



## Coronavirus Business Interruption Loan Scheme

### What is being offered?

The temporary Coronavirus Business Interruption Loan Scheme will provide support to SMEs with access to loans, overdrafts, invoice finance and asset finance of up to £5 million and for up to 6 years. The government will also make a Business Interruption Payment to cover the first 12 months of interest payments and any lender-levied fees, so smaller businesses will benefit from no upfront costs and lower initial repayments. The government will provide lenders with a guarantee of 80% on each loan to give lenders further confidence in continuing to provide finance to SMEs. The scheme will be delivered through commercial lenders, backed by the government-owned British Business Bank.

### Who is eligible?

You are eligible for the scheme if:

- your business is UK based, with turnover of no more than £45 million per year
- your business meets the other [British Business Bank eligibility criteria](#)

### What do I have to do?

The scheme is now open for applications. All major banks are offering this scheme. Thing to do will be to contact your own bank to discuss what they are offering and what you would need to apply, this will include providing a business plan, accounts, cash flows, forecasts etc Due to the current situation it is likely that banks will be incredibly busy so it may be the case that the initial contact is online to find the criteria for your bank.

### Am I guaranteed to get a loan?

No – although the Government is proving a guarantee of up to 80% of the loan this will only matter if your business is unable to pay the loan back. Banks will still only lend to businesses who they view as being capable of profitable trading after the COVID-19 situation has passed. That's why the business plan and supporting documents will be essential so the bank can assess the loan.

### How quickly will the loan be approved?

This will vary from bank to bank and also the amount of loan being asked for. Also the level of information requested will impact on the time taken for the bank to assess the loan.

### How can Winders help?

Please contact us to discuss various matters including

- Is a loan the right path for the business to take?
- Provide historical financial information to support the application
- Help you prepare management information for current trading year
- Help you prepare your business plan and forecasts to support the application
- Speak directly to the banks to help you make the process as smooth as possible

### Further information can be found here

<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/for-businesses-and-advisors/>