

Restructuring Business loans, Banks, NAMA and More

WE have witnessed unprecedented declines in the property markets in the past two years following a period of incredible growth. Business owners today are struggling to survive in the midst of this great volatility. At the heart of this challenge for survival is the issue of Bank Debt. Effective management of this debt through the crisis and out the other end will differentiate those businesses who can and will survive to those who will fail. Is your business adequately structured and prepared?

Bank Debt

Many businesses are experiencing cash flow difficulties due to increasingly difficult trading

conditions. In these situations, the ability to meet loan repayment obligations has become difficult and in some cases impossible. Businesses must be proactive in dealing with these circumstances. We have found that the fundamentals of many businesses are basically sound but these businesses are in danger of failure due to short term cash flow constraints. Our experience of working with Banks on behalf of clients suggests that Banks will be supportive if they believe that the business fundamentals are right. In these situations, Banks will be open to alternative debt structuring proposals but keeping them informed through business plans. Projections and up to date accounts are key.

NAMA

2010 will see NAMA taking over €77 billion worth of non performing property related loans in Ireland from the participating banks. If your business has borrowings which fall into this category and they are in excess of €5 million, then your account will likely be one of those to be transferred to NAMA. NAMA have outlined that every borrower they assume will be required to present a business plan which will effectively be a pitch for survival. NAMA have also stated that if an agreement cannot be reached with a borrower or the borrower does not cooperate, then enforcement action will be taken. Therefore it is critical that a detailed and comprehensive business plan is prepared.

HOW CAN WE HELP?

Lalor O'Shea's team of professional advisors can assist borrowers in dealings with their Banks and with NAMA. Our services include:

- Short reviews for clients concerned with their financing arrangements
- Preparation or review of business plans for NAMA or the Banks
- Preparation or review of financial projections
- Covenant review and negotiation
- Reviewing cash flow projections and making recommendations as to how to improve working capital requirements
- Advising on strategic options

For assistance with these or any other financial concerns you may have, contact the professionals

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strength beyond numbers



Are You Nearing Retirement? Are You Recently Retired?

If so, you might like to join us for a Retirement Planning Seminar in association with Canada Life to consider issues that are relevant to retirement including the following:

- Tax Issues approaching retirement
- Retirement tax reliefs and exemptions
- Financial Planning for retirement
- Transfer or sale of family business
- Pension investment options
- Pension options on retirement

**It will be held in the Seven Oaks Hotel, Carlow
on Thursday 11th March at 7.30pm
(Registration 7.15pm)**

Refreshments will be served afterwards

No charge for attendance

RSVP

Ann Willoughby, Lalor O'Shea by Friday 5th March

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