

# EnterpriseLoans East Midlands

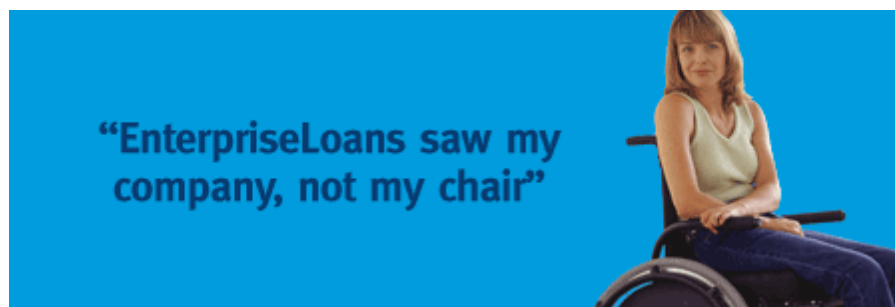
## Welcome

**Enterprise Loans East Midlands provides loans to both existing entrepreneurs and people starting up a business.**

The purpose of this fund is to support individuals with a viable business idea who require finance. This includes those in disadvantaged communities and under-represented groups.

For a number of reasons, it can be difficult securing finance for a new business venture. Enterprise Loans East Midlands exists to help aspiring individuals turn their plans into a business reality.

## About the fund



### **How We Can Help**

#### **Amount of Support**

The minimum loan is £3,000 and the maximum loan is £20,000.

#### **Period of Repayment**

The loan is to be repaid over a period of between one and five years.

## **Interest Charged**

Interest is calculated at 5% above base rate (minimum 10.25%), fixed at the time the loan is approved and for the period the loan is repaid.

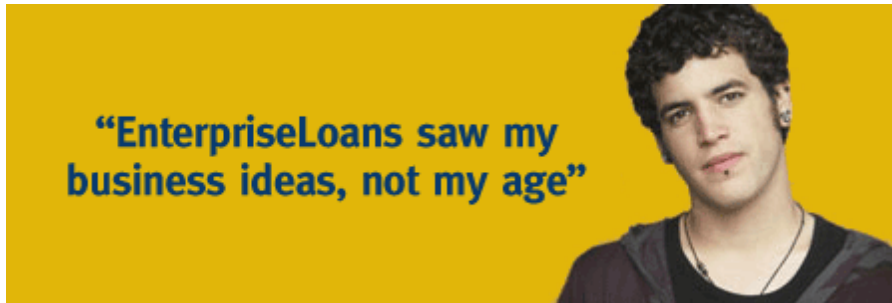
## **Qualifying Criteria**

- The business must be located in the East Midlands.
- The business must comply with all statutory, regulatory and legal requirements.
- The loan fund is available to meet a shortfall in your funding requirements, a contribution of 30% is usually required from you.
- Evidence of either job creation or safeguarding.
- The viability of the business or proposition must be demonstrated to the fund.
- The applicant must have resided in or have had a business in the East Midlands for more than 18 months and have leave to remain in the UK.

## **Exclusions**

- Assistance will not be given to businesses involved with religion, pornography, gambling, money lending, property purchases or property development.
- Applications for the funding of cars will not be considered, except in the case of commercial vehicles deemed to be essential to the business. Leasing is the preferred route for all vehicle purchases.
- Applicants who already have access to sufficient funding for their venture.
- Applicants who do not have leave to remain in the UK.

## How to apply



**If you think your business could benefit from Enterprise Loans East Midlands funding please complete an application form.**

**Applicants must provide:**

- a) A comprehensive, up-to-date business plan covering all aspects of the proposed venture.
- b) A minimum of two years cash flow forecasts and bank statements for the last six months if appropriate.
- c) A minimum of two years accounts (if you have been operating for that amount of time) or current management information.
- d) Other financial information may be requested to ensure that the financial support sought meets our required criteria.
- e) A completed application form, available from First Enterprise Business Agency.
- f) Any other supporting information that you consider appropriate.

**Please Note:**

1. A credit search is carried out on every application and a satisfactory explanation is required in case of any adverse credit history, before consideration is given to an application. An adverse credit history should not discourage you from applying, as it is not the only criteria used to consider your application.
2. Although loans are not permitted to limited companies, consideration will be given to lending to a Director to enable capital to be introduced into a business.

