

BUSINESS SUPPORT



Monitoring:

An essential feature of the Business Support provided is to ensure that borrowers comply with the Terms of their Loan including their ability to repay the Loan and the provision of Management Information

Business Support is provided in a variety of ways but with two primary strands, viz:

- ❖ Mentors
 - A Mentor:
 - ❖ gives an impartial, confidential and experienced view and causes the entrepreneur to question why they are doing things, reassess their values and to concentrate on where their business is going and how it is going to get there;
 - ❖ provides the opportunity to have an independent business person share thoughts and ideas which is a great boost to the business owner's confidence and helps to reduce uncertainty; and
 - ❖ helps business owners to be more aware of their strengths and weaknesses and is able to link them into other specialist services and training that can assist their business to develop
 - ❖ Bookkeeping services
 - ❖ The book keeper will assist in setting up your accountancy systems and provide assistance in keeping the books.

Information:

A Borrower will provide a copy of all business bank account statements on a monthly basis.

A Borrower will provide prescribed financial information (i.e. management accounts) to Business Enterprise Fund (BEF) on a quarterly basis.

A Borrower may prepare this information him/herself or through their own advisers. In the event that the information is not, in the reasonable opinion of BEF, prepared to a sufficient standard BEF reserve the right to appoint a management accountant and the Borrower will be charged for the service.

The Bookkeeping Service will assist Borrowers to establish and maintain adequate financial records but the responsibility to provide the financial information rests with the Borrower and not the Bookkeeper (the Bookkeeping Service is detailed on a separate product card).

A Borrower must provide certified accounts to BEF within twelve months of their official year end (as notified to HM Revenue & Customs).

Duration:

A Borrower must meet with their Mentor at least once a month, and provide the Information for the duration of the Loan for which a Fee will be payable.

If a Borrower fails to make him/herself available for a meeting with their Mentor within any month they will be required to pay for the Mentor visit.

Failure to pay an invoice for the Mentor Fee will render the conditions of the Loan invalid and result in the immediate repayment of the Loan.

Fees:

Business support (minimum service agreement)

Level	Loan Amount	Monthly Fee	Annual Hours available
1	£500 to £10,000	£112.50	30
2	£10,001 to £20,000	£165	44
3	Above £20,000	£225	60



The monthly Fee entitles the Borrower to the number of hours available (as shown above) for both the Mentor and the Bookkeeper.

The use of a Mentor or Bookkeeper for hours in excess of the minimum service agreement will be charged at £45 (for Mentor) and £20 (for Bookkeeper) per hour or part hour thereof.

NOTE: The level of support deemed appropriate will be decided by the Credit Committee on the award of a Loan and constitute part of the Loan Agreement.

Terms:

It is a condition of all Loans offered by the Business Enterprise Fund that the Borrower will enter into a contract to receive Business Support for the duration of the Loan for which there is a charge as set out below.

The full cost of the Support will be added to the Loan Amount and payment included within the Loan Repayment.

Level	Cumulative fees				
	Year 1	Year 2	Year 3	Year 4	Year 5
1	1,350	2,700			
2	1,980	3,960			
3	2,700	5,400	8,100	10,800	13,500

Provided all conditions of the Business Support have been met and all loan repayments have been made on time, the Borrower will receive a refund of the interest associated with the Support Charge on an annual basis.

In the event of early settlement of the Loan Amount the charge for any unused Business Support will be refunded to the Borrower.

No refunds will be due except where the Borrower has:

- a) paid all sums due (whether by Repayment or Fees) when they fell due; **and**
- b) provided all bank statements when due; **and**
- c) provided acceptable management information when due; **and**
- d) provided certified accounts when due

In the event of default in repayment of the Loan the cost of the Full Term Contract remains due.

It is recognised that payment for Business Support Fees impacts on a business' cash flow and BEF are sympathetic and flexible. The Terms of the support will be clearly laid out in the Loan Agreement and subject to review after three months.

A Borrower may request the Fund Director to grant a Variation to their Support Agreement (after a minimum three months) giving a clear rationale as to why their Agreement should be varied. Any such request must have the support of their Mentor. The Management will make a decision within five working days.

The Fund Management may vary the Support Agreement at their sole discretion should a Borrower not adhere to the conditions of any previous Agreement.

If you are in one of the areas subsidised through either Bradford Kickstart or Sharing Success. The balance of mentoring fees will be reduced dependent upon the subsidy (please see your mentor for further information)

