel' to close the window.

UNPROTECT SHEETS

13 Once open, the Financial Model will be automatically **protected** which means that only the cells in yellow could be modified.

If you are an advanced user of excel and want to make any changes in terms of Financial Modelling, you have the possibility to do so by unprotecting the Financial Model and use the following password: 'Mazars'. However, please note that should the sheets be deleted or renamed manually, the macros **not** will worked properly.

FINANCIAL MODEL SPEED

14 After adding 10 projects and 10 funds approximately, the Financial Model may operate slightly slower, and therefore, can take up to 1 minute to add a new project or a new fund.

5. Funding Assumptions

- In the Base Case, 100% of the debt is provided as a **commercial loan**. However, it can be divided into **commercial loan and JESSICA loan** as and when required.

Similarly, equity funding is 100% from **private equity** which can be divided into **private equity and JESSICA equity** as and when required.

ABCD	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Project: A29 - JESSICA					Model	Checks OK	<div style="display: flex; justify-content: space-around;"> Summary Cashflow Returns NPV Payback </div>							
Proj Template					Proj Template	Checks OK								
SUMMARY														
KEY INPUTS														
11	Project Name	Proj Template	label			KEY OUTPUTS								
12	Part of which Portfolio	-	#			Financial Index calculations								
13	Time Inputs					Private Equity IRR								
14	Construction Start Year	2013	year#			Private Equity IRR Expected 13.00% %								
15	Construction Length	3	years			Private Equity IRR n.a. %								
16	Operations Length	25	years			Financial Index IRR - index								
17	Indexation					Profitability index (PI)								
18	RPI Index	-	% p.a.			NPV - Operational Cashflow (excluding Capex) - €								
19	Revenue					Initial investment - €								
20	Revenue 1	-	€/year			NPV / Initial investment - factor								
21	Revenue 2	-	€/year			Profitability index - index								
22	If profile revenue, provide inputs here (double click the link >>)	-	link			Size								
23	Lump sum Revenue	-	€			Project size in line with your strategy investment? 0								
24	Lump sum Revenue Receipt Date	31/Dec/40	date			Size index - index								
25	Project is of Real Estate?	No	1=Yes / 0=No			Timing								
26	Rental Revenue	-	€/year			Project Length in line with your strategy investment? 0								
27	Revenue from Property Sales?	No	1=Yes / 0=No			Timing index - index								
28	If yes, Revenue Yield %	-	%			Financial Index IRR 55.00% - index								
29	Capex					Profitability index 20.00% - index								
30	Capex 1	-	€			Size index 10.00% - index								
31	Capex 2	-	€			Timing index 15.00% - index								
32	If profile revenue, provide inputs here (double click the link >>)	-	link			Financial index 100.00% - index								
33	Operating Cost					Notes								
34	Operating Cost 1	-	€/year			Enter the % input for 'Commercial Loan' and 'Private Equity'. JESSICA % will get automatically calculated.								
35	Operating Cost 2	-	€/year											
36	If profile cost, provide inputs here (double click the link >>)	-	link											
37	Lifecycle Cost													
38	Lifecycle Cost 1	-	€/year											
39	Lifecycle Cost 2	-	€/year											
40	If profile cost, provide inputs here (double click the link >>)	-	link											
41	Funding													
42	Project Gearing [debt / (debt+ equity)]	-	%											
43	Commercial Loan % of Debt Funding	100.00%	%											
44	JESSICA Loan % of Debt Funding	-	%											
45	Private Equity % of Equity Funding	100.00%	%											
46	JESSICA Equity % of Equity Funding	-	%											
47	Debt Inputs													
48	Arrangement Fees %	-	-											
49	Loan Rate (%p.a.)	-	-											
50	Repayment Term (years)	20	20											
51	Repayment profile to be used (1=annuity, 2=profile based)	1	1											
Others Key Outputs														
IRR														
Private Equity IRR														
JESSICA Equity IRR														
Project IRR														
Payback period														
Project Payback Period														
Private Equity Payback Per														
JESSICA Equity Payback Per														
Commercial Loan Payback														
JESSICA Loan Payback Pe														
Net Present Value														
NPV - Operational Cashflow														
Source of Funds														
Revenue														
Grant Funding														
Private Equity														
JESSICA Equity														
Commercial Loan														
JESSICA Loan														
Total														
Uses of Fund														
Costs														
Debt Fees														
Surplus Cash														
Total														
Gearing														
Private Equity														
JESSICA Equity														
Commercial Loan														
JESSICA Loan														
Total														

2. By default, the debts are repaid on an annuity basis. However, this can be changed in cells F61 and G61 by selecting '2' and then by entering a manual profile row 269 and 292.

