

Queensland Rural and Industry Development Authority

# Completing Disaster Assistance Loan Applications #101




# Disaster Assistance

## Small Business

- **Disaster Assistance Loans** - up to \$250,000 available to small businesses directly impacted by the North Queensland flooding to help re-establish business operations
- **Disaster Assistance Loans (Essential Working Capital)** – up to \$100,000 for those indirectly impacted by the North Queensland flooding to help cover working capital costs

# Where can I find information and how to apply for these loans?

# QRIDA website

 Queensland Government

## Queensland Rural and Industry Development Authority

Home | **Disaster recovery** | Current programs | Entity | Existing clients | News and events | About us | Services for government | Farm Business Debt Mediation | Farm Debt Res

Get the fast facts on [North and Far North Queensland Monsoon Trough 25 January - 14 February 2019](#) assistance here

### Disaster Recovery Grants for Primary Producers

#### Disaster Assistance

QRIDA has approved a total of **1114** recovery grant applications for primary producers.

**\$63.8M**

Funding delivered to primary producers recovering from flooding in North Queensland surpassed \$63.8 million this week. [more](#)

### Disaster Assistance



#### [North Queensland Restocking, Replanting & On-farm Infrastructure Grants](#)

Co-contribution grants of up to \$400,000 for primary producers to restock, replant and repair after flooding.



#### [Disaster recovery](#)

If you've been directly impacted by a Queensland disaster event assistance may be available to help your business recover.



#### [Special Disaster Assistance Recovery Grants - Small Business](#)

Grants of up to \$50,000 have been announced to assist your small business recover from disasters.

### Other assistance



#### [Bus Driver Safety Scheme](#)

This scheme provides rebates to eligible bus operators to offset the cost of fitting bus driver barriers and anti-shatter film on nominated buses providing eligible bus services.



#### [Drought Support](#)

With over 57 percent of Queensland drought declared and many of the areas experiencing prolonged drought conditions, QRIDA is here to support producers with a number of options available.



#### [Farm Management Grants](#)

Rebates of up to \$2,500 to assist eligible Queensland farming families offset the costs of professional advice associated with succession planning.

## Disaster recovery

Primary producers, small business owners and not-for-profits directly affected during any of these disaster events could be eligible for a low interest loan or grant. See the specific disaster event for more information.

Disaster Event	Assistance for Primary Producers	Assistance for Small Business	Assistance for Non-profit organisations
<b>Severe Tropical Cyclone Trevor and associated low pressure system</b> 19-27 March 2019	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>
<b>North &amp; Far North Queensland Monsoon Trough</b> 25 January - 14 February 2019	<ul style="list-style-type: none"> <li><a href="#">North Queensland Restocking, Replanting &amp; On-Farm Infrastructure Grant</a></li> <li><a href="#">Special Disaster Assistance Recovery Grants</a></li> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Special Disaster Assistance Recovery Grants</a></li> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Special Disaster Assistance Recovery Grants</a></li> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>
<b>Central Queensland Bushfires,</b> 22 November - 6 December 2018	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>
<b>Wide Bay-Burnett Severe Storms,</b> 11 - 14 October 2018	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>
<b>Severe Tropical Cyclone Nora and Associated Flooding,</b> 24 - 29 March 2018	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> <li><a href="#">Disaster Assistance Loans (Essential Working Capital)</a></li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>
<b>North Queensland Flooding,</b> 6 - 10 March 2018	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Disaster Assistance Loans</a></li> </ul>	<ul style="list-style-type: none"> <li>Loan and grant assistance currently unavailable</li> </ul>

## Disaster Assistance Loans - Small business

Small Businesses whose assets have been significantly damaged as a direct result of an eligible disaster may be able to access low interest loans of up to \$250,000.

