Access to Finance

Purpose of this survey

Access to finance is crucial to business success and an important factor for economic growth in Europe following the economic crisis in 2007. The purpose of this survey is to examine where there may be constraints on the availability of finance, and how those may be changing; the need for finance (loans, equity and other) in the future, for example to promote growth, and the sources from which businesses would wish to obtain this finance.

Coverage

This questionnaire asks for information in relation to your business in [your home country].

Information required

This questionnaire is divided into sections

Section A asks for general information about your business

Section B asks for information regarding seeking loan finance

Section C asks for information regarding seeking equity finance

Section D asks for information regarding other sources of finance

Section E asks for information regarding changes between 2007 and 2010

Section F asks for information regarding your outlook in the next three years

Section G provides you with a comments box and asks for contact details

How to complete the questionnaire

- We are looking for the owner or manager of the business or the group to respond.
- Most of the questions can be completed by placing an X in the relevant boxes.

Please:

- complete in **black ink**
- ensure letters and numbers are PRINTED and centred within each box
- leave response boxes blank if the question is not applicable
- do not use commas ,
- do not cross sevens 7 or ∅

Section A – Introduction

This section asks for information that aims to identify the independence and ownership situation of your business.

1a. Was this business a subsidiary of another firm in 2007 and/or in 2010?

Yes ☐ → Go to question **1b**

No ☐ → Go to question **1c**

1b. If you are a subsidiary, what is the name of your current parent company?

[ ] → Go to question **13**

1c. What is this business's total number of employees?
Include employees in subsidiaries within [your home country] or overseas, if the business is the head of a group

Under 10 employees . . . . . ☐ → Go to question **13**

10 or more employees…… ☐ → Go to question **1d**

1d. What was the ownership situation of the business at the beginning of your financial year 2004, 2007 and 2010?

Please X one box only for each year

	2010	2007	2004
i. Sole proprietorship	☐	☐	☐
ii. Partnership	☐	☐	☐
iii. Limited liability company, not publicly listed	☐	☐	☐
iv. Limited liability company, publicly listed	☐	☐	☐
v. Other	☐	☐	☐

If 'Other', please specify separately for each year in the box below:

[ ]

Section B – Seeking Loan Finance

This section is about your success in obtaining loan finance in 2010 and 2007.
Loan finance refers to debt that you have to pay back.
Exclude bank overdraft/credit lines, preferred debt, leasing subsidized loans or subordinated loans.

2a. In 2010 did you seek any loan finance?

Yes ☐ → Go to question **2b**

No ☐ → Go to question **2c**

2b. How successful were you in obtaining loan finance from each of the following sources in 2010?
Partially successful refers to not getting the requested amount or not on the desired terms.

Please X all that apply

	Successful	Partially Successful	Unsuccessful
i. The owner(s)/director(s)	☐	☐	☐
ii. Other employees of your business	☐	☐	☐
iii. Family, friends or other individuals outside your business	☐	☐	☐
iv. Other businesses	☐	☐	☐
v. Banks	☐	☐	☐
vi. Other loan sources e.g. finance houses and subsidiaries of banks	☐	☐	☐

Please specify the other loan sources

2c. In 2007 did you seek any loan finance?

Yes ☐ → Go to question **2d**

No ☐ → Go to question **3a** if you answered 'Yes' to question **2a**; if you answered 'No' to question **2a**, please go to question **6a**

2d. How successful were you in obtaining loan finance from each of the following sources in 2007?
Partially successful refers to not getting the requested amount or not on the desired terms.

Please X all that apply

	Successful	Partially Successful	Unsuccessful
i. The owner(s)/director(s)	☐	☐	☐
ii. Other employees of your business	☐	☐	☐
iii. Family, friends or other individuals outside your business	☐	☐	☐
iv. Other businesses	☐	☐	☐
v. Banks	☐	☐	☐
vi. Other loan sources e.g. finance houses and subsidiaries of banks	☐	☐	☐

Please specify the other loan sources

3a. If you did obtain any loan finance in 2010 or 2007, was there a guarantee?
Guarantors refer to individuals or entities that cover the risks of the loan default.

Please X one box only for each year

	2010	2007	
Yes	☐	☐	→ Go to question **3b**
No	☐	☐	→ Go to question **4** if you answered 'No' in both years

3b. Who guaranteed the loan?

