Business in Difficulty Questionnaire

This questionnaire helps Bounce Back Loan applicants decide whether their business was in difficulty at the end of 2019. It is not legal or accounting advice and if you unsure of whether your business is a business in difficulty you should seek advice from a suitable professional.

All figures should be taken from your latest annual accounts finalised before the end of 2019 and, if your company is part of a group, must be calculated on a group basis.

Q1. Are you a sole trader?

Yes - Go to Q2                  No - Go to Q3

Q2: Were you, at the end of 2019, subject to a debt relief order or an individual voluntary arrangement, an undischarged bankrupt, or (if applying for the loan as a partnership) in a voluntary agreement with your creditors, or in liquidation? Or, in Scotland, subject to a debt management plan, debt payment plan (whether protected or not), trust deed or an undischarged bankrupt?

Yes - Your business was in difficulty   ✔️ End of questionnaire

No - Your business was not in difficulty   ✔️ End of questionnaire

Q3: Was your business insolvent or the subject of insolvency proceedings at the end of 2019?

Yes - Your business was in difficulty   ✔️ End of questionnaire

No - Go to Q4

Q4: According to your annual accounts:

i) Did you employ more than 249 people?

ii) Was your turnover more than £44.45 million or did you have a balance sheet total (on a total assets basis, not a net assets basis) of more than £38.23 million?

Yes to i and ii - Go to Q5         No to either i or ii - Go to Q6
Q5: According to your annual accounts finalised before the end 31 December 2019, for each of the last two accounting years has your book debt to equity ratio been greater than 7.5 and your EBITDA interest coverage ratio been below 1.0?

Yes - Your business was in difficulty ⚹ End of questionnaire
No - Go to Q7

Q6: Is your business or any part of your group (where you are part of a group) more than 3 years old?

Yes - Go to Q7  No - Go to Q10

Q7: According to your annual accounts, does your balance sheet show net liabilities?

Yes - Your business was in difficulty ⚹ End of questionnaire
No - If your business is a limited company, go to Q8
     If your business is a limited liability partnership, go to Q9
     For other types of business including other types of partnership, go to Q10

Q8: According to your annual accounts, does your balance sheet show any accumulated losses in the “Capital and Reserves” section?

Yes - Go to Q9  No - Go to Q10

Q9: According to your annual accounts, does your balance sheet show that more than half of your share capital (or capital, where relevant) has disappeared as a result of accumulated losses* Share capital includes, where relevant, any share premium. In determining accumulated losses, you’re permitted to net off any other reserves.

* To calculate this, use the figures from your annual accounts. First, take your share capital, including any “share premium” where relevant. Next, add up all your other assets and liabilities - if this results in a negative number, which is greater than half the value of your share capital, then the business is a business in difficulty. If you are unsure, consult a suitable professional.

Yes - Your business was in difficulty ⚹ End of questionnaire
No - Go to Q10
Q10: Has your business received Rescue Aid?

Rescue Aid is temporary assistance that is given with the aim of keeping a firm afloat long enough to work out a restructuring or liquidation plan. If you have received rescue aid you will have been informed by the granting authority.

Yes - Go to Q11

No - Your business was in difficulty ☒ End of questionnaire

Q11: Can you confirm that your business has reimbursed any loan and/or terminated any guarantee attached to a Rescue Aid package and that you’re no longer subject to a restructuring plan?

Yes - Your business was not in difficulty ☒ End of questionnaire

No - Your business was in difficulty ☒ End of questionnaire