	ABCC	E	F	G	H	I	J	K	L	M	N	O
2	Project: A29 - JESSICA		Model	Checks OK		<div style="display: flex; justify-content: space-around;"> Summary Cashflow Returns </div>						
3	Proj Template		Proj Template	Checks OK								
6	SUMMARY											
11	KEY INPUTS											
13	Project Name		Proj Template	label		KEY OUTPUTS						
14	Part of which Portfolio		-	#		Financial Index calculations						
16	Time Inputs					Private Equity IRR						
17	Construction Start Year		2013	year#		Private Equity IRR Expected 13.00% %						
18	Construction Length		3	years		Private Equity IRR n.a. %						
19	Operations Length		25	years		Financial Index IRR - index						
21	Indexation					Profitability index (PI)						
22	RPI Index		-	% p.a.		NPV - Operational Cashflow (excluding Capex) - €						
24	Revenue					Initial investment - €						
25	Revenue 1		-	€ /year		NPV / Initial investment - factor						
26	Revenue 2		-	€ /year		Profitability index - index						
27	If profile revenue, provide inputs here (double click the link >>)		-		link							
28	Lump sum Revenue		-	€		Size						
29	Lump sum Revenue Receipt Date		31/Dec/40	date		Project size in line with your strategy investment? 0						
30	Project is of Real Estate?		No	1=Yes / 0=No		Size index - index						
31	Rental Revenue		-	€ /year		Timing						
32	Revenue from Property Sales?		No	1=Yes / 0=No		Project Length in line with your strategy investment? 0						
33	If yes, Revenue Yield %		-	%		Timing index - index						
34	Capex					Financial Index IRR						
35	Capex 1		-	€		Weights 55.00% - index						
36	Capex 2		-	€		Profitability index 20.00% - index						
37	If profile revenue, provide inputs here (double click the link >>)		-		link	Size index 10.00% - index						
39	Operating Cost					Timing index 15.00% - index						
40	Operating Cost 1		-	€ /year		Financial index 100.00% - index						
41	Operating Cost 2		-	€ /year		Notes						
42	If profile cost, provide inputs here (double click the link >>)		-		link	Enter the Repayment term and select the repayment profile, '1' for 'Annuity' and '2' for 'profiled'.						
44	Lifecycle Cost											
45	Lifecycle Cost 1		-	€ /year								
46	Lifecycle Cost 2		-	€ /year								
47	If profile cost, provide inputs here (double click the link >>)		-		link							
49	Funding											
50	Project Gearing [debt / (debt+ equity)]		-	%								
51	Commercial Loan % of Debt Funding		100.00%	%								
52	JESSICA Loan % of Debt Funding		-	%								
53	Private Equity % of Equity Funding		100.00%	%								
54	JESSICA Equity % of Equity Funding		-	%								
56	Debt Inputs											
57	Arrangement Fees %		-	%								
58	Loan Rate (% p.a.)		-	%								
59	Repayment Term (years)		20	20								
60	Repayment profile to be used (1=annuity, 2=profile based)		1	1								
61	If profile equipment, provide inputs here (double click the links >>)		-		link							
62	Grant Funding											
63	Grant Funding to be used (1=one off receipt, 2=profile based)		1	switch								
64	Grant Funding One off Receipt Amount		-	€								
65	Grant Funding Receipt Date		31/Dec/15	date								
66	If profile grant funding, provide inputs here (double click the link >>)		-		link							
68	Interest rate (LIBOR)											
69	Interest rate on Cash / (Overdraft) Balance		-	% p.a.								
71	NPV / Costs of Capital Calculation Rate											

- In the Base Case, Private equity and JESSICA equity are repaid equally depending on the cash availability.

