



# FUNDAMENTAL & INTERMEDIATE COMMERCIAL CREDIT ANALYSIS (Credit 101)



## Target Audience:

Relatively new professionals in a credit department or in any area of commercial lending. We recommend that students take Credit 101 and Credit 201 to realize the full benefit of the Institute.

## Prerequisites:

An understanding of basic accounting principles acquired through formal or on-the-job training. Successful completion of Credit 101 Diagnostic.

## Curriculum:

Credit 101 is comprised of the following courses:

### FUNDAMENTAL COMMERCIAL CREDIT ANALYSIS

- Language of Business
- Differences in Business Organization and Risk Assessment
- Financial Statement Quality and Risk Assessment

### INTERMEDIATE COMMERCIAL CREDIT ANALYSIS

- Business Cash Flow Statement and Risk Assessment
- Personal Financial Statements and Risk Assessment
- The Personal Cash Flow Statement and Risk Assessment

## Time Commitment:

Approximately 3-4 months from start to completion. Depending upon participant's knowledge and experience, the average weekly time commitment is 5-8 hours of work (including preparation).

- Two classroom sessions. Each session is 1½ days.
- Six online courses & eight webinars.

## Certification:

WIB Certified Commercial Credit Analyst upon successful completion of the entire Credit 101 requirements.

## Mentor:

The bank should provide an experienced commercial lender or credit administrator to assist the student throughout the Institute.

## Training Outcomes:

See reverse side.

## WIB Member Cost:

\$2,900 for Credit 101 only      \$4,500 for both Credit 101 and 201

Registration fees for Credit 101 and 201 together are approximately \$3,000 less than major competitors for a complete program. Hotel/travel costs are only required for four nights (one per classroom session) versus 24+ nights for other lender schools (e.g., four per month for a six-month program). Please see registration form for Institute prices & dates.

*See [wib.org](http://wib.org) for more information on dates, pricing & registration.*

# FUNDAMENTAL & INTERMEDIATE COMMERCIAL CREDIT ANALYSIS (Credit 101)



## Training Outcomes

### Training Outcomes:

By using comprehensive, live case studies, including business financial statements; guarantor personal financial statements; guarantor personal income tax returns; the credit write up and credit memoranda, participants who successfully complete all course exercises and requirements will possess the necessary set of analytical skills to:

- Correctly spread financial statements in financial analysis software.
- Conduct basic ratio analysis that incorporates the necessary adjustments for distributions and withdrawals in computing key performance ratios with a special emphasis on non-Subchapter C corporations, i.e., Subchapter S corporations, partnerships, limited liability companies and sole proprietorships.
- Understand the likely bias in resulting performance ratios and associated risk assessment attributed to the type of financial statement, with a special emphasis on the variation in income statement and balance sheet amounts by type of financial statement (management prepared, compiled, reviewed, or audited).
- Correctly construct and interpret a business cash flow statement with special emphasis on the use and interpretation of cash flow statements in identifying the borrowing cause(s).
- Identify the financing requirement and the sources of cash used to service interest-bearing debt.
- Estimate the ultimate financial value of a personal guarantee by identifying the dependency of a guarantor's personal cash revenue stream on the cash position of the company.
- Demonstrate credit analysis mastery through the application of newly acquired analytical tools to a closure exercise. The closure exercise requires an enhanced accrual and cash flow assessment of a commercial borrower and a guarantor.
- Professionals who successfully complete Intermediate Commercial Credit Analysis will possess the essential core analytical skills that allow them to advance to the next and final stage in mastering commercial loan underwriting.