

Financial Support Toolkit



Overview

Taking time to review, revisit and recalculate your finances is important for your business. Managing the day-to-day finances and planning your future financial needs is always important whether it's during prosperous or challenging economic times.

Fáilte Ireland has prepared a range of practical financial tools, guides and templates to help you manage and plan your current and future financial needs and are customised for your sector.

Some areas you may be looking at now include accessing working or capital finance and calculating repayment amounts. You may also need to sense check where your finances are now to project ahead and look at base or best case scenarios.

Financial Support Toolkit

Every business should have a financial plan as part of their overall strategy. This will help determine funding requirements, sales and costs. Regular updates to the financial plan can enable a business to manoeuvre through business cycles and help understand changing needs.

These practical finance tools will help you to understand your cashflow needs for different scenarios, examine the financial projections of your business, and create a useful dashboard to track your performance. The tools are also a useful resource to help you be prepared and be financially equipped for meeting with the banks.



Outline of Supports Provided

P&L and Scenario Analysis

While it can be very difficult it is important to project cashflow. Examining the financial projections of your business for the next 12 to 18 months will provide information on business sales, costs, profitability, working capital and liquidity needs to help you to make key strategic decisions.

The P&L and scenario analysis tool provided will allow you to:

- Create a financial overview on a monthly basis
- Monitor and project your cashflow on a monthly basis
- Develop base and best-case scenarios depending on varying factors
- Assess if additional finance/working capital is required and calculate your capacity to repay a loan
- Track your key performance indicators

The supports include an excel template, guidance note and step-by-step video guide.

The tools are created by sector:

- **Hotels, Guesthouses,**
- **B&Bs, Caravan & Camping, Self-Catering, and other accommodation**
- **Restaurants, Cafes, Pubs**
- **Attractions**
- **Activities**

Business Liquidity

Management of your working capital and liquidity needs is a key component of management. It is important to understand how liquidity impacts your business and what your business liquidity requirements are. An 18-month cashflow template is provided which can be used to project your cash movements over this period.

The supports include an excel cashflow template, guidance note and step-by-step video guide. Also, a quick guide to financial liquidity and a quick guide to financial liquidity.

For information on an Overview of Government Supports please view here <https://covid19.failteireland.ie/government-supports/government-supports-overview/>

Meeting with the Bank

As part of managing and planning the future financial needs of your business, meetings with your bank or lender require careful preparation. Applications and gathering your documentation can take time as there are a number of elements to consider in applying for a loan or further lending.

All lenders and financial institutions, regardless of the existing relationship with the business, will require a suite of documents as part of any loan or working capital application. It is advisable to have as much of the required documents prepared in advance so that your business can proceed with a fully completed lending application when required.

The supports include a simple loan model excel template, guidance note and step-by-step video guide. This will show you the repayment requirements on a loan and the size of the loan your business will be able to service.

A detailed video on meeting with the banks and a borrowing application checklist are also provided.

For information on the Covid Loan schemes please view here

<https://covid19.failteireland.ie/government-supports/covid-loan-scheme-overview/>

Cash burn and Cost Reduction

As tourism organisations have a high operating cost base it is important to understand all the costs of the business and if they are necessary. Creating a healthy cash balance within the business is important for long term sustainability, during the low season and for unexpected events. In addition, understanding the cash burn of the business or of outlets within the business can allow you to determine the minimum sales requirements to open.

Within this section, there is a series of sectoral checklists to help you with cost reduction and a guidance note on how to calculate your cash burn.

The cost checklist is created by sector:

- **Hotels, Guesthouses,**
- **B&Bs, Caravan & Camping, Self-Catering, and other accommodation**
- **Restaurants, Cafes, Pubs**
- **Attractions**
- **Activities**

Business Planning

As part of your overall business strategy, a robust business plan is fundamental and will usually be required if you are looking for investment. This is a detailed document that will set out the elements of your business ranging from your customer profile to corporate set up. Really understanding your business and being able to communicate this is an important part of any business plan or funding application.

The supports include an excel template, guidance note and step-by-step video guide.

Within this section there is a business plan template and an excel template where you can include historical financial information as well as preparing future annual financial projections for your business.

The templates can be downloaded, edited and customised with your own business information and branding.

The business plan is created by sector:

- **Hotels, Guesthouses,**
- **B&Bs, Caravan & Camping, Self-Catering, and other accommodation**
- **Restaurants, Cafes, Pubs**
- **Attractions**
- **Activities**

Please note that the business plan template has been aligned with the help sheet prepared by the Consultative Committee of Accountancy Bodies - Ireland (CCAB-I) and the Irish Banking Federation. It is designed to facilitate the use of a common approach, framework and language in the preparation of business plans and the raising of bank finance.