As, Private Equity and JESSICA equity repayments are one time repayments on the dates entered by the user, the date can be changes, for example to repay the JESSICA equity before the private equity. By default the repayment date is the end of the concession.

	E	F	G	H	I	J	K	L	M	N	O
2	Project: A29 - JESSICA	Model	Checks OK								
3	Proj Template	Proj Template	Checks OK								
202	LIFECYCLE COSTS										
203	Annual Charges (Gross)										
206	Lifecycle Cost 1	-	€ /year								
207	Lifecycle Cost 2	-	€ /year								
209	Indexation										
210	Category 1	2	RPI Index								
211	Category 2	2	RPI Index								
213	Sensitivity										
214	Lifecycle Cost 1	100.00%	%								
215	Lifecycle Cost 2	100.00%	%								
217	Additional Profile - Lifecyle Costs										
218	Project Period Ending	-	date		31/Dec/12	31/Dec/13	31/Dec/14	31/Dec/15	31/Dec/16	31/Dec/17	
219	Lifecycle Cost 1	€			-	-	-	-	-	-	
220	Lifecycle Cost 2	€			-	-	-	-	-	-	
223	FUNDING										
225	Gearing										
226	Project Gearing [debt / (debt+ equity)]	-	%								
227	Commercial Loan % of Debt Funding	100.00%	%								
228	JESSICA Loan % of Debt Funding	-	%								
230	Private Equity										
231	Classification										
232	Description	Private Equity									
233	Private Equity - Used	Yes	1=Yes / 0=No								
234	Private Equity % of Equity Funding	100.00%	%								
236	Repayment										
237	%age Share in Cash for Repayment of - Private Equity	50.00%	%								
238	Private Equity - Redemption Date	31/Dec/40	date								
240	JESSICA Equity										
241	Classification										
242	Description	JESSICA Equity									
243	JESSICA Equity - Used	No	1=Yes / 0=No								
244	JESSICA Equity - % of Equity Funding	-	%								
246	Repayment										
247	%age Share in Cash for Repayment of - JESSICA Equity	50.00%	%								
248	JESSICA Equity - Redemption Date	31/Dec/40	date								

Enter the '%age Share in Cash for Repayment of - Private Equity' and the redemption date.

6. Case studies – Examples

In this section, there are examples on how to use the Financial Model step-by-step with two simple case studies.

a. Multicentre (Urban project)

i. Summary

The project is the construction of a multicentre in France and involves a multi-functional facility for culture, entertainment, and commercial purposes. The Centre will be approximately 15,000 m².

The construction will start in 2013 and will last two years.

In France, the expected inflation rate (RPI) is 3% per year.

All spaces created by the Project will be commercialized and relevant agreements signed with large retail and service chains.

- Revenue from ticket sales (cinemas, artist exhibitions, other entertainment facilities) : expected revenue per year : €80.000/year
- Rent collection from the leasing of newly developed commercial space (large retail, food, and services chains) : expected revenue per year : €600.000/year

Based on the business plans, the investors are planning to sell the multicentre after 25 years of concession with a yield of 7.5%.

