



**sefa** Finance Solutions

**sefa**

Small Enterprise Finance Agency

*Accessible Development Finance*



Are you an aspiring entrepreneur?

Do you have a business idea? Does your business need financial assistance to operate or to take it to the next level? Do you need working capital to fulfill a recently obtained contract/ order to deliver goods or services?

Regardless of your context, we have a financial solution for your unique business needs.

Get up to R5 million of start-up, expansionary or acquisition finance for your business.



At the Small Enterprise Finance Agency (**sefa**) we understand that access to finance is one of the main factors that hinder the development and sustainability of Small, Micro and Medium-sized Enterprises (SMMEs) and Co-operatives and their ability to contribute to the economy by creating the much needed job opportunities. We therefore seek:

**“To be the leading catalyst in the development of sustainable SMMEs and Co-operatives by making finance easily accessible.”**

We do this by providing financial assistance to SMMEs and Co-operatives across various industry sectors such as:

- services (including retail, wholesale and tourism);
- manufacturing (including agro-processing);
- agriculture (especially land reform beneficiaries, and contract-farming activities);
- construction (small construction contractors);
- mining (specifically small-scale miners; and
- green industries (renewable energy, waste and recycling management).



## What products does **sefa** offer to SMMEs and Co-operatives?

Our products are for businesses requiring financial assistance ranging between R50 000 and R5 million.





You can choose from the following funding solutions that have been designed to meet different needs of small businesses:



## Asset Finance

**sefa** offers Asset Finance solutions tailored for your business' needs. We help you to finance a wide range of new and/or used moveable assets.

The proceeds of Asset Finance are used to acquire business moveable assets (machinery and equipment). Assets purchased through this funding method must be identifiable by a means of serial numbers.



### Benefits

- Asset finance allows you to acquire or lease without impacting your bank balance;
- Assets acquired through Asset Finance can be used by **sefa** as security for the loan.



### Repayment Duration

The loan duration is up to a maximum of 60 months or for the economic life of the asset (whichever comes first).



## Bridging Loan

This is a short term loan that is provided to an enterprise to finance its working capital such as stock and/or operating overheads. This credit facility is designed for business to business transactions and is usually suitable for businesses that have secured firm contracts (purchase orders) with other businesses (that is, businesses that offer services and or products to other businesses).



### Benefits

A Bridging Loan allows your business to meet short term financial obligations by providing immediate cash flow.



### Repayment Duration

The repayment duration of a bridging loan is linked to the specific term of a contract up to 12 months.





## Revolving Loan

This is a line of credit whereby the borrower is allowed to use the funds when they are needed. It is usually used for clients who have contracts with a predetermined lifespan and monetary value. Revolving credit facilities are mainly used for operating purposes and the loan amount vary from month to month depending on the client's current cash flow needs.

This advance is primarily available to established businesses who are mainly existing **sefa** clients with satisfactory credit records.

### Benefits

Repayments are structured in relation to the business' cash flow projections.

### Repayment Duration

The revolving loan repayment term is a maximum of 12 months (or dependent on the duration of the contract).



## Term Loan

Term loans offer businesses the cash they need to purchase other forms of moveable assets. Unlike asset financing, term loans are used to acquire moveable assets that cannot be identified by means of serial numbers (e.g. office furniture, fixtures and fittings, etc).

### Benefits

**Often you can use the cash from a term loan to:**

- purchase fixed assets such as equipment used in its production process;
- use assets acquired through Term Loan finance as security for the loan.



### Repayment Duration

The term loan repayment period is between 12 and 60 months.





## What documentation do you need to apply?

The checklist below will help you to gather all the necessary documentation you will need to speed up your loan application.