3. A dedicated contact will notify you of the timescale for the assessment of your application.
4. Any loan is discretionary and financial support should not be regarded as guaranteed under any circumstances.
5. Representatives from the loan fund, commercial banks, and business support agencies across the East Midlands sit on loan panels to assess applications.

Please study the application form thoroughly to make sure you are clear about the information that is needed. If you are still unclear about any part of the process or if you have any questions please contact:

**Enterprise Loans East Midlands**

c/o First Enterprise Business Agency  
90 Radford Road  
Hyson Green  
Nottingham  
NG7 5FU

Telephone: 0845 602 7355

Email: [info@enterpriseloanseastmidlands.co.uk](mailto:info@enterpriseloanseastmidlands.co.uk)

## Frequently asked questions



**Enterprise Loans East Midlands is to support existing and new small businesses that cannot raise sufficient finance from other sources or have exhausted traditional routes and still need some additional funds for a specific venture. It is not to bankroll businesses that have run out of cash.**

These are some of the most common frequently asked questions relating to Enterprise Loans East Midlands.

### **How much can I borrow?**

Between £3,000 and £20,000. Applicants need to contribute 30% towards the project cost.

### **Does my 30% contribution have to be in cash?**

This would be good but no, if you have raised money elsewhere then this can be your contribution, the fund will not provide 100% of the project cost.

### **What is the interest rate?**

5% above base rate minimum 10.25% fixed at the time of draw down.

### **Is there a fee to set up the loan?**

No, you only pay the interest.

### **What can I borrow the money for?**

The money is to support existing small businesses for growth and expansion and for new start businesses.

Assistance will not be given to businesses involved with religion, pornography, gambling, money lending, property purchases or property development.

Applications for cars will not be considered except for commercial vehicles which are deemed to be an essential requirement of the business. Leasing is the preferred route for all vehicle purchase.

Applications will not be accepted from persons who do not have leave to remain in the UK or the right to access to public funds.

### **If my loan is approved when will I get the money?**

Usually within 3 weeks of sanction.

### **How do I apply? And how long will it take?**

You apply with a written application form that may have supplemental information and then to the loan panel in person with the support of an Enterprise Loans East Midlands Loans Officer. If you have all the information to hand, and dependant on the panel rotation date for your area, it may take up to 9 weeks to complete the process.

If you contact the Enterprise Loans East Midlands reception on 0845 602 7355 you will be allocated a Loans Officer to work with you.

### **Who when and where is the panel?**

The panel is made up of up to 4 business and professional people from the local area and chaired by an Enterprise Loans East Midlands representative.

The panel will usually be local to your county or area, and will meet at approximately 6 week intervals.

### **Can I pay back early?**

Yes and you only pay interest on the period you have had the loan. There is no penalty for early repayment.

### **How do I make the monthly payments?**

By direct debit from your business bank account.

### **Do I make payments straight away?**

The first repayment is due one month after the loan is drawn, all payments are collected by direct debit on or around the 10th of each month.

### **Who may borrow?**

Anyone over 18 who has been a resident in the East Midlands for over 18 months and has leave to remain in the UK and is entitled to access public funds.

### **Do you lend to Limited Companies?**

No. We lend to individuals, who are liable as individuals for the loan, they are able to invest/lend that money to limited companies if they wish.

### **What if my application is declined?**

Loans are discretionary and some applications will be declined. You will be advised in writing with the reasons the fund is unable to support you.

### **What if base rate changes during the period of my loan?**

Your rate is fixed at the time the interest and the monthly payments stay the same.

### **I have County Court Judgments against me can I still apply?**

Yes, you will need to explain your circumstances to the panel if you can demonstrate that you have made payments to your creditors with arrangements in place to settle previous debts and can justify the repayments for the loan then the application will be considered.

### **Can I have a loan to refinance or repay existing borrowing or loans?**

No. This fund is to support expansion and growth under new arrangements.

### **What happens if I can no longer afford my monthly repayments?**

If the business is still trading and there is a way forward then reduced repayments will be accepted for a short period until the business picks up. If the business is closed then the loan will have to be repaid from other earned income through other employment.

## Useful links



**[East Midlands Development Agency](#)**

**[Business Link - Business Link East Midlands](#)**

**[FEBA \(First Enterprise Business Agency\)](#)**

**[Connect Midlands](#)**

**[GINEM \(Growth Investment Network East Midlands\)](#)**