Please X up to 3 boxes for each year

	2010	2007
i. The owner(s)/director(s) of your business	☐	☐
ii. Family, friends or other individuals	☐	☐
iii. Another business	☐	☐
iv. Mutual guarantee schemes such as co-operatives	☐	☐
v. Other guarantee schemes fully or partly provided by the government (any level)	☐	☐
vi. Other guarantors	☐	☐

4. If you were partially successful or unsuccessful (see question 2b and 2d) in obtaining loan finance, during the financial year ending on any date in 2010 or 2007, what were the reasons for this?

Please X all boxes that apply for each year

It was the bank's opinion that our business had:

		2010	2007
i.	Poor credit rating	☐	☐
ii.	Lack of own capital	☐	☐
iii.	Insufficient collateral or guarantee	☐	☐
iv.	Insufficient or risky potential (of the business or project)	☐	☐
v.	Already too many loans or too much debt	☐	☐
vi.	No loan history	☐	☐
vii.	Poor loan history	☐	☐
viii.	No reason given	☐	☐
ix.	Other reason(s)	☐	☐

Please specify separately for 2010 and 2007

Other lenders felt that our business had:

		2010	2007
x.	Poor credit rating	☐	☐
xi.	Lack of own capital	☐	☐
xii.	Insufficient collateral or guarantee	☐	☐
xiii.	Insufficient or risky potential (of the business or project)	☐	☐
xiv.	Already too many loans or too much debt	☐	☐
xv.	No loan history	☐	☐
xvi.	Poor loan history	☐	☐
xvii.	No reason given	☐	☐
xviii.	Other reason(s)	☐	☐

Please specify separately for 2010 and 2007

Question 4 continues overleaf

Question 4 continued from previous page

Please X all boxes that apply for each year

	2010	2007
Our business decided that:		
xix. Interest rates offered were too high	☐	☐
xx. Non-interest-rate related conditions of the loan were inacceptable (e.g. maturity, covenants, etc.)	☐	☐
xxi Other reason(s)	☐	☐

Please specify separately for 2010 and 2007

5. If you sought loan finance from a bank, what were your reasons for choosing that particular bank?

Please X all boxes that apply for each year

	2010	2007
i. Your business was already a client.	☐	☐
ii. The bank branch was local.	☐	☐
iii. The bank offered the best:		
Interest rate related terms	☐	☐
Non-interest rate related terms	☐	☐
iv. The bank has an emphasis on smaller firms	☐	☐
v. The bank branch is known for its good client relationships	☐	☐
vi. Other reason(s)	☐	☐

Please specify separately for 2010 and 2007

Section C - Seeking Equity Finance

This section is about your success in obtaining equity finance in 2010 and 2007.
Equity finance refers to money or other assets given against part ownership of shares.

6a. In 2010 did you seek any equity finance?

Yes ☐ → Go to question **6b**

No ☐ → Go to question **6c**

6b. How successful were you in obtaining equity finance from each of the following sources in 2010?
Partially successful refers to not getting the requested amount, or not on the desired terms.

Please X all that apply

		Successful	Partially Successful	Unsuccessful
i.	Existing shareholders	☐	☐	☐
ii.	Directors not previously shareholders	☐	☐	☐
iii.	Other employees of your business	☐	☐	☐
iv.	Venture capital funds i.e. capital provided by investors acting together in a fund set up for the purpose of providing finance to start-up and small businesses	☐	☐	☐
v.	Business angels i.e. entrepreneurs (usually individual entrepreneurs) who provide capital for a business start-up, usually in return for owning part of the business	☐	☐	☐
vi.	Family, friends or other individuals, not any of the above	☐	☐	☐
vii.	Initial public offering or other stock market offerings i.e. the first issue of shares by a private company to the public in order to generate capital	☐	☐	☐
viii.	Banks	☐	☐	☐
ix.	Other financial institutions e.g. finance houses and subsidiaries of banks	☐	☐	☐
x.	Other businesses	☐	☐	☐
xi.	Government/other equity finance sources	☐	☐	☐

Please specify the other equity finance sources

6c. In 2007 did you seek any equity finance?

Yes ☐ → Go to question **6d**

No ☐ → Go to question **7** if you answered 'Yes' to question **6a**; if you answered 'No' to question **6a**, please go to question **8a**

6d. How successful were you in obtaining equity finance from each of the following sources in 2007?
Partially successful refers to not getting the requested amount, or not on the desired terms.