Project Name	Multicentre	label
Part of which Portfolio (name)	Fund1	label
Part of which Portfolio (number)	1	#
Time Inputs		
Construction Start Year	2013	year#
Construction Length	2	years
Operations Length	25	years
Indexation		
RPI Index	3.00%	% p.a.
Revenue		
Revenue 1	-	€ /year
Revenue 2	80,000	€ /year
<i>If profile revenue, provide inputs here (Ctrl+ [>>)</i>		link
Lump sum Revenue	-	€
Lump sum Revenue Receipt Date	31/Dec/39	date
Project is of Real Estate?	Yes	1=Yes / 0=No
Rental Revenue	600,000	€ /year
Revenue from Property Sales?	Yes	1=Yes / 0=No
<i>If yes, Revenue Yield %</i>	7.50%	%
Capex		
Capex 1	7,000,000	€
Capex 2	-	€
<i>If profile capex, provide inputs here (Ctrl+ [>>)</i>		link
Operating Cost		
Operating Cost 1	80,000	€ /year
Operating Cost 2	-	€ /year
<i>If profile cost, provide inputs here (Ctrl+ [>>)</i>		link
Lifecycle Cost		
Lifecycle Cost 1	100,000	€ /year
Lifecycle Cost 2	-	€ /year
<i>If profile cost, provide inputs here (Ctrl+ [>>)</i>		link
Funding		
Project Gearing [debt / (debt+ equity)]	80.00%	%
Commercial Loan % of Debt Funding	100.00%	%
JESSICA Loan % of Debt Funding	-	%
Private Equity % of Equity Funding	100.00%	%
JESSICA Equity % of Equity Funding	-	%
	Commercial Loan	JESSICA
Debt Inputs		
Arrangement Fees %	1.00%	-
Loan Rate (%p.a.)	3.50%	-
Repayment Term (years)	15	20
Repayment profile to be used (1=annuity, 2=profile based)	1	1
<i>If profile repayment, provide inputs here (Ctrl+ [>>)</i>		
Grant Funding		

The investment requirement (capital expenditure or Capex) is €7m.

There would potentially be associated labour costs as well: €80.000/year.

The main project operating costs would be related to the maintenance of the commercial infrastructure space also called lifecycle costs: €100.000/year.

The different parties involved want to calculate the different key indicators and cashflows firstly using a gearing of 80%.

The commercial loan terms are still under negotiation but the following characteristics are expected:

- Repayment terms: 15 years
- Loan rate: 3.5%
- Arrangement fees: 1%

For this project, the private investors expect a project IRR of 10%.

ii. In practice in the Financial Model

1. Go to the Pr_Temp sheet
2. Press "Add Project"
3. Enter the name of the project, for example: "Multicentre" and press "OK"
4. Start entering the inputs as per the case summary above (i).

Under this current case, the project IRR is 10.57% and the private equity IRR 14.15%.

The private equity IRR is above the expected IRR from the private sector, therefore, it is reasonable to assume that this is an attractive project to the private investor.

34	Capex		
35	Capex 1	7,000,000	€
36	Capex 2	-	€
37	<i>If profile capex, provide inputs here (Ctrl+ [>>)</i>	↔	link
39	Operating Cost		
40	Operating Cost 1	80,000	€/year
41	Operating Cost 2	-	€/year
42	<i>If profile cost, provide inputs here (Ctrl+ [>>)</i>	↔	link
44	Lifecycle Cost		
45	Lifecycle Cost 1	100,000	€/year
46	Lifecycle Cost 2	-	€/year
47	<i>If profile cost, provide inputs here (Ctrl+ [>>)</i>	↔	link
49	Funding		
50	Project Gearing (debt / (debt+ equity))	80.00%	%
51	Commercial Loan % of Debt Funding	100.00%	%
52	JESSICA Loan % of Debt Funding	-	%
53	Private Equity % of Equity Funding	100.00%	%
54	JESSICA Equity % of Equity Funding	-	%
56	Debt Inputs		
57	Arrangement Fees %	1.00%	-
58	Loan Rate (%p.a.)	3.50%	-
59	Repayment Term (years)	15	20
60	Repayment profile to be used (1=annuity, 2=profile based)	1	1
61	<i>If profile repayment, provide inputs here (Ctrl+ [>>)</i>	↔	↔
62	Grant Funding		
63	Grant Funding to be used (1=one off receipt, 2=profile based)	1	switch

IRR	Nominal
Private Equity IRR	14.15%
Project IRR before financing	10.57%
Payback period	
Project Payback Period	15 years
Private Equity Payback Period	19 years
Commercial Loan Payback Period	14 years

b. Waste Incineration plant

i. Summary

The project will consist of the development of Combined Heat and Power plant on an industrial area in Wales. The plant will produce both electricity and heat of approximately 10.0 MW. It will significantly improve the environment and provide a comprehensive solution for the landfilling program in the region. It is envisaged that the facility will process approximately 153,000 tonnes of municipal waste and 36,500 tonnes of wet sewage sludge. The installation is to consist of two technological lines, an efficient multi-stage flue gas treatment system, with electricity and heat produced to be transmitted to the power grid and local heating network.

