

What is the loan purpose?

1. Present and future working capital needs

- ⇒ Feed, fertiliser, seeds and sprays.
- ⇒ Tax.
- ⇒ Wages.
- ⇒ Purchase of trading livestock (ie, cattle for 12-18 months).
- ⇒ Contractor charges.
- ⇒ Land rental.
- ⇒ Farm insurance.
- ⇒ Diesel.

2. To replenish past spending out of cash-flow used to fund capital expenditure

- ⇒ Capital expenditure paid for in 2015/2016 from a current account.
- ⇒ Examples: purchased a tractor/machine/plant/equipment from cashflow.
- ⇒ Built a shed, milking parlour.
- ⇒ Built breeding stock numbers to expand herd. For example, a dairy herd expansion-typically €700-1,000 per head.

These are eligible for SBCI agri cashflow support loan

3. To refinance existing farm creditors

- ⇒ Refinance hardcore overdraft or credit line facility.
- ⇒ Pay credit card.
- ⇒ Pay merchant bill.
- ⇒ Pay contractor bill.
- ⇒ Pay oil company.

4. To refinance existing loans

- ⇒ Term loans (one to two years).
- ⇒ Hire purchase on a machine, tractor.
- ⇒ Lease of tractor or equipment.

These are not eligible for SBCI agri cashflow support loan

5. To finance new investment

- ⇒ Construction of new shed.
- ⇒ Purchase of farm machinery.
- ⇒ Purchase of breeding stock.
- ⇒ To refinance capital expenditure undertaken from cashflow after 31 December.