

# Quick Guide to Financial Liquidity



## LIQUIDITY & WORKING CAPITAL

### Steps:

1. Determine your current working capital needs. How much will you require, on a monthly basis, for the next full trading year?
2. Review your balance sheet. What liabilities have built up that may need to be paid and therefore will be a cashflow requirement? (e.g. rent, VAT, etc.).
3. Determine what are the liquidity needs, for the next six to 12 months (for example, loans, creditors, Revenue payments, etc.).
4. Evaluate the options available to you. This may include, for example, overdraft for low season months, short-term loan to consolidate loans, or additional loan requirements. Speak with your advisor or accountant if you are unsure.
5. If your cashflow is challenged, discuss this with your financial institution and the options for additional funding or restructuring your existing loan.

### Loan Options:

- *Brexit Impact Loan Scheme (BILS)* - A medium-term, lower cost scheme to fund working capital and investments for businesses, including primary producers, impacted by Brexit and Covid-19. Apply online at [www.sbc.gov.ie](http://www.sbc.gov.ie)
- *Credit Guarantee Scheme* - Talk directly to your bank about this option. Schemes details also on [www.sbc.gov.ie](http://www.sbc.gov.ie)
- *MicroFinance Ireland COVID-19 Loan Scheme* - Complete online application [www.microfinanceireland.ie](http://www.microfinanceireland.ie)

### Cash Flow Forecasting:

- Prepare monthly financial projections and cashflow for 12 to 18 months to show cash available for debt service.
- Prepare base case and best-case scenarios to determine minimum and maximum cash requirements

### Funding Options:

- Short Term Loan
- Overdraft Facility
- Tax Warehousing
- Trade Finance Solutions
- Forbearance Requests

**STEP BY STEP HELP ON PREPARING A MONTHLY P&L AND CASHFLOW FORECAST, DETERMINING LOAN REPAYMENTS AND OPTIONS, TALKING TO YOUR BANK ARE ALL AVAILABLE HERE**

[www.failteireland.ie/FinancialPlanning](http://www.failteireland.ie/FinancialPlanning)

**Need Guidance? Contact your local Fáilte Ireland representative  
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