

Franchising & CBILS

The Coronavirus Business Interruption Loan Scheme is now fairly well known. The loan scheme supports businesses that have been impacted by Covid-19.

The benefits of the scheme are:

- Lending up to £250k does not require any personal guarantee, the borrowing sits totally within the limited company
- You can borrow up to 25% of 2019 turnover, or 2020 if that turnover is higher
- The Government cover the lender set up costs and first year of interest, meaning these costs are paid for you
- You can have more than one CBILS loan, you can have as many as you want from various lenders up to the scheme limit
- There are more lenders offering CBILS than you probably realise
- Applying can be painless and quick, it won't take forever and it won't be loads of work for you, I promise



"I started Lime Consultancy to make a difference to the everyday business. We are a commercial finance specialist. What makes us unique is in having a background in franchising. In a previous career I specialised in putting together franchise financing and lending for a major UK bank, working with the

likes of Dominos, Bluebird Care and McDonalds to name just a few. Now being fully independent I can use that knowledge and expertise to offer our clients a truly unique and informed approach when it comes to raising finance. Plus, like many franchisees I have made that jump from employment to going out on your own. I really do understand what it is like" Dave Farmer - Lime Consultancy

01293 541333 or 0207 866 2102

What it means for franchisees

YOU CAN BORROW FOR POSITIVE REASONS

Many businesses think the loan scheme is only to cover losses or spending required as a direct result of Covid. This is not the case. The loan scheme can be used for positive reasons also, such as expansion or growth.

MY BUSINESS HAS NOT BEEN IMPACTED BY COVID

I disagree. Every business has been impacted in some way. The level of impact does not have to be defined, it only has to exist. The purchase of PPE or sanitiser is an impact. The loan can be up to the maximum even if the cost of the impact of Covid is much less.

REFINANCE FOR LESS RISK

You can use the scheme to refinance other borrowing. This can give two major benefits. Firstly, it can remove the cost of that borrowing for the next 12 months, this can be hugely beneficial to cashflow. Secondly, there is no personal guarantee so you could refinance borrowing where a guarantee or charge over your property was provided. It is a one off chance to reduce your personal risk, use it.

THINK AHEAD

The loan scheme will end. Currently this will be 31st March 2021. If you are considering growth or borrowing then think ahead and use the scheme whilst you can. It definitely won't be around forever.

WHO WE ARE