



Business Finance Update

BBLs – CIBLs – CLIBLs

- £46.53 bn to 1,531,095
- £900m approved top ups to 101,966
- £23.3 bn to 98,344
- £ 5.3 bn to 716
- £ 1.2 bn to 1,236 Re Future Fund (Convertible Loan Notes)
- £76.3 bn total

Recovery Loan Scheme (RLS)

- Start 06.04.31 to 31.12.2021
- Loan Sizes £25k to £10m-Terms Loans / Overdrafts
 £1k to £10m-Asset and Invoice Finance
- Term 3months 6 years-Terms Loans / Asset Finance
- Term 3months 3 years- Invoice Finance / Revolving Credit Facilities

Main Changes:

- No Interest Free Period
- Set up / Arrangement Fees paid by borrower
- No PGs for < £250,000
- No Minimum Trading Period
- No Minimum Annual Turnover

Recovery Loan Scheme (RLS) (continued)

- Limited number of approved lenders to date
- Expected to be around 100 by end of month
- Lenders who are accredited will have own lending parameters

What else is available?

- Funds available due to loan books being reduced with uptake of BBL and CIBLS
- Nervousness in certain sectors
- Asset quality is key
- Property Lending active
- Development Funding available subject to area
- Handelsbanken and Siemens withdrawing from Invoice Finance
- American funds have acquired a number of UK smaller players

- Asset Finance
- Invoice Finance
- Revolving Credit Facilities
- Merchant Cash Advance
- Bridging Loans
- Commercial Property Loans
- Stock and Trade Finance

Crown Preference

- Inventory Lending
- Lenders will have to hold reserves to cover HMRC liability
- 1 month's PAYE
- 1 Quarter's Tax
- Looking at forecasts to ascertain the level of reserves to be held
- Sector specific – e-commerce
- Lenders will need to assess each business on own merits and act accordingly.
- How will high street lenders react – time will tell.

Want to discuss your options? Let's chat!

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