

Preparing your business for challenging times ahead

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New Funding Support for Businesses

- 2 packages announced by Lord Mandelson in January 2009
 - Enterprise Finance Guarantee
 - Capital for Enterprise Fund
- First is a loan guarantee scheme, will be available through banks
- The 2nd is Equity Finance which will be available through fund managers
- Designed to suit different needs of businesses



1. Enterprise Finance Guarantee

- SMEs with T/O of up to £25m
- Loans of £1,000 to £1 million over 10 years
- Loans used to fund working capital or investment to grow
- Government provides guarantees to banks at 75% of loan



Enterprise Finance Guarantee (cont.)

- Replaces SFLG (Max. loan was £250K, now £1m; T/O limit increased from £5.6m to £25m)
- Available till March 2010 to all sectors except agriculture, coal & steel and other areas in receipt of other EU support.
- Available through most High Street Banks, applications processed by them
- Premium of 2% payable to BERR
- 25% discount on premiums collected in 2009



2. Capital For Enterprise Fund

- Will provide **Equity** funding for businesses with turnover of up to €500m (SMEs)
- Funds of between £250K & £2m - designed to fill the 'Equity Gap'
- Aimed at 'fundamentally sound businesses with existing cash flows and genuine growth potential'
- Total Fund - Government - £50m + Banks - £25 m
- Fund managers appointed
- Enquiries – Capital for Enterprise Ltd - **0845 459 9780**



Business Turnaround Grant

- Adaptation of BTG to help businesses affected by the Credit Crunch
- for businesses facing temporary financial difficulty attributable to the credit crunch
- provides up to £1,500 @ 100% for specialist turnaround help; e.g. financial restructuring
- Grant is DISCRETIONARY



Resource Efficiency Grant

- A Resource Efficiency Diagnostic is a pre-requisite
- Projects to purchase more efficient capital equipment may qualify
- Where applicable, equipment must be purchased from Energy & Water Technology lists
- 50% of project costs up to a maximum of £10,000
- Equipment may also qualify for Enhanced Capital Allowance



Real Help For Business Campaign

- **How can I save money?**
 - Get a health check for your business
 - Reduce waste and save energy
- **Can I find help with my finances?**
 - Find out about action for business
 - Find finance help for your business
 - Help with managing your cashflow
 - Need more time to pay your tax bill?
- **How do I find help to keep staff and improve productivity?**
 - Find funding to support your training and improve staff skills
 - Find out about training, recruitment and redundancy support -
 - Avoid making redundancies
 - Help to deal with staff restructures and major change



On-line Self-help for businesses

- [Business Health Check](#)

www.businesslink.gov.uk/eastmidlands

- [Resource Efficiency Diagnostic](#)

<https://diagnostic.businesslinkem.co.uk>

- [Which Finance Scheme is suitable for me?](#)

www.businesslink.gov.uk/eastmidlands/realhelp



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