

# Are you applying for a business loan?



Get well prepared  
- use the checklist!

## Business introduction

- Business - Describe what you do.
- Owner - Who are you? Are there any copartners?
- Board - Are there any board members?
- Employees - Do you have employees?
- Customer - Who are they? Where are they located?
- Suppliers - Who are they?
- Competitors - Who are they? What differs you from your competitors?

Show that you have a good knowledge of the business. Prepare yourself and go through your introduction before meeting with the bank.

## Business loan

- Loan - How will you use the loan?
- Amount - How much are you applying for?
- Repayment - How do you plan to repay?
- Deposit - How much money can you put in?
- Guarantee - Are there any machines, warehouses, real estate or creditors?
- Cash flow - Describe the cashflow in and out of the company.
- Benefits - What are the benefits of the loan?

Show that you are able to invest a bit on your own. Banks are rarely willing to take the entire risk.

Make a budget even if it is not completely accurate, at least it shows that you have thought through your financial position.

## Economy

- Results budget - Shows how the company has been doing during the year.
- Liquidity budget - Shows when the sales occurs and when you get paid.
- Balance sheet - Shows the status of all your debts, assets and your funds at the time.



### Tips to increase your liquidity:

- Quicker invoicing, change credit time to 10 or 14 days.
- When providing a big delivery, ask the customer for an advance payment and to extend your suppliers credits to 30, 40 or 60 days.