### What assistance is available?

Concessional loans are provided to assist you to re-establish the normal operations of your small business by covering costs such as:

- repairing or replacing damaged plant and equipment
- repairing or replacing buildings
- supplying stock for up to one month to replace lost stock and maintain liquidity of the business
- meeting carry-on requirements including:
  - sustenance
  - paying rent and rates

### Features

<b>Loan amount</b>	<ul style="list-style-type: none"><li>• Maximum of \$250,000</li></ul>
<b>Maximum term</b>	<ul style="list-style-type: none"><li>• Up to 10 years</li></ul>
<b>Repayments</b>	<ul style="list-style-type: none"><li>• If needed, up to 2 years interest only may be available</li></ul>
<b>Security</b>	<ul style="list-style-type: none"><li>• A loan under the scheme must be secured by a mortgage of land and other assets satisfactory to QRIDA</li></ul>
<b>Fees</b>	<ul style="list-style-type: none"><li>• No establishment fees, no account maintenance fees and no fees for early payout.</li></ul>

### Interest rates

The initial annual interest rates for these concessional loans are:

Rate	Eligible disaster
1.37%	<ul style="list-style-type: none"><li>• North and Far North Queensland Monsoon Trough, 25 January - 14 February 2019</li></ul>

### Apply now

[Application Form](#) (PDF 338KB)

[Guidelines](#) (PDF 288KB)

### Related information

[Small Business Cashflow Spreadsheet](#) (Excel 376KB)

[Loan Review Form](#) (PDF 1.3MB)

### Current disaster activations

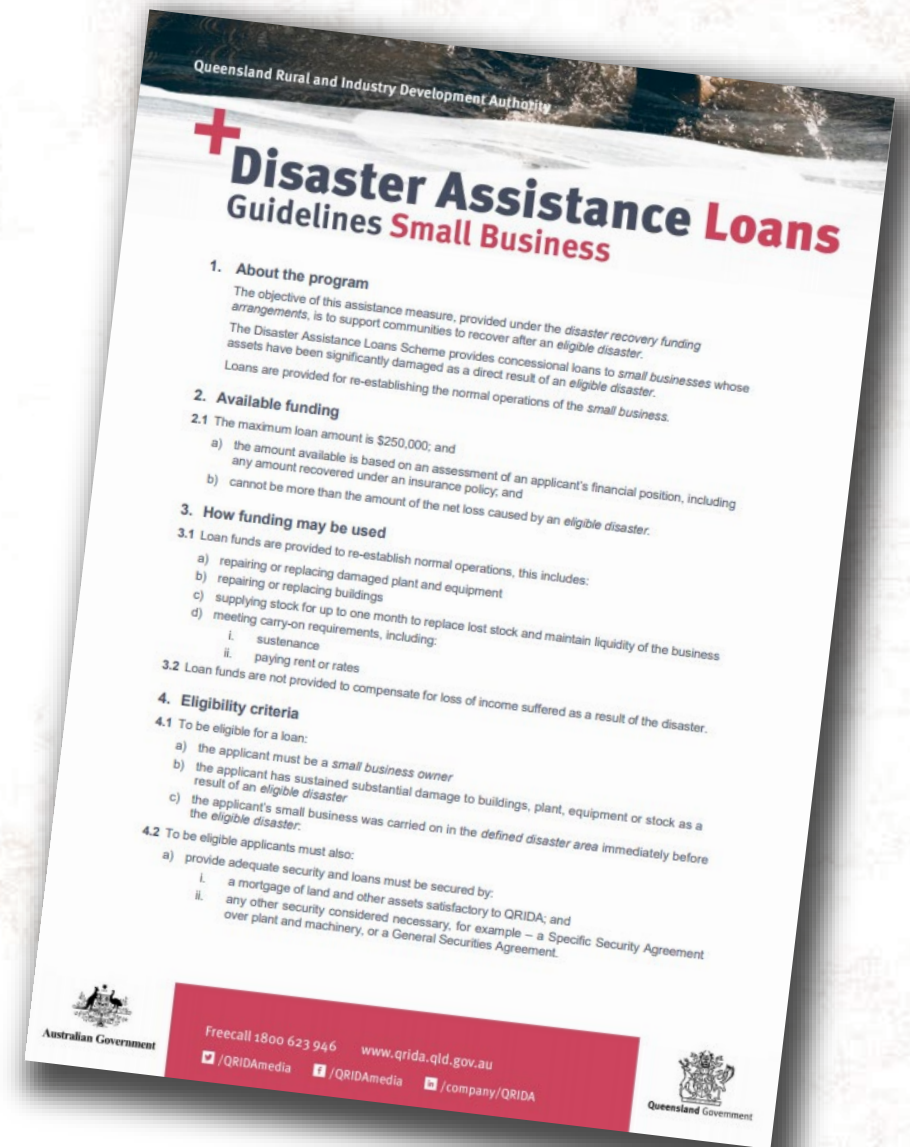
[North & Far North Queensland Monsoon Trough, 25 January - 14 February 2019](#) (PDF)

