



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Course Description:

This certificate is designed to provide a Practitioner training to banking experts catering to the financial needs of small and medium enterprises. This Certificate enables bankers to get acquainted with the learning process by empowering participants to think broadly, manage globally and compete strategically. This certificate focuses on all aspects of Banking Credit whether short-term, medium-term or long-term, it also enables them to understand lending techniques for effective credit decisions.

Target Audience:

Entry-level staffs who are currently or potentially for SME responsibilities in banks, financial institutions, and companies.

Course Objectives:

By the end of this course participants will be able to:

- Understand the main principles of accounting.
- Understand the SME finance sector in Egypt.
- Understand the breadth and width of financial products that can be proposed to SMEs.
- Explain How to conduct financial and non-financial assessments of SMEs, analyze risks, and employ strategies to mitigate them.
- Understand the principles of financial statements analysis prepare balance sheets, income statements and cash flow projections, and be fully capable to analyze them, including with the use of a range of financial ratios.
- Understand how to analyze cash flow statement.
- Understand the SME facility structure and it's main components.
- Understand the Loan Portfolio Management & Monitoring and Non-Performing Loans.
- Create an appropriate credit report to the credit committee, which include facilities structure and recommendation.
- Justify the essential principles of trade finance.
- Understand and be aware of the legal aspects of credit and credit facilities.

Course Outline:

Module 0: Accountancy

Session One: Financial Statements

- Accountancy definitions
- Accountancy Cycle
- Basic Accounting Equation.
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Two: Income Statement Analysis

- The Income Statement Characteristics
- The income statement main components
- Exercise
- Assignment

Session Three: Balance Sheet Statement Analysis.

- Information on the Balance Sheet
- Balance Sheet Structure
- Exercise
- Assignment

Session Four: Balance Sheet Terminology.

- Balance Sheet Structure
- Exercise
- Accounting Terms
- Assignment

Session Five: Depreciation part 1.

- Depreciation
- Methods of Depreciation
- Exercise
- Difference Straight-line & Reducing balance
- Assignment

Session Six: Depreciation part 2.

- Methods of Depreciation
- Exercise
- Difference Straight-line & Reducing balance
- Cash Flow
- Exercise
- Cash Flow Effects on the Balance Sheet
- Statement of Cash Flows
- Accounting Terms
- Assignment

Session Seven: Inventory Part 1

- Inventory Valuation
- Exercise
- Assignment

Session Eight: Inventory Part 2

- Inventory Valuation
- Asset Valuation



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

- Profit & Losses
- Liquidity
- Accounting cycle
- Analyzing Transactions
- Double Entry Book-keeping
- Exercise
- Assignment

Module 1: Macro context of SME Lending

Session One: Key functions of a modern banking system.

- Modern banking system.
- Money Definition and Function
- Money Supply
- Exercise
- Assignment

Session Two: Functions of Banks.

- Role and Function of Commercial Banks
- Main features of the banking system in Egypt.
- Exercise
- Assignment

Session Three: Definition of SMEs.

- Definition of SMEs.
- Exercise
- Assignment

Session Four: SMEs as Customers of Financial Institutions.

- The importance of SMEs for the economy
- Challenges Egypt's SMEs are facing
- Exercise
- Assignment

Session Five: SMEs Life Cycle.

- SME Life Cycle
- Exercise
- Assignment

Module 2: Responding to SME Customer Needs

Session One: Types of products for SME Customers.

- Products and Services to SMEs
- Relationship banking
- SME Customers
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Two: Lending Rationales (part 1).

- Risks of the cash conversion cycle
- Cash-Flow Lending for SMEs
- Eighteen Credit Principles.
- Exercise
- Assignment

Session Three: Lending Rationales (part 2).

- Eighteen Credit Principles.
- Exercise
- Assignment

Session Four: Types of Finance.

- Matching products to the client's needs.
- Segmentation
- Non-Credit Products
- Types of Bank Products for Financing SME clients
- Exercise
- Assignment

Session Five: Relationship skills for SME staff

- Relationship Skills
- Sales Cycle
- Listening Skills
- Cross sales techniques
- Exercise
- Assignment

Session Six: Cross sales

- Cross sales techniques
- Exercise
- Assignment

Module 3: SME Client Assessment

Session One: Specifics of SMEs.

