

Carbon SME Business Loan Requirements

Mandatory Requirements: Customers cannot register or apply without this information being supplied.

1. ID card (one of the following; Travel Passport, Voters Card (PVC), Driver's license, NIMC)
2. Bank Statement (at least 6 months' worth on the main transaction account, preferably a corporate account for the business)
3. Business Name Certificate (For Business Name Registration, the business name certificate, for Limited Liability Company, the CAC Form 7 is fine)
4. Tax Identification Number (TIN) number

Additional Requirements: Supplying this information improves chances of approval and larger amounts.

1. Business should have up to 15 paying customers in a day.
2. If average monthly turnover is up to # 2,000,000, the applicant should provide tax returns and/or Management accounts.
3. Payment Schedule: Weekly Payments (via Direct Debit)

Business Financials Explanation:

1. **Average Monthly Turnover:** This records the average net sales for the past six months.
2. **Gross Profit:** Gross profit is the profit a company makes after deducting the costs associated with making and selling its products, or the costs associated with providing its services. Gross profit will appear on a company's income statement and can be calculated by subtracting the cost of goods sold (COGS) from revenue (sales)
3. **Gross Profit Margin:** Gross margin is the difference between revenue and cost of goods sold divided by revenue. Gross margin is expressed as a percentage. Generally, it is calculated as the selling price of an item, less the cost of goods sold.
$$\text{Gross Profit Margin} = (\text{Net sales} - \text{cost of goods sold}) / \text{Net sales}.$$
4. **Operating Expenses:** Operating expenses include such things as payroll, sales commissions, employee benefits and pension contributions, transportation and travel, amortization and depreciation, rent, repairs, and taxes.
5. **Other loans:** This include monthly repayments of all current loans.
6. **Operating Profit less Active Loans:** Subtract your total operating expenses from your gross profit to calculate your operating profit; or
$$\text{Monthly Operating Profit less Active Loans} = [(\text{Gross Profit Margin} * \text{Average monthly turnover}) - \text{Monthly Operating Expenses} - \text{Monthly repayment of other loans}].$$
 This should not be less than ₦191,666.65
7. **Popular product and Price:** State your popular product and average price.
8. **Number of customers:** How many paying customers do you have in a day?