# Guidelines

## Outlines:

- Loan purpose
- How the funding is used
- Eligibility criteria
- Interest rates and loan terms
- Terms & conditions
- Definitions to support and clarify the application

There is a little bit of work required in completing the application, however the information allows us to assess the application and provide an outcome as soon as possible.



# Application outline and process

Queensland Rural and Industry Development Authority



# Information Checklist

The first page details the information that we require including:

- Financial Statements and/or tax returns
- Personal Tax Returns
- Cashflows
- Schedule of Account Details – a copy of this to be completed by each lender where you have a borrowing
- ATO Client Statement – usually provided by your accountant
- Trust Deed
- Other information

Queensland Rural and Industry Development Authority

## + Disaster Assistance Loans

### Application Form Small Businesses

15/02/11/2018

**Information checklist**

The following information must be provided to QRIDA:

- Past 3 (three) Years' Financial Statements**
  - Including Profit and Loss Statement, Balance Sheet and depreciation schedules
  - Cashbook figures are acceptable if financial statements have not been prepared
  - Financials must be provided for the applicant entity and all associated entities
- Past 3 (three) Years' Personal Taxation Returns**
  - Returns for all associated individuals as prepared by your accountant

Provided with this form:  
 Yes  No - state why:

Monthly Cash Flows for the Current Financial Year  
 Yes  No - state why:

Monthly Cash Flows for the Next Financial Year  
 Yes  No - state why:

**Schedule of Account Details**  
A copy of the form is to be completed by each of your lenders (including banks, credit unions, lease/finance companies etc.) and attached to this application. Please arrange for your lenders to return this form to you prior to submission of the completed application to QRIDA.  
 Yes  No

**Australian Tax Office (ATO) Integrated Client Account Statement**  
Copy of the ATO Integrated Client Account Statement (previous 12 months) for the applicant/each member and all associated entities.  
 Yes  No

**Trust Deed**  
Please provide any additional information or documentation that you feel may support your application.  
 Yes  No - not a trust

Which eligible disaster caused damage to your small business? (Refer Disaster Assistance Scheme Guidelines)

**Section 1 - Borrower details**

Please select:  
 Sole trader  
 Partners  
 Individual trustees  
 Company directors  
 Company  
 Trust

Title	Surname	Given Names	Date of Birth

Company/Trustee name: \_\_\_\_\_  
Trust name (if applicable): \_\_\_\_\_  
If the Trustee is a Company, please provide the Company name and the Company Directors' names in the boxes above.

Trading name: \_\_\_\_\_

Borrower's ABN: \_\_\_\_\_ Business type (e.g. transport) \_\_\_\_\_

Freecall 1800 623 946 www.qrida.qld.gov.au  
/QRIDAMedia /QRIDAMedia /company/QRIDA  
Queensland Rural and Industry Development Authority (QRIDA)  
GPO Box 211 Brisbane Qld 4001 Email: contact\_us@qrida.qld.gov.au ABN: 30 644 268 943

Australian Government Queensland Government

## **Section 1 – Borrower Details**

- Individual, Partnership Company, Trust Details, Trading Name, ABN, Type of Business
- Contact details and information on where to send your application can be found in the red box on page 1 or in the ‘How to apply’ section on page 6.