Please X all that apply

	Successful	Partially Successful	Unsuccessful
i. Existing shareholders	☐	☐	☐
ii. Directors not previously shareholders	☐	☐	☐
iii. Other employees of your business	☐	☐	☐
iv. Venture capital funds i.e. capital provided by investors acting together in a fund set up for the purpose of providing finance to start-up and small businesses	☐	☐	☐
v. Business angels i.e. entrepreneurs (usually individual entrepreneurs) who provide capital for a business start-up, usually in return for owning part of the business . .	☐	☐	☐
vi. Family, friends or other individuals, not any of the above . . .	☐	☐	☐
vii. Initial public offering or other stock market offerings i.e. the first issue of shares by a private company to the public in order to generate capital	☐	☐	☐
viii. Banks	☐	☐	☐
ix. Other financial institutions e.g. finance houses and subsidiaries of banks	☐	☐	☐
x. Other businesses	☐	☐	☐
xi. Government/other equity finance sources	☐	☐	☐

Please specify the other equity finance sources

7. If you were partially successful or unsuccessful (see question 6b and 6d) in your request for equity finance, during the financial year ending on any date in 2010 or 2007, what were the main perceived or communicated reasons for this?

Please X all boxes that apply for each year

	2010	2007
Existing shareholders:		
i. Did not feel able to subscribe for more shares	☐	☐
Potential new shareholders:		
ii. Asked for too much equity in exchange for the funds offered	☐	☐
iii. Were asking for too many concessions in exchange for equity finance	☐	☐
iv. Felt the development potential of the business was insufficient or too risky . . .	☐	☐
v. Felt that the business had too many debts	☐	☐
vi. Other reason(s)	☐	☐

Please specify the other main reason separately for 2010 and 2007

Section D - Seeking other sources of finance

This section seeks to investigate finance types and sources other than loans and equity, for the years 2010 and 2007 separately.
Other sources of finance may include leasing, factoring, bank overdraft, subsidised loans, trade credits, export finance facilities or mezzanine financing.

8a. In 2010 did you seek any other type of finance other than loans and equity finance?

Yes ☐ → Go to question **8b**

No ☐ → Go to question **8c**

8b. How successful were you in obtaining other type of finance from each of the following sources in 2010?
Partially successful refers to not getting the requested amount, or not on the desired terms.

Please X all that apply

		Successful	Partially Successful	Unsuccessful
i.	Leasing	☐	☐	☐
ii.	Factoring	☐	☐	☐
iii.	Bank overdraft or credit line	☐	☐	☐
iv.	Subsidised loans	☐	☐	☐
v.	Subsidies by [your country's] government	☐	☐	☐
vi.	Foreign government bodies or international organisations	☐	☐	☐
vii.	Trade credits (by suppliers)	☐	☐	☐
viii.	Advanced payments (by customers)	☐	☐	☐
ix.	International trade or export finance facilities.	☐	☐	☐
x.	Mezzanine or hybrid financing i.e. loan financing that gives the lender the rights to convert to an equity interest in the business if the loan is not fully repaid on time	☐	☐	☐
xi.	Other finance types and sources	☐	☐	☐

Please specify the other finance types and sources

8c. In 2007 did you seek any other type of finance other than loans and equity finance?

Yes ☐ → Go to question **8d**

No ☐ → Go to question **9**

8d. How successful were you in obtaining other type of finance from each of the following sources in 2007?
Partially successful refers to not getting the requested amount, or not on the desired terms.

Please X all that apply

	Successful	Partially Successful	Unsuccessful
i. Leasing	☐	☐	☐
ii. Factoring	☐	☐	☐
iii. Bank overdraft or credit line	☐	☐	☐
iv. Subsidised loans	☐	☐	☐
v. Subsidies by [your country's] government	☐	☐	☐
vi. Foreign government bodies or international organisations	☐	☐	☐
vii. Trade credits (by suppliers)	☐	☐	☐
viii. Advanced payments (by customers)	☐	☐	☐
ix. International trade or export finance facilities	☐	☐	☐
x. Mezzanine or hybrid financing i.e. loan financing that gives the lender the rights to convert to an equity interest in the business if the loan is not fully repaid on time	☐	☐	☐
xi. Other finance types and sources	☐	☐	☐

Please specify the other finance types and sources

Section E - Changes over the past three years

This section is about your perception of changes over the past 3 years.

