

HOW TO GET THE MOST OUT OF YOUR BANKING EXPERIENCE AS A START-UP OR EARLY STAGE BUSINESS THAT REQUIRES FUNDING:



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 Ulster Bank

BEFORE THE MEETING

1. UNDERSTAND WHAT A BANK IS LIKELY TO FUND AND WHAT IT ISN'T:

- Banks tend to fund purchase of plant machinery or vehicles, working capital, property purchase and refurbishment of property.
- Banks tend not to be a source of funding for research and development, trading losses and salary costs.

2. SEEK HELP. ENGAGE WITH A GOOD PROFESSIONAL ADVISER. THEY'LL ADD VALUE TO YOUR BUSINESS PLAN BY CHALLENGING YOUR THINKING AS A BANK WILL. BY ILLUSTRATING YOU'VE COVERED ALL THE ANGLES IT WILL STRENGTHEN YOUR BUSINESS CASE WHEN YOU COME TO PITCH IT TO THE BANK.

3. BE PREPARED. IF YOU'RE LOOKING TO BORROW MONEY, PRESENT A CLEARLY WRITTEN BUSINESS PLAN. QUESTIONS YOU SHOULD ADDRESS INCLUDE:

- What are you selling?
- Is there a clear market?
- Who are your competitors?
- What is your Unique Selling Point?
- What are your strengths and weaknesses?
- Do you foresee any potential threats?
- How much bank finance do you require?
- What type of finance do you require?
- How much capital are you intending to put into the venture?
- What security can you offer?
- How will you repay the money you are seeking?
- What projections and key assumptions are you making?
- What are the key risks and how do you intend to mitigate against these?

4. LEAVE A COPY OF YOUR BUSINESS PLAN WITH THE BANK BEFOREHAND.

Visit www.smallbusinesscan.com for further info.

GETTING READY FOR THE MEETING

5. BE ON TIME.

6. DRESS TO IMPRESS.

7. BRING SAMPLES (IF RELEVANT).

8. READ YOUR PLAN AND KNOW WHAT IT IS ABOUT.

DURING THE MEETING

9. BE CONFIDENT. DO YOU FIND THE THOUGHT OF MEETING A BANK DAUNTING? IF YOU HAVE A PROFESSIONAL ADVISER, WHY NOT BRING THEM ALONG?

10. BE PROFESSIONAL.

11. BE REALISTIC - ABOUT YOUR PROJECTIONS AND PAST BUSINESS RECORD.

12. ASK QUESTIONS:

- Who would they recommend as good local contact points?
- What local business events or groups might it be worth attending?
- What are the timeframes for opening an account, getting a borrowing decision or sorting out a business credit card?

Visit www.smallbusinesscan.com for more tips.

AFTER THE MEETING

13. SET TARGETS. CONVERT YOUR BUSINESS PLAN TO A WORKING DOCUMENT. MAKE IT A ROLLING PLAN ALLOWING YOU TO MEASURE SUCCESS.

14. KEEP IN TOUCH. IF YOUR BUSINESS IS DOING SOMETHING NEW THAT MIGHT AFFECT YOUR CASHFLOW THEN DROP YOUR MANAGER A LINE.

15. ENSURE YOUR MONTHLY MANAGEMENT ACCOUNTS ARE UP TO DATE FOR ANNUAL REVIEW. BE ABLE TO EXPLAIN THE KEY FINANCIALS AGAINST YOUR BUSINESS PLAN.

16. ENGAGING WITH A BUSINESS MENTOR - WHO PROVIDES A ROBUST CHALLENGE CAN MAKE A REAL DIFFERENCE.

17. KEEP ASKING QUESTIONS - OF YOUR BANK, AND YOUR PEERS VIA SMALL BUSINESS CAN.

WHAT TO EXPECT OF A BANK



A STRONG CHALLENGE.

Banks need to be cautious when they lend money. It is their job to challenge your thinking and play devil's advocate. Don't be offended, it's part of the normal course of doing business. They may well ask for financial statements, valuations, surveys, proof of mortgage, or a net worth statement.



FAIR PRICING TO REFLECT THE RISK.

Pricing is determined primarily by the level of risk they perceive. They are likely to require a level of personal contribution and/or some form of security, in the event that you can't repay the money you've borrowed.



TIME TO REVIEW YOUR PLAN THOROUGHLY.

It can take time to assess borrowing applications. The key factor here is usually the complexity of the borrowing request. Your manager will have to construct a written case to support the application. As a rule this will be assessed by a separate part of the bank. They should give you an indication of how long this will take.



A CLEARLY COMMUNICATED DECISION.



MORE SERVICE.

Banks aren't just about lending money, they provide a complete range of other banking services and can be used as a sounding board. It's a two way relationship.

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