## **Section 2 – Contact Details**

- Name, address (residential & postal), email, mobile/home number, accountant & bank of financier details

## **Section 3 – Payment Details**

- Bank account details for processing the loan

## **Section 4 - Business description and background**

- How many years of operation
- No. of full time employees (less than 20 determines eligibility as a small business)

## **Section 5 – Details of the disaster**

- How did it impact your business?
- Details of insurance cover and claim amount if applicable

## Section 6 – Funding Requirements

- This is the basis of determining the loan or funding requirement.
- It is easier to work this out once the cashflow is completed as it shows a “funding requirement”
- The funding requested should align with a need or a shortfall on the cashflow
- Sets out the proposed loan term and repayment frequency

Section 6 - Proposed disaster-related project and funding details	
What repair / replacement and/or carry-on costs will you incur as a result of the disaster? Please detail below.	
Requirements (Note: include these costs in your cashflow projections - refer example page 9)	Cost
<b>Requirements sub total</b>	\$ 0.00
Carry-on** (refer example page 9)	
<b>Total</b>	\$ 0.00
How do you plan to fund the above requirements? Please detail below.	
Funding (refer example page 9)	Amount
Peak closing bank balance shown on cash flow projection	
Less your contribution - cash or investments*	
Less overdraft limit*	
Less other (please detail)	
Indicated QRIDA loan (please do not include proposed loan in your cashflow projection)	
* You must use all liquid assets and available normal credit limits to be eligible for assistance under this scheme.	
Preferred terms and conditions	
Loan terms - Disaster Assistance (loan up to \$250,000)	<input type="text"/> years (maximum 10 years)      Interest only for: <input type="radio"/> One year <input type="radio"/> Two years <input type="radio"/> N/A
Repayment frequency	<input type="radio"/> Monthly <input type="radio"/> Quarterly <input type="radio"/> Half yearly <input type="radio"/> Yearly

## Disaster Assistance Loan - up to \$250,000

- Details of repair / replacement costs
- Carry on or working capital requirement (*Note: examples of these can be found on page 8 of the application form*).

## Disaster Assistance Loan (Essential Working Capital) - up to \$100,000

- Essential working capital requirement
- The cashflow shortfall allowing for own funds and any existing overdraft and the requested funding requirement should be the same
- Both applications require use of your own available cash and overdraft where applicable
- Where you are looking to retain cash or not fully utilise existing overdrafts we would require an explanation to support this in consideration of the requested funding.
- For example, you may have a known future expense essential to the business that requires the use of cash reserves or you require some margin in your overdraft to cover unforeseen contingencies / delays in income

### Example One

\*\* When the Indicated QRIDA Loan amount **exceeds** the Requirements Sub Total amount, the difference needs to be recorded against **Carry-On** to balance (e.g. the \$168,000 Indicated QRIDA Loan amount exceeds the \$125,000 Requirements Sub Total Amount by \$43,000.

### Example Two

When the indicated QRIDA Loan is equal to or less than the Requirements Sub Total amount, there are no requirements for **Carry-On**.

## **Section 7 – Property Details**

- This is required for all property and particularly where the property is being offered as supporting security
- Where there is more than one property this section can be photocopied

## **Section 8 – Details of any vessels owned**

- Specifically, where boats/ vessels are being offered as security
- Charter Boat operations etc
- Commercial Fisherman are classed as Primary Producers and would be a different application

## **Section 9 – Security**

- The Scheme requires adequate security – preferably a property mortgage- to support the loan
- Outlines what is available and may relate back to Section 7

## Section 10 – Income Produced

- This is simply a snapshot of sales - last financial year, current financial year and next financial year
- Quantity – depending on the business may not be relevant
- YIYO estimates – refers to a Primary Producer operation for sales in a normal year and normal seasons. For a Small Business it will likely reflect the “next financial year” cash flow or an average of your historical sales depending on where you see the business going

## Section 11 – Financial

- This provides for a brief comment in relation to any significant income or expense variations from your historical and projected financial information

## **Section 12 – Statement of Assets and Liabilities**

- Combined personal and business assets to enable a clear understanding of your overall position

## **Authorisation and Signature**

- Authorisation is where you would like us to contact or advise another party – for example, your Accountant or Business Adviser
- Signature is required by all applicants / business owners

## **Schedule of Account Details**

- When you download the Application, this form is the last page
- The form needs to be sent to all your lenders to obtain details of accounts, loan amounts and payment details
- It provides the consent and authority for us to contact them and discuss mortgage arrangements and loan details.

