



CASH FLOW ANALYSIS



This course is designed to provide a solid understanding of how to develop, read, and understand cash flow statements in assessing risk. We'll use the case study method and will explore the mechanical development and the interpretive value of the Uniform Credit Analysis (UCA) cash flow statement in properly identifying borrowing causes, the sources of cash to pay lender interest and repay debt as scheduled, the dollar amount of the financing requirement and the source of cash to meet that requirement.

Target Audience:

Experienced lenders wanting a review of cash flow principles. Loan originators, credit analysts or business development officers needing foundational knowledge of cash flow principles.

Prerequisites:

A good foundation in accounting and financial terminology with some 'hands-on' experience in analyzing accrual basis financial statements.

Training Outcomes:

- Knowledge for the development of a complete source and use of funds statement.
- Realization that all cash flow statements are essentially source and use of funds statements.
- Understanding of the basic operational cash flow using three simple concepts.
- Identification of the primary source of operational cash flow and whether it's adequate enough to service the annual term loan payment.
- Understanding of the consequences of using depreciation expense as a source of loan repayment.
- Recognition of the difference between the direct and indirect methods of analyzing cash flow.
- Manipulation and alteration of cash flows to produce non-normal operational cash flow from one-time source or uses and calculation of the dollar impact.
- Knowledge of the information that cash flow statements can provide.

Time Commitment: One classroom session, full-day.

Certification: WIB Certificate of Completion

Mentor: Not Required

See wib.org for more information on dates, pricing & registration.