

Approval Process for a Loan Facility

Phase 1

Form 1 –
Getting Started

Form 1 is the starting point for all applications. This is a tool for applicants to consider the context of the community beyond themselves, the process that led to the initial idea and how this fits with the vision of [mission and/or ministry opportunities](#) of the applicant. By submitting this form early in the process, this allows for other councils of the church to provide early feedback.

Phase 2

Form 2A –
Discerning and Deciding

Form 2A documents the discernment between the congregation and presbytery (or applicant and discernment partner) and facilitates development of the initial project idea to a more defined plan of action and how this idea responds to the overall [missional vision and strategy](#). For a loan application this relates to the reasoning for the proposed use, why it is necessary to seek a loan facility, what type of loan, and how the whole project fits with the congregation's long term strategy and enhances missional opportunities.

Phase 3B

Form 3B-
Application for a Loan

Form 3B provides details of the proposed loan for approval. It specifies the type of loan being applied for, up to what amount, the duration, what purpose and the capacity of the congregation to repay the loan after the project has concluded. Additional information required to support the application includes: profit and loss statements and balance sheets for the last 2 years to demonstrate the current financial position, and financial projections and budgets for at least the next 3 years. The concurrent application for the project utilising the funds (eg [Build or Purchase](#)) should be submitted at the same time.

Phase 4

Post – Approval

Once approved, a *Loan Agreement* and *Direct Debit Form* will need to be completed and returned before the loan can be established. To draw down on the loan, a *Request for Payment* form is to be completed and returned together with any invoices for payment.