

Elaboration and Analysis of Investment Projects

General Objectives:

This Course aims to provide participants with skills in which the decision in investment decision is one of the most important strategic options, both for the promoting company and for all the stakeholders involved, namely partners / shareholders, banking and other creditors, employees, etc.

The main goal of this course is to transmit a set of tools necessary for the design, preparation and economic and financial analysis of investment projects.

During the course there will be a theoretical exposition where a current approach will be adopted and the Practical Case with adherence to business reality.

Specific Objectives:

At the end of this Course participants will be able to:

- Understand the scope, importance, classification and phases of an Investment Project;
- Perform the Analysis of Economic Feasibility of the Investment Project, by different optics;
- Understand, relate and make the economic and financial diagnosis of the Investment Project, and its impact on the Financial Statements Forecast.

Recipients:

This course is intended for Managers and Executives with responsibility in the preparation, evaluation and decision making on investment projects, namely: Financial Managers; Account Managers (Banks and other Financial Institutions); Project Analysts (Study Cabinets); Financial Consultants; Venture Capital Firm Managers; Business Unit Directors; Financial and Management Control Directors.

Duration:

18 Hours

Program Content:

Module I - Introduction

- Framing the Analysis of Investment Projects in the Financial Management of Companies;
- Investment. Definition and optics;
- Concept / Definition of Investment Projects;
- Classification of Investment Projects;
- Main preparatory phases in the preparation of an Investment Project.

Module II - Evaluation / analysis of an investment project - (business perspective)

- Concept of Cash-Flow;
- Cash-Flows or Free Cash Flows of an Investment Project: Operating Cash Flows and Investment Cash Flows (Fixed and Circulating);
- Accounting Depreciation in the calculation of Project Cash-Flows;
- Schematic overview (conceptual and temporal) for its calculation;
- Financing Investment Projects with Borrowed Capital;
- The problem of Financial Charges in the evaluation of Investment Projects;
- Discounted Value (VA) of the tax saving of the financing interests;
- Its importance in the evaluation of investment;
- Optics of Investment Projects Evaluation;
- The discount rate (TA) of Cash-Flows;
- Its conceptual formulation;
- Optics of economic profitability;
- NPV - Net Present Value;
- IRR - Internal Rate of Return;
- IRR - Integrated Internal Rate of Return;
- IR - Profitability Index;
- Comparative Summary of NPV and IRR;
- Optics of economic-financial profitability;
- APV - Adjusted Present Value;

- Optical of investment recovery or Pay-Back Period;
- Risk/ Uncertainty Optics: Decision Theory and Statistics;
- Analysis of Projects at Constant Prices versus Current Prices.

Module III - Forecasting methods of revenues / sales - brief approach

Module IV - Diagnosis of the project's predictable solvency

- Forecast Financial Statements;
- Its importance in monitoring and controlling the performance of the Project/company;
- Profit and Loss Account (Income Statement);
- Balance Sheets;
- Cash Flow Statement;
- Financial Plan;
- Key ratios and indicators;
- Project Evaluation after completion: the Creating Shareholder Value and the Effective Internal Rate of Return (EIRR).

Módulo V - Case Study

- Elaboration and Analysis of an Investment Project.