- Exercise
- Client Needs
- Business cycle
- Sector / product lifecycle
- Assignment

Session Two: Understanding SME Business Risks (part 1).

- SME Business Risks
- Exercise



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

- The Main SME Risks
- Assignment

Session Three: Understanding SME Business Risks (part 2).

- Exercise
- Useful Lending Acronyms
- Non-Financial Analysis
- Assignment

Session Four: Understanding SME Business Risks (part 3).

- Non-Financial Analysis
- Management skills – SME businesses
- Business Sector Risks
- Products and Markets Strategies
- Exercise
- Assignment

Session Five: KYC & Verification of Clients' Information.

- Verification of clients' information
- Know your customer (KYC)
- Exercise
- Assignment

Module 4: SME Credit Analysis – Understanding Financial Statements

Session One: Balance Sheets – Part 1

- Exercise
- Understanding Balance Sheets
- Assignment

Session Two: Balance Sheets – Part 2

- Understanding Balance Sheets
- Exercise
- Assignment

Session Three: Financial Ratios (part 1).

- Financial Ratios Categories
- The Business Cycle
- Liquidity and Working Capital
- Exercise
- Assignment

Session Four: Financial Ratios (part 2).

- Management of Working Capital
- Earnings Ratios



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

- Return Ratios
- Gearing and Solvency Ratios
- Exercise
- Timing & Conditions for Revenue Recognition

Session Five: Managing Working Capital.

- Management of Working Capital
- TIMELINE - Working Capital Cycle
- Working Capital Requirement
- Exercise
- Assignment

Session Six: Net Working Asset.

- Net Working Capital Requirement
- Cash Flow Implications
- Cash Flow Statements
- Example on growth in sales on working capital
- Exercise
- Assignment

Session Seven: Break-Even Analysis – Part 1

- Using break-Even Analysis
- Exercise
- Assignment

Session Eight: Break-Even Analysis – Part 2

- Using break-Even Analysis
- Margins of Safety
- Exercise
- Assignment

Session Nine: Verifying Financial Information (part 1).

- Reliability of financial Statements
- Exercise
- Cross checking
- Exercise
- Assignment

Session Ten: Verifying Financial Information (part 2).

- Cross checking
- Sales and Accounts receivable
- Equity Cross Check
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Eleven: Spreading Financial Statements

- Defined Spreading Financial Statements
- Types of Audit Reports
- Spreading of Financial Statements Steps
- Assets Side
- Liabilities side
- Exercise
- Assignment

Session Twelve: Exercise Spreadsheet Form

- Case Study

Module 5: SME Credit Analysis: Cash-flow Analysis

Session One: Income Statement Analysis.

- Management of cash
- Preparing and analyzing cash-flow statements
- Exercise
- Assignment

Session Two: Preparing Financial Forecasts (Budgets)

- Define Forecasts
- Example Preparing financial forecasts
- Exercise
- Assignment

Session Three: Preparing Financial Forecasts (Application)

- Cash Flow statements
- Exercise
- Assignment

Session Four: Preparing and analyzing cash-flow statements (intro.)

- Changes in cash
- Cash Movements
- Cash Flow Activities
- Exercise
- Assignment

Session Five: Preparing and analyzing cash-flow statements (Measures of

Cash Flow)

- Cash Flow Activities
- cash equivalents
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Six: Assessing Financial Forecasts (Testing assumptions)

- Cash Flow Forecasts
- Testing Forecasts (Assumptions)
- Exercise
- Assignment

Session Seven: Assessing Financial Forecasts (Budget Deviation Analysis (BDA))

- Scenario testing
- Exercise
- Assignment

Session Eight: Assessing Financial Forecasts (Application)

- Project Evaluation
- Risk Classification
- Exercise
- Assignment

Session Nine: Investment Projects (Project Evaluation)

- Operation Risk
- Causes of Project Failure
- Project finance
- Financial Appraisal methods
- Exercise
- Assignment

Session Ten: Investment Projects (Payback Period)

- Exercise
- Net Present Value (NPV)

Session Eleven: SME Credit Products

- The concept of Factoring
- Letter of Credit
- Value Chain Finance
- Exercise
- Assignment

Module 6: SME Facility Structure

Session One: Types of Credit Facilities – part 1

- 5 C's Model.
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Two: Types of Credit Facilities – part 2.