### TERM LOANS AND ASSET FINANCE

- Business plan
- Cash flow projections
- Lease agreement (*if applicable*)
- Franchise agreement (*if applicable*)

### BRIDGING LOAN APPLICATIONS

- Project plan and projections
- Copy of contract or order
- Completion certificate for previous work done (*for construction projects only*)
- NHBRC and CIDB (*for construction projects only*)
- Bills of quantities (*for construction projects only*)



## ASSET FINANCE AND TERM LOANS

- Application form
- Surety form (where applicable)
- Certified copy of ID and that of Spouse (*if married In Community of Property [ICOP]*)
- Marriage certificate (*where applicable*)
- Short CV of the members/directors/ shareholders/ trustees, etc
- Proof of residence – utility bill / sworn affidavit (*not older than 3 months*)
- Valid Tax Clearance Certificate
- Company registration documents e.g. CK2, company profile
- Proof of CIPC/CIPRO annual fees
- Six months latest bank statement (*personal and business*)
- Loan breakdown
- Supporting quotations (*with contact person and banking details of supplier*)
- Personal Income and Expenditure Schedule and Assets & Liability Statement
- Proof of own contribution and source (*if applicable*)
- Member's resolution to apply (*if applicable*)
- If a judgment, notice, default is issued against the applicant, a letter or document to prove that arrangements are made to settle the account or proof that the account is settled must be provided
- Historic financial statements (*not less than 3 years – if applicable*)
- Up to date management accounts (*if applicable*)
- Debtors age analysis (*if applicable*)
- Creditors age analysis (*if applicable*)



## What do you need to apply?

### TO APPLY YOU MUST:

- be a South African citizen or a permanent resident;
- be registered entity with a fixed physical address;
- be within the required contractual capacity;
- be registered within South Africa;
- be compliant with generally accepted corporate governance practices appropriate to the client's legal status;
- have a written proposal or business plan that meets the requirements of **sefa's** loan application criteria;
- demonstrate the character and ability to repay the loan;
- have provided personal and/or credit references (if available);
- be the majority shareholder and the owner manager of the business;
- where available, provide relevant securities/collateral; and
- have a valid Tax Clearance Certificate.



## THE FOLLOWING BUSINESSES FALL OUTSIDE THE SCOPE OF ENTERPRISES THAT WE FUND:

- manufacturing and selling of ammunition;
- tobacco, alcoholic beverages, gambling and sex trade;
- non-profit organisations;
- political organisations;
- persons under debt review;
- un-rehabilitated insolvent shareholders and/or directors of applying entities;
- primary agriculture (except cash crops and the applicant must have an off take agreement); and
- property development.

## Why sefa?



The business needs of SMMEs come first and we are committed to providing them with the best service and expertise. We emphasize the importance of responsiveness, innovation and creativity which helps us to develop products and services that will exceed the small business owner's expectations and contribute to the sustainability of their businesses and job creation.

**sefa** exists to address challenges faced by SMMEs especially "access to finance". We primarily target sustainable SMMEs and Co-operatives that are unable to attract commercial credit due to, amongst others, the following:

- **Credit Bureau Listing:** We do not disqualify a business owner who is on credit bureau, however, we need proof that you have made arrangements to repay your debt;
- **Initial Cashflow Constraints:** We grant a capital holiday where applicable;
- **Lack of Collateral (Security):** We register any securities if the client has assets they can offer as security.



## Frequently asked questions

We have proactively answered popular questions that business owners ask below. If your question is not included, feel free to contact us through any of our client liaising points.

### How long will I wait before my application is approved and the funds are transferred to my account?

Bridging loans and revolving credit facility are quicker to process and do not require a business plan but a valid contract.

Term facilities take longer than bridging loans and require a comprehensive business plan to be submitted.

To speed up the turnaround times, you must ensure that ALL supporting documentation as per the application checklist are submitted.

### If I'm blacklisted or under debt review, can sefa still grant me funding?

Each business finance application is treated on own merit (you must however demonstrate willingness to redeem your debt by making arrangements with your creditors, that is, the institutions and/or individuals you owe.).