9. How did the following change between 2007 and 2010?

Please X one box for each row

	Much Better	Better	Unchanged	Worse	Much Worse	No opinion
i. The financial situation of your business	☐	☐	☐	☐	☐	☐
ii. The cost (interest and other) of obtaining finance for your business	☐	☐	☐	☐	☐	☐
iii. The debt/turnover ratio of your business	☐	☐	☐	☐	☐	☐
iv. Other terms or conditions of finance (e.g. maturity, covenants)	☐	☐	☐	☐	☐	☐
v. The burden or effort of obtaining finance for your business	☐	☐	☐	☐	☐	☐
vi. The willingness of banks to provide finance	☐	☐	☐	☐	☐	☐

Section F - Looking ahead

This section is about <u>your</u> perception regarding finance and potential obstacles to the growth of the business over the next 3 years.

Between now and 31 December 2013:

10a. Are you likely to need finance?

Yes ☐ → Go to question **10b**

No ☐ → Go to question **11**

10b. What type(s) of finance are you likely to need?

Please X all that apply

i. Loan finance . . . . . ☐

ii. Equity finance . . . . . ☐

iii. Other finance . . . . . ☐

10c. Where do you expect to obtain the finance from?

Please X up to five most relevant response categories

i. The owner(s)/director(s) of your business . . . . . ☐

ii. Other employees of your business . . . . . ☐

iii. Family, friends or other individuals outside your business, excluding business angels . . . . . ☐

iv. Other businesses . . . . . ☐

v. Leasing companies . . . . . ☐

vi. Banks . . . . . ☐

vii. Other financial institutions . . . . . ☐

viii. Mezzanine or hybrid financing i.e. loan financing that gives the lender the rights to convert to an equity interest in the business if the loan is not fully repaid on time . . . . . ☐

ix. Venture capital funds i.e. capital provided by investors acting together in a fund set up for the purpose of providing finance to start-up and small businesses . . . . . ☐

x. Business angels i.e. entrepreneurs (usually individual entrepreneurs) who provide capital for a business start-up, usually in return for owning part of the business . . . . . ☐

xi. An initial public offering or other stock market offerings i.e. the first issue of shares by a private company to the public in order to generate capital . . . . . ☐

xii. A government body within [your home country] . . . . . ☐

xiii. Foreign government bodies or international organisations . . . . . ☐

xiv. Other finance sources . . . . . ☐

Please specify the other loan sources

10d. What would be the purpose of the finance?

Please X all that apply

i. Maintain the business as a going concern . . . . . ☐

ii. Grow the business's domestic activities . . . . . ☐

iii. Finance export sales . . . . . ☐

iv. Finance innovation and R&D . . . . . ☐

v. For mergers and acquisitions. . . . . ☐

vi. Develop international activities . . . . . ☐

vii. Other purpose(s) . . . . . ☐

Please specify the other purpose(s)

Between now and 31 December 2013:

11. Which of the following are likely to be the most important factors limiting the growth of the business?

Please X up to five most relevant response categories

i. General economic outlook . . . . . ☐

ii. Limited demand in the local/domestic markets . . . . . ☐

iii. Limited demand in foreign markets . . . . . ☐

iv. Limited availability of suitable new personnel. . . . . ☐

v. Loss of existing personnel . . . . . ☐

vi. Business transfer problems e.g. inheritance . . . . . ☐

vii. High cost of labour . . . . . ☐

viii. Necessary investment into equipment etc . . . . . ☐

ix. Products getting outdated (R&D necessary, product lead time) . . . . . ☐

x. Technological competition. . . . . ☐

xi. New entrants in the market . . . . . ☐

xii. Price competition/small margins . . . . . ☐

xiii. Regulatory framework . . . . . ☐

xiv. Lack of fiscal incentives . . . . . ☐

xv. Difficult access to information technology (e.g. broadband). . . . . ☐

xvi. Other infrastructure weakness. . . . . ☐

xvii. Not enough financing. . . . . ☐

xviii. Do not see any constraints (nothing ticked above) . . . . . ☐

Section G - Comments, administrative burden and contact details

12. In the box below, please write any additional comments that you would like to make.

13. Please give details of the person we should contact if we have any queries regarding the information returned on this questionnaire.

Contact Name

Position in Business

Telephone Number

Ext.

14. How long has it taken you to complete this questionnaire?

Minutes

Thank you for completing the questionnaire