- Revolving line of credit characteristics
- Term Loans
- Exercise
- Assignment

Session Three: Important Definitions

- Term Sheet Definition
- Facility Type Definition
- Facility Tenor Definition
- Repayment Mechanism Definition
- Pricing
- Facility support or source of repayment
- Exercise
- Assignment

Session Four: Credit Facilities Covenants

- Financial Covenants
- Non-financial Covenants
- Positive Covenants
- Negative Covenants
- Exercise
- Assignment

Session Five: Credit Facilities Model and Triggers

- 3 W's Model
- Facility Structure
- Internal Triggers
- Exercise
- Assignment

Module 7: Post Disbursement of Loans

Session One: Loan Portfolio Management and Monitoring.

- Monitoring and Portfolio Management
- Credit Risk Management Cycle
- Problem Loan Cycle
- Reporting and MIS
- Exercise
- Assignment

Session Two: Warning Signs.

- Reasons for Business Failure
- Warning Signs using Cash Flow
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Three: Non-Performing Loans

- Turnaround Situation
- Profit Levers
- Cash Flow Levers
- Problem Loan Process Map
- Stages of Insolvency
- Exercise
- Assignment

Session Four: Insolvency and Bankruptcy Proceedings

- Types of Liquidation
- Insolvency Stages
- Bankruptcy Proceedings
- Credit Portfolio
- Exercise
- Assignment

Session Five: Loan Portfolio Management

- Sources of Portfolio Risk Factors
- Risk Impact Analysis Matrix
- Rating Systems
- Portfolio Management
- Problem Loan Process Map
- Exercise
- Assignment

Module 8: Credit Report

Session One: The Principles of Clear Writing

- the main principles of effective report writing.
- the Credit Report Components
- Exercise
- Assignment

Session Two: Credit Report Template (part 1)

- Credit Reports (1)
 - o Introduction – company details.
 - o Facilities Structure
 - o Management Structure Analysis.
 - o Profitability Analysis
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Three: Credit Report Template (part 2)

- Credit Reports (2)
 - o Financial Statements Analysis.
 - o Cash Flow Analysis
 - o Projection
 - o Economic Situation Analysis
 - o Industry Analysis
 - o Risk Analysis
- Exercise
- Assignment

Module 9: Trade Finance

Session One: Shipping Documents

- Exercise
- Commercial Invoice.
- Packing/Weight list.
- Transport Document.
- Insurance Document.
- Certificate of Origin.
- Inspection Certificates.
- Health Certificates.
- Other Documents.
- Bill of Exchange
- Assignment

Session Two: International Payment Tools

- Exercise
- Advance Payment
- Open Account

Session Two: Documentary collections and Documentary Credits.

- Documentary Credits
- Documentary Credit Life Cycle
- Exercise
- Assignment

Module 10: Legal

Session One: Legal aspects of credit, financing and credit facilities – part 1

- Legal Aspects of Credit.
- Legal Definition of Credit
- Properties of Credit Decision
- Exercise
- Assignment



5204-1-P24-VE



Virtual



220 hours



**EGP 40,000
+ EUR 85**

Session Two: Legal aspects of credit, financing and credit facilities – part 2

- Regulations of granting credit facilities and loans
- credit policy
- Exercise

Session Three: Guarantees and Types of Companies

- Bank guarantees
- Exercise
- Types of companies
- Assignment

Assessment Strategy

Participants will be assessed based on the following:

- Participants must achieve 60% in the Accounting module exam, to continue attending the certificate
- 60% cut-off score to attain a certificate of completion.
- 60% cut-off score in the Final exam (Frankfurt School Exam).
- 70% cut-off score in Final desk.
- 60% average cut-off score in the Post Exams.

Weights in the certificate:

- Final Exam – 60%
- Final Desk – 25%
- Post Exams – 10%
- Assignments – 5%
- Final Desk: (Real Case Studies): Each participant will be assigned to analyze a real case study. A desk taker will discuss participant's findings and will be graded based on the participant's analytical and presentation skills.
- Post Exams: Distributed on 5 exams during the certificate.

Upon Successful Completion of this Course, participants will obtain:

This course entitles participants to obtain 20 CEUs (Granted according to the actual hours of the sessions)

Course Language:

English

Prerequisites:

None