### At what phase of my business can I approach sefa? At start-up, or growth or decline?

Your business can be at any phase; from start-up to expansion phase. Even if it's an existing business that you may want to acquire. As long as you have a viable business plan for that business, **sefa** will look into it.

## **What if I do not have security or collateral?**

**sefa** considers all applications – whether there is collateral or NOT.

## **Does sefa fund a business that exports or imports outside the borders of South Africa?**

Yes, but the enterprise must be registered and be operated in South Africa.

## **How much interest does sefa charge?**

**sefa** prices for risk BUT does give discounts for developmental impact.

## **Does my spouse need to sign for business?**

Yes, if married in community of property (ICOP).

## **Does sefa give funding to acquire property (buildings)?**

If the property in question will be used solely for business operations, then yes **sefa** can offer assistance.

## **Can sefa help me develop a business plan?**

In most cases, we refer businesses without formally written business plans to the Small Enterprise Development Agency (**seda**). **seda** is our sister agency that provides non-financial support to SMMEs. Read more at [seda.org.za](http://seda.org.za)

## **Can sefa fund me if I do not have my own contribution?**

It works in your favour to have your own contribution. This helps lower your debt with **sefa**. Either way, **sefa** treats each case uniquely on merit. Risk-taking by the entrepreneur, however, is not negotiable. Risk can be shared through cash contributions, personal sureties or career sacrifice.



012 748 9600



## Contact us

For more information regarding the **sefa**'s financial offerings or other non-financial assistance, call our Client Liaison Centre on 012 748 9600 or write to us at [helpline@sefa.org.za](mailto:helpline@sefa.org.za).

Alternatively, you can visit any of our Regional Offices near you or log onto [www.sefa.org.za](http://www.sefa.org.za).

### **Head Office**

#### ***Centurion***

Eco-Fusion 5, Block D, 1004 Teak Close, Witch-Hazel Avenue, Eco Park, Centurion, 0157

Tel: (012) 748 9600 | E-mail: [helpline@sefa.org.za](mailto:helpline@sefa.org.za)

### **Gauteng**

#### ***Braamfontein***

No L3-01, Braampark Office, 33 Hoofd Street, Braamfontein, Johannesburg, 2000

Tel: (011) 403 1761 | E-mail: [sefagsouth@sefa.org.za](mailto:sefagsouth@sefa.org.za)

#### ***Ekurhuleni***

Ekurhuleni Business Facilitation Network,  
Corner Voortrekker & Monument Road Kempton Park

Tel: (010) 492 3655 | E-mail: [sefageast@sefa.org.za](mailto:sefageast@sefa.org.za)

#### ***Soweto***

Shop 368 Maponya Mall, Thusong Centre Chris Hani / Old Potchefstroom Road  
Tel: (011) 938 4257 | E-mail: [sefageast@sefa.org.za](mailto:sefageast@sefa.org.za)

#### ***Tshwane (seda co-location)***

Block C, 4<sup>th</sup> Floor, Old Mutual Building, 536 Frances Baard & Steve Biko Streets  
Pretoria Tel: (012) 441 0480 | E-mail: [sefagnorth@sefa.org.za](mailto:sefagnorth@sefa.org.za)

### **Eastern Cape**

#### ***East London***

Chesswood Office Park, 8 - 10 Winkley Street, 2<sup>nd</sup> Floor, Berea, 5241

Tel: (043) 721 1510 | E-mail: [sefael@sefa.org.za](mailto:sefael@sefa.org.za)

#### ***Mthatha***

7 Sissons Street, ECDC Building, Fortgate, Mthatha

Tel: (047) 504 2200| Email: [sefael@sefa.org.za](mailto:sefael@sefa.org.za)

#### ***Port Elizabeth (seda co-location)***

No 68 Cape Road, Mill Park, Port Elizabeth, 6000

Tel: (041) 373 4153 | E-mail: [sefape@sefa.org.za](mailto:sefape@sefa.org.za)

