



Better Business Finance

Lending application checklist

This checklist is a useful snapshot of the things banks may need to see from you when making a lending application. These are the standard requirements – individual banks may provide more detailed guides to help you prepare a lending application, so you should always check what additional information you may need. But this checklist provides a good starting point.

Please note that banks may not ask for all of the information listed below in every case. For example, if you are an existing customer a bank might not ask you for a business plan. If you are interested in applying for finance you should go through the checklist and tick the boxes to double check that you have gathered all of the standard information you might need, before starting your lending application.

NEW AND EXISTING CUSTOMERS		START UPS	
First, outline what you need			
State how much you would like to borrow – because the bank needs to quantify your request		State how much you would like to borrow – because the bank needs to quantify your request	
State why you would like the finance – so the bank can check it is for a suitable business purpose and decide which type of finance best suits your needs		State why you would like the finance – so the bank can check it is for a suitable business purpose and decide which type of finance is best suited to your needs	
State long you would like the finance for – the bank needs to know the term of the loan to help assess affordability and ensure the right finance is suggested for your business needs		State long you would like the finance for – the bank needs to know the term of the loan to help assess affordability and ensure the right finance is suggested for your business needs	
Next, demonstrate your financial viability. This enables the bank to assess your ability to repay the loan.			
You need to provide:			



Your management accounts		Your cash flow forecast	
Your cash flow forecast		Any assets	
Any assets		Your business plan	
Your business plan			
Any historic accounts			
Finally, disclose any information that might help your application			
Profile the owner and/or management team – this helps the bank assess your capabilities		Profile the owner and/or management team – this helps the bank assess your business capabilities and experience	
The owner’s investment in the business – this shows the owner’s investment relative to the bank’s proposed investment		The owner’s investment in the business – this shows the owners investment relative to the bank’s proposed investment	
Whether or not security is available – this shows whether you have security to support your proposal		Whether or not security is available – this shows whether you have security to support your proposal	
Other business interests – this allows the bank to assess any other commitments you have			

About Better Business Finance

Better Business Finance provides impartial information and support to business customers looking to raise finance. It is supported by the British Bankers’ Association and the banks involved are Barclays, HSBC, RBS, Lloyds and Santander. More information can be found at www.betterbusinessfinance.co.uk