

Top Tips for Social Businesses Accessing Financial Support

We all know that things are getting tough and businesses need to prepare for those challenging financial times ahead over the coming weeks and months due to the Covid-19 outbreak. New financial support schemes are being developed to help the sector through these unprecedented times but in order to apply, businesses will need to be prepared and able to demonstrate how they are being proactive and taking control of their own finances.

Here are our top tips for social businesses who want to access specialist Covid-19 funding:

Calculate how cashflow will be affected by Covid-19, comparing what you predict your trade to be over the next 3, 6, 9 and 12 months compared to previous trading periods. <https://businesswales.gov.wales/starting-up/managing-your-finances/cashflow-forecast#guides-tabs--0>

Assess what your funding gap will be, how much you actually need and for how long. It is really important that you only apply for what you need! Borrowing a bit less or a bit more could have serious consequences and some funders may place caps on the combined value of financial support that you can access. So, think carefully!

Show what steps have been taken to minimise outgoings and maximise income. Simple steps like talking to your suppliers, arranging overdrafts, chasing outstanding invoices and putting staff on furlough can all help shrink the gap. Our finance factsheets, including a guide to stripping back your cashflow, have details more ways to help remodel your finances. <https://wales.coop/covid-19-factsheets/>

Help and schemes already accessed. Funders and investors will want to know that you are maximising the support from UK and Welsh Government schemes. <https://wales.coop/wp-content/uploads/2020/03/Finance-factsheet-English.pdf>

Forecast how trade and income will return. Funders and investors will expect to see cashflow forecasts and simple business plans explaining how you are going to get through the next 12 months and how you will be adapting your business model.

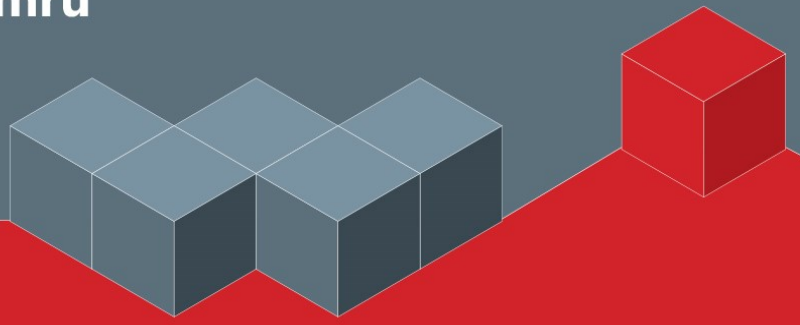
Look at releasing reserves into the business. Most of us have built up reserves for rainy days and it seems all of our rainy days have come at once. So where possible look at releasing some reserves where possible. It is important that reserves are used correctly and seek professional guidance where needed.

Busnes Cymdeithasol Cymru

Social Business Wales

Yn fentrus gadarnhaol

Positively enterprising



Outline and detail your previous financial history to show that before this outbreak you were running a viable business. Management accounts and previous years accounts can be provided to evidence this. So, have them ready to hand!

Write profiles on key business personnel and board members. Funders and investors will want to know about the decision makers in your organisation and your governance model / structure. And our final tip...

Keep up to date with new schemes and announcements. Events are moving quickly so make sure someone in your organisation is tasked with scanning for new information, communications and developments on new schemes, application dates etc so that you can maximise the financial support available to your social businesses.

Be sure to check in regularly with our Covid-19 hub <https://wales.coop/covid-19-hub/> for factsheets, webinars and useful links.

If you want to talk to one of our Business Advisers give us a call on 0300 111 5050 or e-mail sbwenquiries@wales.coop **and we can arrange a call back.**