### **Free State**

#### ***Bloemfontein***

Office 4 & 5, Preller Square, Graaf Reinet Street, Dan Pienaar,  
Bloemfontein, 9301

Tel: (051) 436 0150 | E-mail: [sefafs@sefa.org.za](mailto:sefafs@sefa.org.za)

#### ***Qwaqwa***

Mampoi Road, Phuthaditjhaba, 9866

Tel: (051) 436 0150 | email: [sefafs@sefa.org.za](mailto:sefafs@sefa.org.za)

## **KwaZulu-Natal**

### **Durban**

21<sup>st</sup> Floor, Office 2102, Durban Embassy Building,  
Anton Lembede Street, Durban, 4001  
Tel: (031) 368 3485 | E-mail: [sefakzn@sefa.org.za](mailto:sefakzn@sefa.org.za)



### **Pietermaritzburg**

1<sup>st</sup> Floor ABSA Building  
15 Chatterton Road, Pietermaritzburg, 3201  
Tel: (033) 328 2560 | E-mail [sefakzn@sefa.org.za](mailto:sefakzn@sefa.org.za)

## **Limpopo**

### **Polokwane**

Suite 4, No 43 Biccard Street, Biccard Park, Polokwane, 0699  
Tel: (015) 294 0900 | E-mail: [sefalp@sefa.org.za](mailto:sefalp@sefa.org.za)

## **Mpumalanga**

### **Nelspruit**

Corner Ferreira & Streak Street, 3<sup>rd</sup> Floor, Suite 301  
MAXSA Building, Nelspruit, 1200  
Tel: (013) 755 3923 | E-mail: [sefamp@sefa.org.za](mailto:sefamp@sefa.org.za)

## **North West**

### **Mahikeng**

1B Mikro Plaza, Cnr First and Bessemer Streets Industrial Sites, Mahikeng  
Tel: (018) 397 9945 | E-mail: [sefanw@sefa.org.za](mailto:sefanw@sefa.org.za)

### **Rustenburg**

32B Heystek Street, Sunetco Building, Rustenburg, 0299  
Tel: (014) 592 6391 | E-mail: [sefanw@sefa.org.za](mailto:sefanw@sefa.org.za)

## **Northern Cape**

### **Kimberley**

72 Long Street, Business Partners Building, Kimberly, 8301  
Tel: (053) 832 2275 | E-mail: [sefanc@sefa.org.za](mailto:sefanc@sefa.org.za)

### **Upington**

De Drift Plaza, Block 6, Olyvenhoutsdrift Settlement  
Louisvale Avenue, Upington, 8800  
Tel: (054) 337 8600 | E-mail: [sefanc@sefa.org.za](mailto:sefanc@sefa.org.za)

## **Western Cape**

### **Cape Town**

9<sup>th</sup> Floor, FNB Building, 2 Long Street, . Cape Town, 8001  
Tel: (021) 418 0126 | E-mail: [sefawc@sefa.org.za](mailto:sefawc@sefa.org.za)

### **George**

Entrance A, 1<sup>st</sup> floor Beacon Place, 124 Meade St, George  
Tel: (044) 847 4770 | E-mail : [sefawc@sefa.org.za](mailto:sefawc@sefa.org.za)

### **Saldanha**

Tony Street, Saldanha, 7395  
Tel : (022) 714 1731 | E-mail : [sefawc@sefa.org.za](mailto:sefawc@sefa.org.za)



# **S** Small Enterprise Finance Agency (SOC) Ltd (**sefa**)

Eco Fusion 5 • Block D • Eco Park  
1004 Teak Close • Witch-Hazel Avenue  
Centurion • 0157

**T** 012 748 9600  
**E** [helpline@sefa.org.za](mailto:helpline@sefa.org.za)

[www.sefa.org.za](http://www.sefa.org.za)

Fraud Hotline Number: 0800 000 663 (Tip-offs anonymous)

**sefa** (SOC) Ltd • Reg. No.: 1995/011258/06 is a licensed credit provider. NCRCP 160