

# Business development financing

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The Company is regulated by the Czech National Bank and is a member of FEIFA.

# Content

- Overview of the bank industry
- What documents do I need to receive proper financing?
- What does the bank want to see in your books?
- What is the time-frame of the process?
- How much does the service cost?

# Overview of the industry

- Characteristics of the bank industry
- Types of banks in Czech Rep.
- Brackets
- Working capital financing

# Key questions

1. WHO asks for the financing ?
2. WHAT will be financed ?
3. WHERE will the money come from?
4. HOW is the downside covered?

All together = WHY is it worth financing?

# WHO asks for the financing ?

- Company register statement
- Ownership structure
- Introduction of the company
- List of references to the company
- List of references to the MD
- Statement of Indebtedness
- Overview of all the current loan

# WHAT will be financed?

- Valuation of the property
- RC/PC/FPC
- Deal sheet

# WHERE will money come from?

- Complete set of financial statements in full for the previous 2 years
- Preliminary statements for the current year
- Account 518-services in analytical classification
- List of receivables and liabilities
- Explanation of the source of own resources

# HOW is the downside covered?

- Identify the collateral
- Bill of Exchange
- Insurance contract
- Additional security



# Costs & Time frame

- Management fee & Commitment fee
- Drawdown conditions

# What does the bank want to see?

- Easy speaking:
  - Cash-flow / (yearly instalment + interest)
    - The ratio should be at least 150%
  - ROI

# Problems

- Problems:
  - Informational assymetry
  - Time-consuming

Questions?

Thank you for your attention!

With kind thanks to Mr.Kamil Kubečka