# Completing a Cash Flow Budget #101

# Cashflow guidance

The loan application includes a explanation /guidance (pg. 7) to completing a cashflow and a sample cashflow (pg. 8).

The QRIDA website has a cashflow spreadsheet under ‘**Related information**’. This includes Current Financial Year, Next Financial Year and Additional Financial Year (if required).

The cashflow spreadsheet on the website automatically calculates the totals including opening and closing bank balances.

Monthly Cashflow for the ADDITIONAL Financial Year													
Name: <input type="text"/>											From 1 July 20 .....	To 30 June 20 .....	
QRIDA Client ID (if known): <input type="text"/>													
INCOME	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Sales													-
Discounts													-
Other													-
Contracting													-
Fuel Rebate													-
Other													-
Wages/Salary													-
GST & Tax Refunds													-
Net Asset Sales (detail in Note 18 below)													-
Capital Introduced (detail in Note 2 below)													-
<b>TOTAL INCOME</b>													-
<b>EXPENSES - FIXED &amp; VARIABLE (amend, add or delete headings as necessary to suit your business - refer to your past financials)</b>													
Accounting/Admin Fees													-
Advertising													-
Bank Charges													-
Electricity & Gas													-
Freight & Cartage													-
Fuel & Oil													-
GST Remitted/Paid													-
Income Tax Paid													-
Insurance Prop/Equip/MV													-

# Why is cashflow important?

Cashflow is a financial tool that tracks cash availability in the business.

Measures the expected real money in and expenses out of the business – it excludes non-cash items such as depreciation.

You can have a positive cashflow where there is more income than expenses or you can have a negative cash flow where there are more expenses than income.

**Positive cash flow** – represents a cash flow surplus

**Negative cash flow** - represents a cash flow shortfall

# Why is cashflow important?

- The shortfall can occur within the month or over a period of time and is result of outgoings exceeding incomings (e.g. a slow down in trade due to a disaster event).
- The shortfall can be met from a number of areas including your own cash from savings or from borrowing.
- The shortfall (or deficit) shows the peak requirement that needs to be met to restore the cashflow to positive.
- It is this shortfall we are looking at covering with the assistance of a loan.
- Cashflows are usually completed on a month to month basis over a 12-month period to align with financial years

# Why is a cashflow required?

- The cashflow is a key requirement in assessing whether the business can service its debts and meet commitments over the longer term.
- The cashflow estimates showing the shortfall as a result of the current disaster also demonstrate eligibility and need.
- The main goal is to determine the businesses sustainability and efficiency.
- Useful knowing when income and expenditure is expected to occur and can help with managing payments and income.
- Payment terms – how often are you expected to pay your accounts in 7 days and your clients pay you in 30 days – the cash flow can budget help with showing the effect of this on your bottom line and a need for overdraft etc. and what you may need to do to change the terms / arrangements

# What information is required for a cashflow?

- Your opening bank balance at the start of the period – this should be 1<sup>st</sup> July or the start point if using part actuals to date and balance of budget (e.g. if you have actual income and expenditure totals for the first 6 months to 31<sup>st</sup> December the opening bank balance would be 1<sup>st</sup> of January).
- The opening balance is from your bank statement allowing for payments / cheques outstanding
- Existing Overdraft limits if applicable
- Expected forecast income
- Expected forecast expenses

# Where do you get this information from?

- Historical trading performance
- Known expenditure – rates, rent wages etc.

# What about GST?

There is provision for this on QRIDA cashflows.

Generally, the GST will flow through the business and should net itself out.

Depending on the business there may be times where the GST will need to be paid to the ATO and other times when the ATO refunds the GST – this should be evident from historical BAS.

## There are two options:

1. Include the GST estimate using GST inclusive numbers
2. Exclude the GST and use GST exclusive numbers – if using this option, you may need to allow for payment of some GST with BAS statements

**For help with your loan  
application  
Freecall 1800 623 946**

Queensland Rural and Industry Development Authority

