



INDIGENOUS BUSINESS & ACCOUNTING SERVICES

How Much Money Do I Need To Get Started?

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Foreword

The intention of this workbook is to provide practical assistance and guidance through the introduction of professional and government webpages that can support you through the initial financial knowledge of business ownership. These webpages are an introduction only as there are numerous webpages on every topic and you will need to learn how to refine your searches.

Creating the habit of using the internet is a skill that will help you research important business information, help you stay compliant and potentially save you time and money.

It is strongly recommended that you engage with a business mentor and this can be a business owner in your community or a business support provider through IBA or your local small business development office or chamber of commerce.

Build a solid support network of positive people who are trustworthy and reliable. Be careful not to erode this support.

iBase welcome you to share your business experience and would appreciate feedback (financemob@ibase.org.au) on how practical and useful you found this diary.

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2. Business Finance & Loans

It is extremely challenging for an inexperienced person to negotiate a business loan. Just talking about your business/business idea won't cut it you need to be able to evidence your capacity to sustain a business.

You will need to know:

Question	Answer
1. What is the purpose of your loan?	
2. How much do you want to borrow?	
3. When will you need the money?	
4. How long do you need to borrow the money for?	
5. How will the loan be repaid?	
6. What is the risk to the lender i.e.: do you have any security?	

The loan process can be lengthy and frustrating, the lender needs to be convinced by you that you have the capacity to repay the loan and the lender will not approve a loan until they have full documentary evidence of your capacity to repay.



3. Loan Application Documents

The following is a list of documents you will need to complete/provide to apply for a business loan. A business mentor can help you with your business plan and cash flow statement however you will need to provide copies of your ATO assessment and bank statements.

Title	Action	Pages
Proof of identity Check	Acceptable documents which total 100 points	1
Veda Credit Report	Complete	1
Customer Service Charter	Read	2
Start Up Finance Package Info	Read	2
Collection of Personal Information	Complete	2
Consent to Use Your Personal Information	Complete	2
Confirmation of Descent	Complete	4
Business Finance Application	Complete	18
Business Plan Guide	Read	33
Business Plan Template	Complete	26
My Personal Drawings	Complete (Excel spreadsheet)	1
Business Finance Application Checklist	Complete	2
Tax Assessment/Return	Provide	
3 months of bank statements for all your accounts including joint accounts	Provide	
Cash Flow Forecast	Draft	

4. Loan Application Process



3 months to 6 months

An incomplete application will be sent back to you, it is so important you dedicate time to gathering and preparing your application



6 weeks to 3 months

Once you get to this stage you may be asked to clarify information you have provided



6 months to 7 months

If your loan is approved you will then be provided with a loan contract. If your loan is declined, ask for feedback.

5. Loan Contract and Settlement



Congratulations, you have made it to loan approval.

Next step - you will receive a further set of documents similar to the list below, it is recommended that you discuss these documents with your solicitor

Title	Action	Pages
Business Purpose Declaration	Complete	1
Loan Cover Letter	Read	3
Loan Offer	Read and sign	15
General Security Agreement	Read and sign	12
General Business Loan Terms & Conditions	Read	41
Direct Debit Request Service Agreement and DD Request Form	Complete	5
Progress Payment Request	Complete	2

6. Progress Checklist

Title	Action	Due Date	Comments
Proof of identity Check	Acceptable documents which total 100 points		
Veda Credit Report	Complete		
Customer Service Charter	Read		
Start Up Finance Package Info	Read		
Collection of Personal Information	Complete		
Consent to Use Your Personal Information	Complete		
Confirmation of Descent	Complete		
Business Finance Application	Complete		
Business Plan Guide	Read		
Business Plan Template	Complete		
My Personal Drawings	Complete (Xcel spreadsheet)		
Business Finance Application Checklist	Complete		

Title	Action	Due Date	Comments
Tax Assessment/Return	Provide		
3 months of bank statements for all your accounts including joint accounts	Provide		
Cash Flow Forecast	Draft		
Business Purpose Declaration	Complete		
Loan Cover Letter	Read		
Loan Offer	Read and sign		
General Security Agreement	Read and sign		
General Business Loan Terms & Conditions	Read		
Direct Debit Request Service Agreement and DD Request Form	Complete		
Progress Payment Request	Complete		