

SUKUMA RELIEF PROGRAMME



FREQUENTLY ASKED QUESTIONS:

**CLOSE CORPORATIONS,
COMPANIES, AND TRUSTS**

FREQUENTLY ASKED QUESTIONS: CLOSE CORPORATIONS, COMPANIES, AND TRUSTS

WHICH CLOSE CORPORATIONS, COMPANIES, AND TRUSTS QUALIFY FOR THE FINANCIAL AID?

To qualify for financial aid, the business must:

- Be formally registered;
- Provide evidence of financial viability prior to the COVID-19 outbreak; and
- Be both tax and regulatory compliant.

HOW MUCH IS AVAILABLE TO CLOSE CORPORATIONS, COMPANIES, AND TRUSTS?

We offer financial aid in the form of an unsecured interest-bearing loan of between R250, 000 and R1 million coupled with a grant of R25, 000 per qualifying business.

WHAT ARE THE TERMS FOR RETURNING THE LOAN PORTION OF THE FINANCIAL AID TO THE TRUST?

It will be structured over 60 months under the following favourable terms:

- No repayment obligations for 12 months
- No interest to be incurred or raised for 12 months
- Interest to be raised at the prime rate from month 13
- Repayment of the loan to commence from month 13

WHAT CAN THE MONEY BE USED FOR?

The objective of the initiative is to provide cash flow relief to qualifying close corporations, companies, and trusts. The money can be used to cover payroll, rental, and other monthly operating overheads.

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IS THERE A GRANT OFFERED TO SUPPORT FORMAL CLOSE CORPORATIONS, COMPANIES, AND TRUSTS?

Yes. We are offering a grant of R25, 000 to be coupled with an unsecured interest-bearing loan for formal close corporations, companies, and trusts.

CAN I MAKE MORE THAN ONE APPLICATION IF I HAVE MORE THAN ONE BUSINESS?

Yes, you can - each business will be assessed on its own merit. However priority will be on supporting as many business owners as possible.

WHAT DOCUMENTS ARE REQUIRED FROM FORMAL CLOSE CORPORATIONS, COMPANIES, AND TRUSTS TO ACCESS THE FINANCIAL AID?

Applicants are required to submit the following documents and information with their application:

- Annual financial statements for the financial period ended 28 February 2019, signed off by a professional accountant
- Management accounts for the period 01 March 2019 until at least 31 December 2019
- The latest available EMP201 document submitted to SARS, not older than 3 months
- 3 months' bank statements of the business for the period 01 December 2019 to 29 February 2020 to assess operations before the lockdown
- A rental (premises) statement, not older than 3 months
- The statements for any other credit agreements such as asset finance or trade finance loan agreements as at 31 January 2020
- Motivation and supporting documentation clearly illustrating the financial distress suffered by the SME as a result of the COVID-19 outbreak. The motivation can cover the following information: Reduction in turnover; Erosion of working capital; Inability or difficulty to pay wages and preserve jobs; Inability to pay rent; Inability to pay for other overheads; Inability or difficulty in servicing existing debt obligations; or all of the above
- Statement of assets and liabilities for the main business owner
- Copies of identity documents of all directors, shareholders, members, and trustees as applicable

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- Copy of marriage certificate including ANC contract, divorce certificate, or death certificate where applicable
- Company documents
 - Copy of registration certificate
 - Copy of memorandum of incorporation
 - Copy of the company's share register
- Close corporation
 - Founding statement
- Trust documents (if applicable)
 - Copy of the trust deed
 - Copy of the Master's Authority Certificate
 - Copy of IDs of all trustees
- Confirmation of bank account details issued by the relevant bank

ARE THERE ANY INDUSTRIES THAT ARE EXCLUDED FROM RECEIVING FINANCIAL AID?

No.

IF MY COMPANY IS NOT APPROVED FOR A LOAN, CAN I STILL GET A GRANT?

No, unfortunately the grant is a benefit that is coupled with the loan approval.

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