

**December 1, 2009**

**RE: Current Events Memorandum  
Business credit-what lenders require**

Banks in today's economy are changing requirements in order to for businesses to receive credit. In order to receive or continue to receive credit from banks, companies should be aware of the types of financial statements that a bank may request. Companies will be well served to have the following prepared in advance:

**Compiled statements**-unaudited financial statements that provide little assurance that they are accurate or comply with generally accepted accounting principles (GAAP)

**Reviewed statements**-reviewed statements provide a bit more assurance as an accountant will review for obvious errors or misstatements

**Audited statements**-these provide the highest level of assurance that the documents are accurate according to GAAP.

In the past, compiled statements were sufficient for bank use however, today, audited statements are most often required. In addition to type of statements bank are requesting, interim statements are often required.

**GLO CPAs** is ready and able to assist in the complicated processes banks, and other lenders, now require.