

Lending Checklist

At RBS we are very much open for business and are here to support you by finding the right funding solution for your needs. We recognise each customer is different and the information we ask for will therefore depend on the amount, length and purpose of the funding you need and the lifecycle stage of your organisation. We recognise your time is precious so we will endeavor to clarify these before we meet with you.

This quick guide is designed to give you a better understanding of what we look at when assessing any lending requests.

To help us assess your application correctly and help speed up the lending decision we ask that you provide some key pieces of information that demonstrate your business acumen, your understanding of your market and your day to day finances.

Information we may require from you includes:

Details of the funding request:	
Information Needed	Why this is important
Amount	To ensure the amount requested is right for your needs and that it is affordable.
Purpose	To help us understand what you intend to use the funding for. We have many sources of finance available and this will help structure the request to best suit your needs.
Term (Length of time you want to repay it)	To build into your future planning and ensure you can meet the repayments of the facility.

Security may be required. Product fees may apply. Over 18s only.

ANY PROPERTY USED AS SECURITY, WHICH MAY INCLUDE YOUR HOME, MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER DEBT SECURED ON IT

Understanding you and your Business

Information Needed	Why this is important
Management profile	A good indicator of business viability is the track record of those running the business.
Owner investments in the business	Gives a good indicator of your commitment to the business.
Detail of available security	Some form of security such as a property, directors guarantee, or other assets may be required to secure the funding. If security isn't available, there are other options under, for example, The Enterprise Finance Guarantee. Speak to your Relationship Manager for more details.
Other business interests	This will help us understand your level of involvement in the business and your track record.
Business/personal bank statements (6 months)	To verify your income/expenditure.
Details of your assets and liabilities	To understand your financial health.
Business plan and profitability	<p>As part of your application we will ask to see your business plan to provide information on the business and its future plans, as well as the strengths, weaknesses, opportunities and threats in your market. This helps us assess the opportunities and risks to your business.</p> <p>For more details on building an effective business plan visit www.rbs.co.uk/businessplanning for our Business Planning Software.</p>

Financial Information

How are you going repay the funds provided?	We call this Debt Serviceability and it is key to understanding what level of borrowing is right and sustainable for your business.
Cash flow and profit and loss forecasts	<p>We need to understand the likely impacts of changes to income and costs on your business, including some simple financial projections detailing payments you need to make and income you will receive.</p> <p>Cash flow forecasts will help you appreciate the impact of your decisions on the business and its financing needs.</p> <p>This will contribute to building a realistic picture of future profitability.</p> <p>To download a cash flow forecast template visit www.rbs.co.uk/cashflowtemplate</p> <p>To download a profit and loss template visit www.rbs.co.uk/pandltemplate</p>

Information Needed	Why this is important
Management accounts	We will want to see how your business is performing relative to historic trends or projections. Where possible we will also compare performance against your last set of certified year-end figures. VAT returns provide a useful way of demonstrating recent levels of turnover.
Aged debtors & creditors lists	<p>To make sure your business is not over-exposed to a single customer and the risk of non-payment, it's vital to keep tabs on who owes you money and who you owe money to. We will be interested in the same things you are - when will payments come in and when will they go out?</p> <p>To download an aged debtors and creditors template visit www.rbs.co.uk/debtortcreditortemplate</p>
Historic trading accounts	<p>Like you, we need to know that your business is solvent. We will seek to understand various trends i.e. sales, gross margin, overhead growth/decline. This will create an accurate financial picture of your business and the sector in which it operates. For some smaller businesses, Income Tax returns may be used to demonstrate income received if formal trading accounts are not produced.</p> <p>Remember, online banking gives you access to historic bank statements.</p>
Is there anything else you feel is important that is not covered above?	

Further Support

Finding the right advice for your business can be challenging and time-consuming. As a RBS business customer you can access a wide range of support and information for your business. So ensure you make practical use of all the resources available to you:

Use your Relationship Manager

Get to know your Business Manager and make sure they understand your business. Introduce them to your accountant to ensure consistent financial forecasts and cash flow management.

Network with your Business Manager

Let your Business Manager introduce other customers to you and vice-versa, and get valuable insight from networking with other business owners on Smarta.com.

Use the Bank's services

Take a look at Business Mentor - specially designed to ensure businesses understand important matters such as employment law, health & safety and tax.

Use our Business Planning Software

It's easy to use and has a range of features to help your business, including:

- Account management – manage accounts, appointments, jobs, invoices, customer and supplier records
- Business planning – quickly and easily produce a professional plan
- Online applications – apply for a business account online or manage your existing accounts with our online banking service

Check out our business guides

The RBS website has a wide range of subjects covered in an easy to digest, accessible fashion.

For more information

For more information on anything mentioned in this guide, just contact your Relationship Manager.