The construction will start in 2013 and will last three years.

In the UK, the expected inflation rate (RPI) is 3% per year.

The project will have multiple potential sources of revenue, including:

- Revenue from sale of generated electricity; expected revenue per year : €300.000/year;
- Revenue from sale of produced heat; expected revenue per year : €220.000/year

The investment requirement (capital expenditure) is €10m.

The main project operating costs are related to gas consumption, connection and transmission charges, carbon production, maintenance, consumables, disposal, and labour costs. Expected costs per year: €70.000/year

The different parties involved want to calculate the different key indicators and cashflows firstly using a gearing of 70%.

The commercial loan terms are still under negotiation but the following characteristics are expected:

- Repayment terms: 22 years

Project Name	Power Plant
Part of which Portfolio (name)	Fund1
Part of which Portfolio (number)	1
Time Inputs	
Construction Start Year	2013
Construction Length	3
Operations Length	25
Indexation	
RPI Index	3.00%
Revenue	
Revenue 1	300,000
Revenue 2	220,000
<i>If profile revenue, provide inputs here (Ctrl+ [>>)</i>	
Lump sum Revenue	-
Lump sum Revenue Receipt Date	31/Dec/40
Project is of Real Estate?	No
Rental Revenue	-
Revenue from Property Sales?	No
<i>If yes, Revenue Yield %</i>	-
Capex	
Capex 1	10,000,000
Capex 2	-
<i>If profile capex, provide inputs here (Ctrl+ [>>)</i>	
Operating Cost	
Operating Cost 1	70,000
Operating Cost 2	-
<i>If profile cost, provide inputs here (Ctrl+ [>>)</i>	
Lifecycle Cost	
Lifecycle Cost 1	-
Lifecycle Cost 2	-
<i>If profile cost, provide inputs here (Ctrl+ [>>)</i>	
Funding	
Project Gearing [debt / (debt+ equity)]	70.00%
Commercial Loan % of Debt Funding	100.00%
JESSICA Loan % of Debt Funding	-
Private Equity % of Equity Funding	100.00%
JESSICA Equity % of Equity Funding	-
Debt Inputs	
Arrangement Fees %	1.00%
Loan Rate (%p.a.)	4.50%
Repayment Term (years)	22
Repayment profile to be used (1=annuity, 2=profile based)	1

- Loan rate: 4%
- Arrangement fees: 1%

For this project, the private investors expect a project IRR of 8%.

ii. In practice in the Financial Model

5. Go the Pr_Temp sheet
6. Press “Add Project”
7. Enter the name of the project, for example : “Power plant” and press “OK”
8. Start entering the inputs as per the case summary above (i).

Under this current case, the project IRR is 2.75% and the private equity IRR 4.28%.

The private equity IRR is far below the expected IRR from the private sector. In such case, one should consider including some JESSICA investments into the project to improve the financial viability.

IRR	Nominal
Private Equity IRR	2.75%
Project IRR before financing	4.28%
Payback period	
Project Payback Period	20 years
Private Equity Payback Period	29. years
Commercial Loan Payback Period	17 years

iii. Cashflow improvement

At the top of the sheet, you will notice that one alert is activated. By pressing Ctrl + [, on cell G3, the following elements will be shown with the details:

CHECKS & ALERTS		
Checks & Alert Summary		Checks OK & 1 alert
CHECKS		
Total Checks	-	check
Do not delete		[Range Starts]
CF Winding up Check	-	check
CF Column vs Row Sumtotal check	-	check
Total Funding Check	-	check
Sources & Uses of Fund Check	-	check
Private Equity - Balance Check	-	check
JESSICA Equity - Balance Check	-	check
Commercial Loan - Closing Balance Check	-	check
JESSICA Loan - Closing Balance Check	-	check
Retained Cash / (Overdraft) - Closing Balance Check	-	check
Do not delete		[Range Ends]
ALERTS		
Total Alerts	1	alert
Do not delete		[Range Starts]
Is Cash in Credit?	1	alert
Does cash cascade reconcile to cashflow?	-	alert
Do not delete		[Range Ends]

Indicates that Cashflow is nil in post-concession period.

