

ADVERTISER'S ANNOUNCEMENT

APPLYING FOR BANK FINANCE



IBCB

The Irish Banking Culture Board's (IBCB) purpose is to work with our member banks to rebuild trustworthiness with the public. Our most recent trust survey showed that farmers have particularly low levels of trust in their banks.

Restoring trust with the farming community is a key priority for the IBCB and our member banks, AIB, Bank of Ireland, KBC Bank Ireland and Permanent TSB. Martin Stapleton, IBCB board member and IFA treasurer, comments that "farmers need to be heard and understood by banks and have their financial needs met".

Issues raised by farmers relate to how banks can work with customers to improve financial awareness and better serve the sector's banking needs. In part one of a four-part series, we will look at applying for bank finance.

Applying for bank finance is a key part to the running of a farm business. The use of finance within any business comes with a commitment over a defined period and finding the correct information and products available is vitally important.

If you're considering applying for finance, contact your bank and establish the details about the application process early.

Permanent TSB business banking manager, Patrick Ryan, explains that "the application process will include a lending application form. You may be asked to provide financial information such as an auditor's statement and cashflow projections. Providing accurate, up-to-date financial information ensures your bank has all the information required to assess your application".

To further strengthen your application, it is important to make the bank aware of your business plans, projections on how you can afford the loan repayments and how such investment will benefit the overall business.

According to Eoin Lowry, head of agri at Bank of Ireland, it's important to "have a plan as to what your future needs are. Also,



FROM LEFT: Patrick Ryan, business banking manager, Permanent TSB; Eoin Lowry, head of agri, Bank of Ireland; Jennifer Hughes, head of customer policy, IBCB; Donal Whelton, head of agri, AIB; and Martin Stapleton, board member, IBCB and treasurer, IFA.

consider past performance in terms of what the achievements are to date and to also take into account the current position and what the risks are. These can be good indicators of future financial performance".

Donal Whelton, head of agri at AIB, offers some advice on how to avoid common pitfalls. "Early engagement and preparation is key. It's also important to have a clear objective in place that demonstrates your vision for the business.

"It's important to be honest and realistic with regards to business performance, cost,

and projections of your business."

You should be aware that banks will check credit reports, which are provided through the Central Credit Register, which show credit information for customers. Customers can access this information on [www.central-creditregister.ie](http://www.central-creditregister.ie). You may also be asked to provide security for a loan. This is assessed on a case-by-case basis, and customers should allow sufficient time for security to be put in place.

We will cover this topic in more detail in a podcast in the coming weeks.

Bank	Business adviser team	Online
AIB	0818 478833	<a href="https://aib.ie/business/sector-expertise/agri">https://aib.ie/business/sector-expertise/agri</a>
Bank of Ireland	0818 210 614	<a href="http://www.bankofireland.com/agri">www.bankofireland.com/agri</a>
Permanent TSB	0818 200 100 or (+ 353 1 215 1363)	<a href="https://www.permanenttsb.ie/business-banking/">https://www.permanenttsb.ie/business-banking/</a>