



BREXIT BUSINESS LOANS !

BACKGROUND

BREXIT is less than 21 days away !

It is already acknowledged that additional costs for staff resources, Customs agent fees, administration costs, tariffs and VAT issues will be the reality from 1st January 2021. There may also be a short term impact on the trading activities of many Irish businesses as well, particularly where a 'NO Deal' scenario occurs and/or customs delays impact business activities in the early months of 2021.

Therefore as part of any **BREXIT Impact Assessment plan(s)**, businesses should already have identified the potential risk to their cashflow, investigated their ability to access relevant grant funding or short/medium term loan finance, where this may be required to manage the business post BREXIT.

Many Irish businesses have (or will) be able to obtain the necessary financial support from their bank or other lenders, however where (typically smaller businesses), have not been able to secure the finance necessary from their bank or lenders (for any number of reasons), then the **BREXIT Business Loan** via the Government and **Microfinance Ireland**, has the ability to support businesses through this challenging period.

KEY TERMS AND ELIGIBILITY

The BREXIT Business loan is a loan finance scheme through **Microfinance Ireland (MFI)**, which is available to support small businesses through the initial period of BREXIT - **with the aim to protect businesses and jobs in Ireland.**

Eligible businesses for the BREXIT Business loan include the following:

1. any business including Sole Traders, Partnerships and Limited Companies with less than 10 employees and annual turnover of **up to €2m**
2. where the turnover of the business has already been, or potentially could be, impacted by BREXIT related issues by a minimum of 15%
3. where the business has a short-term cashflow requirement as a result of BREXIT
4. where the business is unable to secure finance from banks and commercial lending providers

The loans under the scheme are for amounts from **€5,000 to a maximum of €25,000**, and the loans can be used for any short term working capital requirements, or to implement specific business changes that result from BREXIT related issues

The loan periods available are from anything between 6 months up to 3 years, and there are no other loan fees or charges involved in obtaining the loans other than an **interest rate of 5.5%**, which can be reduced to 4.5% if applied for via your Local Enterprise Office (LEO)

The loans are also structured with fixed repayments over the term, and with NO penalty for early repayment.

PLEASE NOTE – Interest only repayments for a period of 3 months may also be applicable in specific circumstances !



OTHER ISSUES

- Where you want to consider whether a BREXIT Business loan may be applicable for your business, please see further details - https://info.microfinanceireland.ie/brexit_reg
- The financial and other application information required to be able to access the BREXIT Business loan finance scheme include the following:
 - Completion and submission of a BREXIT Loan application Form
 - Preparation of a Brexit Loan Business plan
 - Preparation of a 12 Month Cashflow Forecast
 - Business and Director Credit reports (**required**)
 - Business Bank Statements (for a period of circa 6 months)

Talk to the team at Sakura where you require assistance with, or advice on, the application process !