Indicates that all the Cashflows line items are considered in the Net Cashflow before tax.

Indicates that total funding is 100%.

Indicates that sources of fund is equal to uses of fund.

Indicates that Private Equity Balance is nil in last concession period.

Indicates that JESSICA Equity Balance is nil in last concession period.

Indicates that Commercial Loan Balance is nil in last concession period.

Indicates that JESSICA Loan Balance is nil in last concession period.

Indicates that Cash Balance is nil in last concession period.

The alert indicates that the cash balance is negative in some periods. The revenues are not sufficient to cover the operating costs and service the debt in some periods.

The following approaches could be taken to improve the cashflows:

- find new sources of revenue without increasing the costs;
- optimise the financing : introduction of Financial Instruments or grant

This list above is not exhaustive and will depend on each project, financing structure, and cost/revenue sources.

c. Fund level

With these two case study examples, one project (Multi-Centre) has an IRR which meet the private sector expectations and the other project (Waste Incineration Plant) does not.

At fund level, these two projects will compensate each others to get a Private Equity IRR of 9.13%. Depending on the expected return of the fund, this could be an acceptable IRR. The fund level allows you to take a 'portfolio' approach to strategic investing.

7. Component analysis - example

If for example, a component analysis is required the project sheet of the Financial Model can be used as the **component level** and the fund sheet as the project level.

If for example there is a project composed of commercial space and residential space; and the project managers wants to follow the finances for these two spaces, separately, they can do so by considering each sub-project as a separate project.

In this case, the project level will be used for each sub-project and the fund level will be the synthesis of the two projects.

2	Project: Structuring	Model	Checks OK	Summary	Cashflow
3	Real Estate project	Real Estate project	Checks OK		
6					
7	SUMMARY				
10					
11	KEY INPUTS			KEY OUTPUTS	
12				Financial Index calculations	
13	Portfolio Name	Real Estate project	label	IRR	
14	Portfolio Number	1	<< Macro Generated	Private Equity IRR Expected	
15					
64	Project Summary				
65					
66	Projects	Project IRR	Capex		
67		(Nominal)%	1		
68	Commerical space - IRR	9.92%	150,000		
69	Residential space - IRR	10.30%	200,000		
71					
72	No. of Projects active in this Fund		2	#	
73					
74					

8. Annexes







Key

Colour coding used in the Financial Model

Cell Type	Coding Used
Input Cell	Light Yellow + Border
Input Cell with default value link	Light Green + Border
WIP Coding	HARD YELLOW
Counter flow within sheet	Icy Blue + Black Font
Counter flow between sheets	Icy Blue + Blue Font
Dead Values	Colour Index 24
Import from other sheet	MZR Blue Font
Export to other sheet	MZR Red Font
Error Check	Red Shade
Alert	Orange Shade






Navigation Buttons

Various buttons present in the Financial Model for client use

	Navigation Button	Description
Summary		This button (presented at the top of each sheet) helps to navigate to the 'Summary' of a particular project / fund / holding.
Cashflow		This button (presented at the top of each sheet) helps to navigate to the 'Cashflow' of a particular project / fund / holding.
Returns		This button (presented at the top of each sheet) helps to navigate to the calculation of 'Returns' of a particular project / fund / holding.
NPV		This button (presented at the top of each sheet) helps to navigate to the calculation of 'NPV' of a particular project / fund / holding.
Payback		This button (presented at the top of each sheet) helps to navigate to the calculation of 'Payback Period' of a particular project / fund / holding.
Dashboard		This button (presented at the top of each sheet) helps to navigate to the "Dashboard" sheet of the Financial Model. "Delete" Macros are present at the Dashboard sheet only.

