



**FundingKnight**  
CROWDLENDING TO BUSINESSES

# Business borrowing with FundingKnight

Get the funding you need, with fast decisions,  
flexible terms and competitive rates





*“Borrowing for growth is a positive decision by any business as it provides leverage that wouldn’t be achievable from cashflow and retained profit alone. The extra money can be used for accelerating business expansion, smoothing the requirements of operating cycles or for significant strategic developments, such as an acquisition.”*

**Graeme Marshall**

Founder and Chief Executive,  
FundingKnight

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*"With FundingKnight's support, we have not only been able to build our business, but also to attract a number of large, blue chip customers. I am looking to triple the size of the company over the next three years. I believe we have massive growth potential."*

**Saul Musson**  
Managing Director, LeisureBench

# Welcome to FundingKnight

**FundingKnight is one of Britain's longest established peer-to-peer lenders and is dedicated to helping you grow your business on your terms.**

Our loans are designed with you and your business in mind and can be built around your specific needs and cashflow. We provide both secured and unsecured business loans ranging from £25,000 - £1,000,000.

Business loans from FundingKnight differ significantly from loans from banks and other traditional lenders because we look past computer checks and work with you to find a solution to fit the needs of your business. We are not just interested in past performance, but also in the new opportunities that you have created and the future of your business. Our goal is to be forward-thinking at all times, which makes our finance solutions a popular option for businesses throughout the UK.

If you are a UK business with a minimum of two years' trading history and want to raise finance, simply follow the steps in this guide to business borrowing. Our Responsive Lending approach means you can secure the funds you need in a matter of days.

- ✓ Speed
- ✓ No hidden costs
- ✓ Personal approach from a friendly team
- ✓ Unsecured lending options





*"We are offering a new age of Responsive Lending backed by modern processes, transparent charges, speedy decisions and a warm welcome that is allowing SMEs to fulfil their ambitions."*

**Martin Keighery**  
Head of Lending, FundingKnight

# Which peer-to-peer loan is right for my business?

You can use a FundingKnight loan for a whole variety of reasons. The purpose of the loan will be the starting point in deciding which loan is right for you.

Working Capital	Capital Expenditure	Project Finance
<b>Typical uses</b> Stock Operating cycle International trade	<b>Typical uses</b> Plant and machinery Office equipment Office refurbishment	<b>Typical uses</b> Acquisitions New premises Research & Development
<b>Amount</b> £25,000 - £1,000,000	<b>Amount</b> £25,000 - £1,000,000	<b>Amount</b> £25,000 - £1,000,000
<b>Terms</b> 6m - 5 years Secured or unsecured (max £150,000 unsecured) Capital + Interest	<b>Terms</b> 6m - 5 years Secured or unsecured (max £150,000 unsecured) Capital + Interest	<b>Terms</b> 6m - 5 years Secured or unsecured (max £150,000 unsecured) Capital + Interest

If you want to finance your business in the short term by offering security on marketable properties, you may find that our Property Bridging Loan is what you need. Ask for our information sheet or visit our website for more details about the criteria and the information we require. We also offer Renewable Energy loans. More information about these is provided on our website too.



*“The whole experience of dealing with FundingKnight was fantastic. They sounded like business people. It was a good example of Responsive Lending at its best.”*

**Richard Coates**  
Chief Executive, Coates Industries

# How do I apply for my FundingKnight loan?

**To start the process, you will need to register online and provide us with a few basic details about you and your business.**

Information needed for the application:

- ✓ Your company name
- ✓ Your contact details
- ✓ The type of loan you would like to apply for
- ✓ The amount you would like to borrow
- ✓ The period you would like to borrow it over

Once you have reviewed the information you have provided and made sure that you have read and understood our Borrower Agreement and Terms & Conditions, you can click to submit your application. We will get back to you within one working day and let you know if we think we will be able to assist.

The next step is to provide us with some more information about your business. We provide a series of downloadable documents on our website to help you put together the information we require in a format that will speed up your application.

One of our Credit Analysts will then speak to you about your business and loan application and review the details that you have provided. You may be asked to give more detailed information at this stage.

