



Win more business banking clients with faster onboarding

Connect to small business software to quickly and easily qualify new customers

Connecting to your customers' accounting, banking and commerce software enable you to:

- Improve conversion rates by removing friction from the onboarding experience
- Strengthen time to revenue for new customers
- Minimize errors in applications by pre-populating fields
- Reduce onboarding operating costs with less manual intervention
- Raise customer satisfaction scores

DATA SHARING MADE SIMPLE

Codat enables a simple, fast, and automated origination experience for both you and your customers. Small businesses can share their data in a few clicks, and you can receive it in a standardized format wherever you need.

Use our conversion-optimized, white-labeled Link UI, or build the experience into your application.

ACCESS ALL THE DATA POINTS YOU NEED

Using Codat data, it's easy for onboarding teams to quickly and flexibly create key performance metrics to qualify customers. We have provided some example calculations below.

PERFORMANCE METRIC	DESCRIPTION	CALCULATION
PROFITABILITY Profit metrics that can help assess a company's health, found on a company's income statement	Gross profit margin Measures money a business makes after variable costs incurred for achieving sales in that period are accounted for.	$(\text{Gross profit} / \text{Sales}) * 100$
	Operating profit margin Measures money a business makes after variable costs PLUS fixed costs (e.g. shop leases, insurance, etc.) are accounted for.	$(\text{Operating profit} / \text{Sales}) * 100$
	Net profit margin Measures money a business makes after all costs (incl. tax & interest payments) are accounted for.	$(\text{Net profit} / \text{Sales}) * 100$
LIQUIDITY Indicators of a company's ability to repay its short-term commitments and other liabilities out of its liquid assets	Trade receivable days Shows average number of days it takes to get paid by debtors.	$(\text{Trade receivables value} / \text{Sales}) * 365$
	Trade payable days Shows average number of days it takes to pay creditors.	$(\text{Trade payables value} / \text{Cost of sales [or Annual purchases]}) * 365$
	Inventory turnover Shows number of days it takes to turn over inventory.	$(\text{Average inventory value} / \text{Cost of sales}) * 365$
	Current asset ratio Shows value of current (i.e. available) assets against current liabilities.	$(\text{Current assets} / \text{Current liabilities})$
	Liquid ratio (acid test / quick ratio) Shows value of current (i.e. available) assets less inventory against current liabilities. Inventory can be hard to sell and will not necessarily be useful for repaying debts.	$((\text{Current assets} - \text{Inventory}) / \text{Current liabilities})$

PERFORMANCE METRIC	DESCRIPTION	CALCULATION
Cash balances	Total amount of cash held by business across bank accounts.	Sum of accounts balances (current assets)
Cash runway	Shows the remaining months of liquidity a business has (without raising any additional funds).	$(\text{Sum of account balances}) / (\text{Burn rate (change in balance over most recent periods)})$
Existing debt	Total reported debts of a business at any given time.	Sum of relevant liabilities
Gearing ratio	Shows how leveraged the company is. For instance, how borrowing (short & long term, incl. hire purchases & lease commitments, etc.) compares to equity (retained profits & share capital).	$(\text{Total debt} / \text{Total capital employed}) * 100$
Debt/EBITDA	Shows the amount of income available to pay down debt before covering interest, taxes, depreciation, and amortization expenses.	$(\text{Debt} / \text{EBITDA})$
Fixed charge coverage ratio	Shows the amount of income a business has available to meet fixed charge obligations.	$(\text{EBITDA} / (\text{Debt service payments} + \text{Interest} + \text{Lease payments})) * 100$
Debt interest cover ratio	Shows how many times over a business could service loan interest if it had to.	$(\text{EBITDA} / \text{Total interest paid}) * 100$
Revenue trends	Shows how income compares in a given period versus previous periods.	Compare sales period-by-period
Cash flow trends	Shows how cash flows compare in a given period versus previous periods.	Compare liquidity metrics period-by-period
Margin trends	Shows how profit margins compare in a given period versus previous periods.	Compare profitability metrics period-by-period

SOLVENCY

Metrics that help assess a company's capacity to meet its long-term financial commitments

TRENDS

Compare changes in a company's performance over time



LEARN MORE

Codat's universal API empowers banks to build the financial solutions of tomorrow with turnkey accounting, banking, and commerce integrations and real-time small business data.

To learn more about our platform and solutions, [get in touch with a member of our team.](#)