QUEST TRAINING

Financial Statement Analysis for Credit Decisions

Credit & Lending Management · Banking & Finance · 5 Days · Classroom

OVERVIEW

Financial Statement Analysis for Credit Decisions is a comprehensive professional training course designed to equip banking and finance professionals with the analytical knowledge and practical skills required to evaluate financial statements and make informed credit decisions. As lending institutions face increasing pressure to improve asset quality, manage credit risk, and comply with regulatory expectations, the ability to accurately interpret financial information has become a critical competency for credit analysts, lenders, and risk management professionals.Ð
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This course provides a structured approach to analyzing financial statements from a credit perspective, enabling participants to assess a borrower's financial health, repayment capacity, profitability, liquidity, leverage, operating efficiency, and cash flow sustainability. Participants will learn how financial statement analysis supports sound credit evaluation, enhances lending decisions, and contributes to effective credit risk management across corporate, commercial, SME, and institutional lending portfolios.Ð
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The program explores advanced techniques for evaluating balance sheets, income statements, cash flow statements, and financial ratios while integrating qualitative business analysis, industry assessment, and economic factors into the overall credit assessment process. Participants will also examine common financial reporting issues, warning signs of financial distress, earnings quality, and analytical techniques used to identify potential credit weaknesses before lending decisions are made.Ð
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Through practical case studies, financial analysis workshops, and real-world lending scenarios, participants will strengthen their ability to transform financial data into meaningful credit insights, prepare professional credit analysis reports, and recommend appropriate lending decisions based on objective financial evidence. The course supports banks, financial institutions, government financing agencies, development banks, and corporate lenders seeking to improve the quality and consistency of financial analysis within their credit decision-making processes.

OBJECTIVES

- Analyze financial statements to evaluate borrower creditworthiness by the end of the course.
- Evaluate financial performance using profitability, liquidity, leverage, efficiency, and cash flow analysis techniques.
- Apply financial ratio analysis to support sound credit decisions and lending recommendations.
- Develop comprehensive financial analysis reports for corporate and commercial borrowers.
- Assess repayment capacity through detailed cash flow and debt servicing analysis.
- Improve the identification of financial risks and early warning indicators affecting credit quality.
- Strengthen analytical decision-making through integrated financial and qualitative business

assessment.
• Implement best practices in financial statement analysis for credit evaluation.
• Assess financial reporting quality and identify potential weaknesses that may influence lending decisions.
• Align financial analysis practices with organizational credit policies, governance standards, and regulatory expectations.

WHO SHOULD ATTEND

This course is designed for credit analysts, senior credit analysts, lending officers, relationship managers, corporate banking professionals, commercial banking specialists, SME banking professionals, loan officers, credit reviewers, portfolio analysts, and professionals responsible for evaluating borrower financial performance within financial institutions.Ð
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It is also suitable for heads of credit, credit managers, chief risk officers, finance managers, internal auditors, compliance professionals, investment analysts, corporate finance specialists, development finance professionals, government financing agencies, banking supervisors, and executives responsible for improving credit assessment quality and strengthening financial analysis capabilities across their organizations.

LEARNING OUTCOMES

• By the end of this course, participants will be able to:
• Analyze balance sheets, income statements, and cash flow statements from a credit perspective.
• Evaluate borrower financial performance using advanced financial ratio analysis.
• Assess liquidity, profitability, leverage, efficiency, and debt servicing capacity.
• Identify financial strengths, weaknesses, and emerging credit risks through financial statement analysis.
• Interpret cash flow performance to determine repayment capacity and financial sustainability.
• Prepare professional financial analysis reports supporting lending recommendations.
• Detect early warning indicators of financial deterioration before credit quality declines.
• Integrate financial analysis with business, industry, and qualitative risk assessment.
• Support objective credit decisions using structured financial evaluation methodologies.
• Apply international best practices in financial statement analysis to strengthen lending quality and credit risk management.

COURSE OUTLINE

1. Course Outline:
2. Day 1: Foundations of Financial Statement Analysis for Credit Decisions
3. Foundations of Financial Statement Analysis for Credit Decisions
4. The role of financial statement analysis in credit evaluation
5. Understanding the relationship between financial performance and credit risk
6. Structure and interpretation of financial statements
7. Credit-focused analytical frameworks and methodologies
8. Practical application: Reviewing financial statements for credit assessment
9. Day 2: Financial Ratio Analysis and Performance Evaluation
10. Financial Ratio Analysis and Performance Evaluation
11. Liquidity ratio analysis
12. Profitability and operating performance analysis

13. Leverage, solvency, and capital structure evaluation
14. Efficiency ratios and working capital analysis
15. Practical application: Comprehensive financial ratio analysis for a corporate borrower
16. Day 3: Cash Flow Analysis and Credit Assessment
17. Cash Flow Analysis and Credit Assessment
18. Cash flow statement analysis
19. Operating cash flow and debt servicing capacity
20. Earnings quality and financial sustainability assessment
21. Financial forecasting and trend analysis
22. Practical application: Evaluating repayment capacity using cash flow analysis
23. Day 4: Advanced Financial Analysis for Lending Decisions
24. Advanced Financial Analysis for Lending Decisions
25. Industry and business performance analysis
26. Identifying financial distress and early warning indicators
27. Qualitative assessment supporting financial analysis
28. Preparing professional financial analysis reports
29. Practical application: Integrated financial and credit assessment case study
30. Day 5: Best Practices in Financial Statement Analysis for Credit Decisions
31. Best Practices in Financial Statement Analysis for Credit Decisions
32. Governance and regulatory expectations for financial analysis
33. Common financial reporting issues and analytical challenges
34. Digital tools and data analytics in financial statement analysis
35. Continuous improvement in financial analysis and credit evaluation
36. Final workshop: Analyze a complete set of financial statements, prepare a comprehensive credit assessment report, present lending recommendations, and develop an action plan to strengthen financial statement analysis within the organization.

Register or Request More Information

Course page: http://localhost:3000/courses/financial-statement-analysis-for-credit-decisions
Website: http://localhost:3000
Email: info@example.com
Phone: +44 20 0000 0000