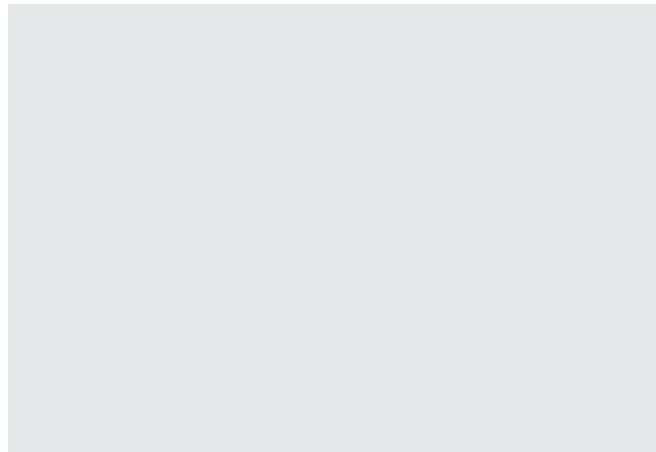


*"They were friendly, helped us through every step of the process and we were able to see how the loan auction was progressing on the website. It was an all together pleasant and interesting experience."*

Alan Sawyer  
Managing Director, Luzzo Bespoke

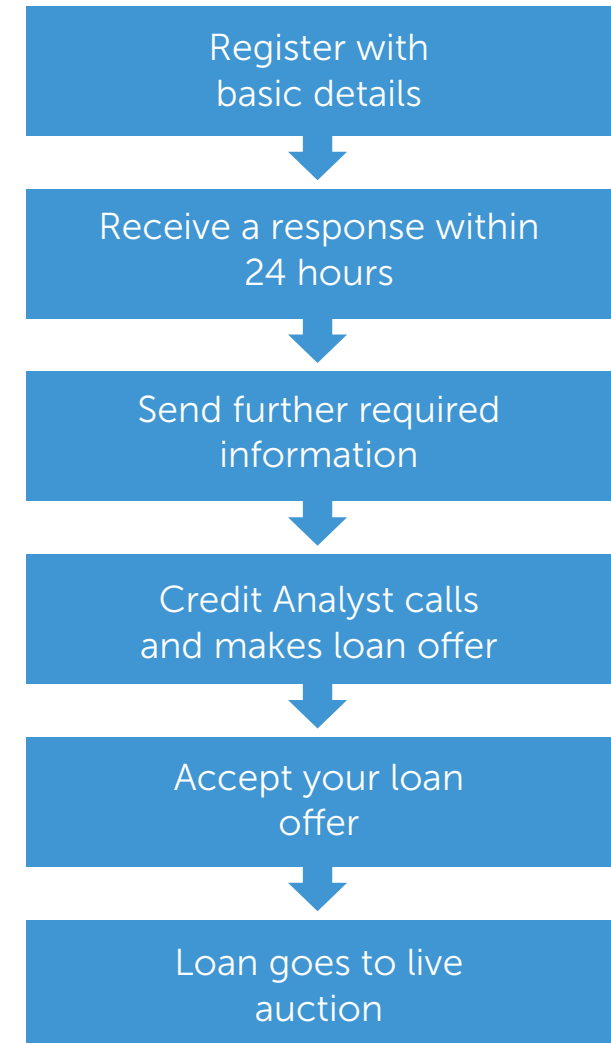
When we have all the information we need, a decision can be made and, if your application is successful, a FundingKnight loan offer will be issued.

For more detail on the information we require and why, please download our guide:



Download now

## Step-by-Step Process





*"I found it especially nice to be talking to a real person and I like the thought that there are 119 people who are investing in my business loan."*

**Richard Grills**  
Proprietor, Dique Limited

## How do I complete a cashflow forecast?

**We recognise that your business might not complete a monthly cashflow forecast as a matter of course (although we believe it should!).**

If you don't have a forecast to send us, we will provide you with a simple template to complete. You should be able to complete most of it yourself, but your accountant will certainly be able to help if you can't.

The format of the template and where you can look for the information it needs is shown in this guide (see appendix 1.0).

## I am ready to accept my loan offer, what's next?

**Once you sign the paperwork and all the documentation is returned to us, your loan will be ready to go to a live auction.**

The money is provided by retail and institutional investors who bid on loan parts via the FundingKnight platform.

The maximum interest rate you will pay will have been predefined by you and our Credit Analysts, but competition amongst our investors to lend you the money could mean that you pay an even lower rate.

We always fill and meet the reserve rate on the loans that go to auction. If your loan is agreed by our Credit Analysts, you will get your money.

As soon as the auction ends, you will receive your funds via a bank transfer and the progress of your business growth plans can begin.



*"Since taking the FundingKnight loans we have been able to open two new salons that have instantly gone into profit. As to Lextan's future, I see more salons being added and further emphasis being placed on marketing to our 50,000 (and growing) customer database."*

**James Hadley**  
Director, Lextan

## How does repaying my loan work?

**We pride ourselves on the flexibility of our repayment options.**

### **Monthly repayments**

When you borrow money with FundingKnight, you will begin to make repayments one month from draw-down. This means there will be a fixed amount of capital and interest to pay to our lenders each month.

