

BRITISH FASHION COUNCIL FOUNDATION

BFC Financial Templates GUIDANCE NOTES

Introduction

As part of the selection process for the initiative you are applying for, the judging panel will assess creative merit, point of difference and contribution to the industry, but are also looking for assurance that the grant that the BFC Foundation is providing will enable growth within successful applicants' business/es. To do this we ask that you, in conjunction with your financial advisors, submit certain financial information. We urge you to take the time to complete these forms accurately and we hope the process will be beneficial to you for business planning. To enable the BFC Foundation to monitor the effectiveness of its grant giving programs, successful applicants will be asked to submit financial updates against the financial projections provided at the application stage. By applying for the grant you give consent for this. This will enable the BFC to review and improve the program and better understand the businesses that the Foundation supports.

Historic Financial Information

Why we ask for this information

The panel will need to build an historic picture of how your business has performed, therefore we ask that you provide two years' worth of historic financial information. We are looking to see growth over the historic period, however, recognising the market challenges in recent years we encourage applicants to provide supplementary information if this hasn't been the case.

Last published set of financial accounts – how to complete

We ask that applicants provide data from their last set of published accounts filed at Companies House.. In the UK, Companies House require Annual Accounts to be filed 9 months after the accounting reference period* (commonly known as the year-end date). It is important that we understand the date of the last filing , as the panel will need to understand why any applicant has missed their filing deadline.

Small businesses are not required to include Profit & Loss (P&L) information such as turnover and expenditure in their financial accounts. If this applies to your business, then please leave this section blank and complete only the balance sheet information. The panel will refer to your management accounts for P&L related information (see below).

*different rules apply to newly incorporated businesses.

Management accounts – how to complete

The term 'management accounts' refers to the internal financial reports that a business uses to plan and operate. They are typically produced monthly or quarterly, depending on the size of your business. We would expect that your finance director, accountant or advisor is also sharing an annual financial picture and this is what we ask you to submit for the historic two year period. The 12 month period over which the annual management accounts are available, may or may not coincide with your financial accounts that have been submitted to Companies House. Please ensure the dates are inputted clearly and accurately across both sections of the form.

General points to note:

The panel will be looking for a positive net assets balance sheet position.

The panel will require a high-level understanding of any outstanding loans and assurances that any grants provided will not be used to pay outstanding debts.

Please ensure that cost of sales and operating expenses are entered as a negative as indicated on the sheet.

Cash Flow Template

Why we ask for this information

Successful applicants will be those who show strong potential for growth and have well thought out plans to utilise any grant funding received. To help you demonstrate this to the panel, we have provided a 12 month cash flow forecast template. The template has been created in a way that will allow the panel to see how your business is forecast to perform over the next 12 months, both with and without grant funding.

The templates follow a P&L format, including revenue and expenditure lines we typically see in the businesses of our applicants.

Cash Flow – before BFC grant – how to complete

This sheet should include the normal operating cash flows of your business for the next 12 months, prior to any grant funding. The starting month should be the month after you are submitting your application. For example, if you submit in December 2022, the opening period should be January 2023.

Please only complete the cells in yellow in the spreadsheet, the rest will populate automatically.

Note – cell B38 must be completed to show the current cash in your business and will allow the future cash flows to populate accurately.

Cash Flow – impact of BFC grant – how to complete

This sheet in the workbook should be used only to reflect the grant funding requested, how it will be spent and the resulting incremental revenue and expenditure that will follow from the investment.

Please include the grant funding requested on row 42 as a cash inflow in the month(s) in which you would like to receive it. Any funding from other sources can also be included in rows 41, 43 and/or 44.

If the money is being spent on a tech build or other capital project then please include these costs as an outflow in rows 32 and/or 33.

If your project will require more than a 12 month view then please provide a Year 2 forecast in columns P to AA.

Cash Flow - after BFC grant - do not fill

This sheet will populate automatically and shows the combined cash flows of the underlying business and cash flows generated from the grant. There is no need to fill anything in here.