

# Financial Accounting for Business Lenders

## FOUNDATIONAL KNOWLEDGE OF BUSINESS FINANCIAL STATEMENTS



DURATION

10 - 12 hours



DELIVERY CHANNEL

eLearning



### Course Modules:

- 1 Financial Accounting Framework
- 2 Accrual Accounting Basics
- 3 The Balance Sheet: Assets
- 4 The Balance Sheet: Liabilities and Equity
- 5 The Income Statement

### COURSE OVERVIEW & BENEFITS

Whereas accountants must learn to construct financial statements, business lenders must learn to deconstruct them: to dissect and analyze them to identify the strengths and weaknesses they reveal about a business's financial condition.

Financial Accounting for Business Lenders —ideal for anyone seeking to build their knowledge of business financial statements from the ground up—explores fundamental accounting and cash flow concepts from a lender's perspective.

This five-module eLearning course begins with an exploration of the rules that guide the development of financial statements, and an examination of the revenue and expense recognition methods that form the basis of accrual accounting.

Participants then study the balance sheet and income statement in-depth, focusing on the accounts likely to have the greatest impact on the analysis of a loan request.

### LEARNING OBJECTIVE

Learn to understand and evaluate accrual-based financial statements within the context of SME and business banking loan analysis.

### COMPETENCIES GAINED

#### Participants will be able to:

- Identify the components of a complete set of financial statements.
- Explain the difference between accrual accounting and cash accounting and their uses.
- Recognize how common business transactions impact a business's assets, liabilities, and equity on the balance sheet, and income and expenses on the income statement.
- Recognize the key asset, liability, and equity accounts that impact a business borrower's financial performance.
- Identify the key components and order of the items on the income statement to facilitate analysis of financial performance.

### TARGET AUDIENCE

Financial Accounting for Business Lenders is a comprehensive course ideal for new business lenders, analysts, and underwriters, and any other credit professionals seeking to build in-depth knowledge of business financial statements and their role in business loan analysis.