



Getting a business loan

Does your business need money?

Small businesses need money to buy stock, equipment and to set up.

Banks may ask to see a business plan and evidence that you can afford to repay a loan. Be prepared with this information, so you know how much you can afford to borrow.

Working out a money plan will help to see what your expenses are, where your money goes and how much you can afford to repay.

It is faster and easier to get a loan from some lenders, but they will charge more in fees and interest. Repaying their loans can be difficult.

Some loans require a guarantee or security. Security is an asset like your car or house that the lender can sell if you can't pay back the loan on time.

Some lenders may ask for a guarantor. A guarantor tells the bank that they will repay the loan if you can't pay it. This puts the guarantor's assets at risk if you cannot pay the loan back.

What is a lease and an overdraft?

A lease allows you to have the equipment, e.g., van or machine and you make payments like rent for a set amount of time, maybe four years. At the end of the term, you don't own the equipment. You can offer to buy it from the leasing company or return it or lease a newer model. You will pay a much higher price over the term of the lease for the equipment than if you purchased it at the beginning.

A bank overdraft lets you take out more money from your business account than what is in it. The overdraft has a limit, and you will pay interest on the money.

A small business financial counsellor can explain different types of finance so you can choose what will suit you best.

Small business financial counsellors are free, confidential, and independent. They help you to find the best way forward. They do not work for the government or tax office. Interpreters are available.



Scams

A scam is a bad trick carried out by dishonest people to steal your identity and/or your money.

Learn how to be safe from scams

- Double check all invoices to ensure it is something you ordered
- Protect your passwords and personal details
- Don't let a scammer bully you, say "No"

How to recognise a scam

A scam might be:

- A bill for something you did not order
- Someone asking for your bank account details
- A phone call asking for access to your computer to update software
- A promise of a big return on your investment

If it looks too good to be true, it probably is.

A small business financial counsellor is free and confidential and can help to identify a scam.

They can advise you what to do if you think you have been scammed.



Small Business Financial Counselling

Always free, confidential, independent advice from qualified professionals.

What does a Small Business Financial Counsellor do?

- We negotiate payment plans with the tax office, banks, suppliers, and other creditors
- We help you to find and apply for grants
- We explain loans and leases
- We help to negotiate affordable payment plans
- We talk about business viability

What doesn't a Small Business Financial Counsellor do?

- We don't work for the Government or the Tax Office – we work to help you find a way to recover from your debts and move forward
- We don't give legal advice but we do explain how legal processes work
- We don't complete your tax return, but we can refer to a free service that does
- We don't give financial planning advice, but we do explain business and personal debts, and personal guarantees
- We don't advise you to close your business, but we can give you information on how to close your business



Commercial Rent

Is it hard to pay the rent for your shop or business?

Negotiate with your landlord:

- Talk to your landlord, tell them you are struggling to pay on time, explain why
- Ask the landlord for more time to pay or to pay by instalments
- Work out how much you can afford to pay now and have a plan to increase this amount to get your business back on track

Do you have a dispute with your landlord?

- If the landlord will not negotiate you have a dispute
- Does your landlord want to increase your rent and you think it is not fair?
- Mediation can help to resolve your dispute
- Small Business Financial Counsellors can help talk to the landlord about rent or other disputes and help you if you need to go to mediation

Small business financial counsellors are free, independent, confidential and work to get the best outcome for you.



Tax

Are you having trouble paying your tax or lodging your tax forms?

You can ask for more time or pay smaller amounts.

Talk to the Tax Office and tell them why you are having trouble paying, then they will know that you are not ignoring the debt.

Free Tax Clinics can help you to complete the forms.

Lodge your forms on time, even if you can't afford to pay the bill.

If you don't pay on time you might have to pay more.

Work out how much you can afford to pay each fortnight or month. Don't agree to a repayment plan that you cannot afford.

A small business financial counsellor can help to negotiate a payment plan that you can afford and sustain.

Small business financial counsellors are free, qualified, confidential, and work to get the best result for you.



Trouble paying your debts

Are you having trouble paying your bills?

Do you have overdue debts?

Are you feeling stressed because people are chasing you for money?

Have you been sent a legal letter, threatening to sell your property, or saying you must go to court?

Are your suppliers not dealing with you because you owe them money?

You can ask for help.

A free Small Business Financial Counsellor can:

- Negotiate payment plans or ask for more time to pay
- Help to resolve disputes
- Explain the debt recovery and legal process
- Help to find grants
- Give tips on getting paid on time, managing debts, and increasing your cash flow
- Explain your options, prioritise your debts and stop debts from growing
- Help you get back on track

Talking to a small business financial counsellor is free and confidential.

No one will know what you talk about.

An interpreter can be used.

We can refer you to other help if that is needed.