### **Payment holidays**

In certain circumstances we can agree a payment holiday before you start repaying your loan, allowing you to wait a few months before starting to pay your loan back. This can be particularly helpful if the loan is for a project that won't be revenue generating in its early stages. Interest will start to accrue from the day the loan is drawn down so you should be aware that a payment holiday will increase the overall cost of your borrowing.

### **Early repayment**

You can make an early repayment of the full amount of the loan, at any time, providing you give us 14 days' notice. If the loan has been running for three months or more at the date of repayment, there will be no penalty.







*"I was amazed how fast it went through and, as a result, we are much further down the line with our development plans."*

**Roger Farrell**

Director, Brookwood Accountancy

## How much will my loan cost?

The amount of interest you pay will be determined by the auction process. The maximum amount will be agreed between you and the Credit Analysts during the application process. In principle, the stronger your business is and the more information you provide to prove that the repayments are affordable, the lower your rate will be.

We charge a fee for arranging the business finance and this is deducted from your loan proceeds.

The amount we charge varies depending on the term the loan is over:

- **2.5%** of the business loan for loan terms of between 6 – 12 months
- **3.0%** of the business loan for loan terms of between 13 – 24 months
- **3.5%** of the business loan for loan terms of between 25 – 36 months
- **4.0%** of the business loan for loan terms of between 37- 48 months
- **4.5%** of the business loan for loan terms of between 49 – 60 months





# Appendix 1.0 Cash Flow Forecast

CASH IN	£
Cash from Sales	This is your sales income. Sales in previous months and years will help you identify any trends. Consider any internal and external factors that will affect performance and remember to include VAT.
Interest Received	This is income that you might get from deposit accounts or other savings and investments. You can get an idea of this by looking at previous bank statements.
Other Income	This is non-sales income and might include rental income or royalties, for example.
Sales of tangible fixed assets	Are you planning to sell any machinery, buildings or land in the next 12 months? If yes, estimate the income here.
Sales of intangible fixed assets	Are you planning to sell any patents, copyrights or computer software in the next 12 months? If yes, estimate the income here.
Any other planned borrowing	Include the capital amount from any loans you are raising. (NB don't include your overdraft limit)
Introduction of share capital	Are you planning to introduce any cash into the business, perhaps by issuing shares or by way of a director's loan?
Any other funds inward	Do you have any other significant cash inflows to record? These might include collections on accounts written-off in previous years, rebates or refunds.



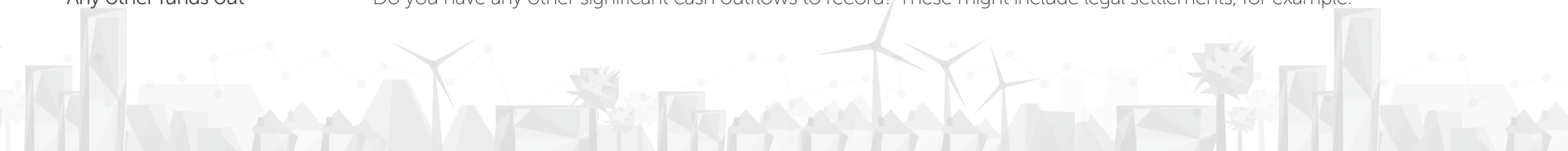


# Cash Flow Forecast

## CASH OUT

£

Cost of Sales	These are all the direct expenses needed to run your business; for example, expenditure on essential supplies or raw materials. Remember to include the VAT.
Interest Payable	This is the interest payable on all of your company's existing debt. You can get an idea of this from looking at your previous bank statements or statements from other lenders.
Overheads	This is the total of all your salaries (including PAYE and NI), rent, utilities, repairs and other operating expenditure. Consider any internal and external factors that will affect your overheads and remember to include VAT.
Corporation Tax	This is the tax you pay on your profits 9 months after your year end. Look at your last set of accounts and consider how last year's liability is likely to change in line with your profit expectations.
Directors Salaries	This is the amount you and your co-directors draw as a salary. Include the tax and employer's NI
Directors Withdrawals	This is any money that you and your co-directors might withdraw as a dividend in lieu of salary or as a loan.
Purchase of tangible fixed assets	Are you planning on buying any new machinery, buildings or land in the next 12 months? If yes, include the cost of these items here.
Purchase of intangible fixed assets	Are you planning on buying any patents or computer software? You might also include any significant marketing costs such as a new website or re-brand.
Acquisition of interest in subsidiaries	Are you planning to buy all or part of any other businesses this year? If yes, include the expected outlay here.
Purchase of interest in JV's and associated companies	Are you planning to buy into any joint ventures this year? If yes, include the expected outlay here.
Payments on existing borrowing	Tell us the level of capital repayments on any borrowing. Note, this is separate from the interest payable recorded above.
Any other funds out	Do you have any other significant cash outflows to record? These might include legal settlements, for example.



# Contact us

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