

BUSINESS LOAN APPLICATION CHECKLIST

SELF ASSESSMENT

Typically financial institutions in Singapore will only consider providing credit facilities or loans to businesses if the following basic conditions, though non-exhaustive, are satisfied:

- A. The Entity is a Singapore registered entity;
- B. Entity is at least 30% owned by Singaporean or a Singapore PR;
- C. The Entity has no less than 2 years of operating track record and is profitable in the most recent financial year;
- D. Entity and the Business Owner(s) or Director(s) were not/are not subject of any litigation; and
- E. Entity and the Business Owner(s) or Director(s) have clean credit report.

DOCUMENT TO PREPARE

The information that each financial institution needs may differ depending on the industry of the business and the type of loan that you are seeking. Some basic documentation that you should prepare would include:

- (1) ACRA Business Profile of the Entity;
- (2) Audited or compilation financial statements for the past 2 years and the latest management accounts;
- (3) Entity tax returns for the past 2 years;
- (4) Most recent past 6 months bank statements of the Entity;
- (5) Business Credit Report of the Entity;
- (6) Personal income tax assessment of owners and directors;
- (7) Personal Credit Report of the Business Owner(s) / Director(s);
- (8) Business Plan, including a brief write up of the business, the products and services, the industry, the markets and customers, the background of the business owners or shareholders and directors, the reasons for seeking loan/credit facilities, the use of proceeds, details of the assets (if you are seeking financing for the assets purchase), and financial projections (include monthly income statement, cash flow and balance sheet projections); and
- (9) Any other relevant supporting document, example property/assets valuation report, supplier's quotation of the assets that you intend to purchase, project contracts (for specific project financing), analysis of most recent year's sales by customers & aged trade debtors report (for factoring), etc.