Macros

Various Macros provided in the Financial Model

Macro		Description
Add Project		This macro button (presented at the top of Dashboard/ Pr_Temp / Projects sheet) helps in adding a new project with the default input values as in Project Template (i.e. Pr_Temp sheet). Subsequently the project's data will also be added in the Project Summary i.e. Pr_Sum sheet.
Delete Project		This macro button (presented at the top of Dashboard sheet) helps in deleting a project. The project sheet of the selected project would be deleted. Subsequently the project would also be deleted from the Project Summary i.e. Pr_Sum sheet.
Add Fund		This macro button (presented at the top of Dashboard/ Pr_Temp / Funds sheet) helps in adding a new fund with the default input values as in Fund Template (i.e. Fund_Temp sheet). Subsequently the new fund's data will also be added in the Fund Summary i.e. Fund_Sum sheet.
Delete Fund		This macro button (presented at the top of Dashboard sheet) helps in deleting a fund. The fund sheet of the selected fund would be deleted. Subsequently the fund would also be deleted from the Fund Summary i.e. Fund_Sum sheet.
Unprotect Sheet		This macro (presented at the top of protected sheets i.e. from Pr_Start ---> Fund_Sum) helps in unprotecting a protected sheet. If changes are required to be made in a protected sheet, run the Unprotect Sheet macro to unprotect it before any changes can be made. The password is 'Mazars'.

Definition list

Annuity repayment	The repayment of debt is organised in such a way that the principal and interest payments are repaid over the tenor of the debt in order to produce a series of annual payments.
Cashflow	Cash flow is the movement of money into or out of a business, project, or financial product. It is usually measured during a specified, limited period of time. Measurement of cash flow can be used for calculating other parameters that give information on a company's value and situation. Cash flow can be used, for example, for calculating parameters: it discloses cash movements over the period.
Capex	Capital expenditures (CAPEX or capex) are expenditures creating future benefits. A capital expenditure is incurred when a business spends money either to buy fixed assets or to add to the value of an existing fixed asset with a useful life extending beyond the taxable year.
Dashboard	User interface to summarize the data at fund and holding levels
Financial index	<p>The Financial index is an index to evaluate financially a project or a fund and compare projects/funds between them.</p> <p>The financial index helps to answer the following questions :</p> <ul style="list-style-type: none"> - Does my project/fund meet my private investors' requirements? - Does my project/fund is profitable? - Does my project is in line with my overall financial strategy investment? <p>At project level, the financial index is a weighted average index of 4 components :</p> <ul style="list-style-type: none"> - The difference between the Private Equity IRR of a project or a fund. The difference being limited between [-10;+10] - The profitability index transformed on a scale of [-10;10] - A number on a scale of [-10;10] chosen by the user to evaluate the size of the JESSICA amount used against the financial strategy investment of the fund; - A number on a scale of [-10; 10] chosen by the user to evaluate the timing of the JESSICA amount used against the financial strategy investment of the fund. <p>At fund level, the same logic has been applied to calculate the financial index apart for the two questions which only applied at project level.</p>
Gearing	Gearing, called leverage in the US and some other countries, measures the extent to which a company is funded by debt. One common definition is: $\text{debt} / (\text{debt} + \text{equity})$.
IRR	<p>Internal Rate of Return. It is a rate is a rate of return used in capital budgeting to measure and compare the profitability of investments.</p> <p>Two types of IRR have been calculated: real and nominal. The real IRR is the IRR calculated without the inflation.</p>

JESSICA	Joint European Support for Sustainable Investment in City Areas
Payback period	The length of time required to recover the cost of an investment.
Net Present Value	Net present value: is defined as the sum of the present values of the individual cash flows of the same entity.
Profitability Index (PI)	<p>Also known as profit investment ratio (PIR) and value investment ratio (VIR), is the ratio of payoff to investment of a proposed project. It is a useful tool for ranking projects because it allows you to quantify the amount of value created per unit of investment.</p> <p>Rules for selection or rejection of a project:</p> <ul style="list-style-type: none"> • If $PI > 1$ then accept the project • If $PI < 1$ then reject the project
Yield	It is the percentage of rental income for the purchase price. The yield is calculated by dividing the gross annual rental income by the purchase price.