

# CONSULTING THROUGH CREDIT APPLICATION PROCESS AND FINANCIAL MONITORING

Build a strategic partnership with your creditors

## 1. BENEFITS FOR CLIENT

- Adequate financial planning;
- Realization of credit application, structured in a way to correspond to client's business model;
- Time-saving, efficient and clear communication with a bank;
- Optimization of borrowing costs in the long-term;
- Continuous monitoring;
- Active support and expert advice on how to fulfill the conditions imposed by a bank.

## 2. DESCRIPTION OF THE SERVICE

### Phase I: Business Analysis

- Industry Analysis – size of the market and its structure, main trends, client's current market position and peer group analysis, characteristics of the branch;
- Detailed analysis of client's business model and working capital cycle (inventory management, collection management, agreed payment terms with suppliers);
- Independent and comprehensive financial analysis;
- Defining an appropriate financial structure that would suit company's business model and its needs;
- Identification of key financial risks;
- Preparation of Financial plan, which includes a balance sheet, P&L and cash flow projections.

### Phase II: Preparation of the credit application

- Defining both, the primary (cash flows) and the secondary (collateral) sources of repayment;
- Structuring the credit application;

- Defining the monitoring and reporting mechanism (pre-conditions and additional conditions imposed by the bank);
- Business plan preparation and presentation of the credit application;
- Communication with creditors.

#### Phase III: Monitoring and Reporting

- Ongoing analysis which allow us to monitor company's actual progress and performance against projections and identify the segments in which the company did not meet the goals and the reasons for detected deviation;
- Reporting for internal and external users in order to improve corporate transparency;
- Timely identification of potential threats and problems;
- Setting up the corrective actions.

### 3. LIST OF DOCUMENTS THAT CLIENT NEEDS TO SUBMIT

- Official financial reports, with notes, for the last three years – client and related parties;
- Auditor's reports for the last three years – client and related parties;
- Preliminary financial statements for the last three years and the current year – client and related parties;
- Analytical data for buyers and suppliers, information on received and made advance payments, information on received loans from or given loans to related parties, in the last three years and preliminary year;
- Detailed information on off-balance sheet liabilities to financial institutions;
- Detailed information on each loan provided by financial institution (purpose, amount, terms, security, outstanding loan);
- Real estate appraisal and relevant documentation from cadaster;
- Other documentation (if necessary):
  - Contracts with suppliers,
  - Inventory lists,
  - Authorized appraisal of inventories (e.g. SGS),
  - Other analytical data,
  - Bank statements,
  - Market analysis.

#### 4. LIST OF DOCUMENTS THAT CLIENT RECEIVES

- Valor Business Plan – VBP
- Valor Financial Plan – VFP
- Valor Monitoring Report – VMR
- Additional analysis (xls file)
- Additional material required by the bank

#### 5. CONTACTS

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