

Time is running out for CBILS HP applications

7th February 2021 - The window to attract crucial funding from the Government-supported Coronavirus Business Interruption Loan Scheme (CBILS) is closing rapidly, warns asset finance specialists PVS Finance.

Businesses in the manufacturing/construction/commercial transport/SME have until the end of March to apply for a CBILS Loan or CBILS HP Agreement, worth up to 25% of turnover. However, mistakes in the application process can hamper the progress of applications, with often incomplete or incorrect details resulting in a rejection.

CBILS has evolved to help SMEs across the UK affected by Coronavirus and one of the latest developments is the addition of a 'Sale and HP Back' option. This allows businesses to refinance owned assets, either to release working capital or to purchase new assets with a 12-month interest free period and lower repayments.

Accountancy firm UHY Hacker Young says that applications are four times more likely to succeed if a professional is engaged to support the CBILS application process.

Somerset-based, PVS Finance, part of PVS Group UK, is assisting businesses with CBILS Sale and HP-back applications for SME firms wanting to raise working capital against existing assets.

Paul Tregale, the Commercial Director at PVS Finance, says that filing the application with potential mistakes could be disastrous at this stage with so little time left to apply.

"There is a significant opportunity to attract crucial funding, particularly since there was a change in criteria at the end of July, but time is running out.

"We have the expertise to access these funds in a way your local business bank manager may not, and unlike using your accountant, there is no set up fee or clock running for our services."

To date PVS Finance has secured funding under the CBILS scheme for a Somerset haulage firm to ensure its 25-vehicle fleet kept rolling, while a packaging firm was able to reinvest in new machinery when COVID-19 presented a new business opportunity.

Tregale says it can help businesses that have been affected by COVID-19, and would have qualified for funding under the British Business Bank's standard credit policy prior to the lockdown, to secure finance for a broad range of assets (but excluding cars).

"At PVS Finance, we work with a panel of funders and can offer independent advice to help businesses access funding to purchase assets or secure additional cash through lending secured against an existing asset.

"We can help secure vital funding by presenting the financial proposition in the right way - but with little time left to apply for a CIBLS facility, any application that is rejected will, in all

probability, miss the deadline. So now is the moment to engage experts to help you with the application.”

Notes to editors

About PVS Finance

PVS Finance is a finance brokerage based in Bridgwater, Somerset, offering HP and finance lease to secure business assets. The trading title is part of the PVS Group owned by Puddy's Vehicle Solutions Ltd.

About Coronavirus Business Interruption Loan Scheme

- No Credit Facility Fee (usually a minimum £175)
- The interest charge for the first 12 months is covered by the British Business Bank (BBB), subject to the maximum as per the BBB guidelines. The total Business Interruption Payment can be up to £0.72m
- Standard option to purchase fee will be payable with the final instalment to transfer title of the goods. This is £90 inclusive of VAT
- Standard early settlement fees will apply
- BBB will guarantee 80% of the proposed liability
- For transactions in excess of £0.25m, a director's guarantee maybe required

Ends