

1<sup>st</sup> April 2020

## **BATTERSEA SPANISH SCHOOL GOES VIRTUAL WITH SUPPORT FROM HSBC UK DURING COVID-19**

A Spanish language and cultural centre in Battersea has benefitted from the Coronavirus Business Interruption Loan Scheme (CBILS). The new scheme is enabling Battersea Spanish – which runs Spanish language classes, dance lessons and events for local adults and children – to temporarily move its business online so it can continue to operate during the COVID-19 outbreak.

The Spanish school was previously set to expand by using financial support from HSBC UK to lease new premises which gave the school additional classroom and studio space. In recent weeks, Battersea Spanish has been forced to put these plans on hold and instead find alternative ways to provide its 12 instructors with continued work and keep its 500 students engaged from home. The bank's CBILS is one of three initiatives launched by HSBC UK to support businesses as they tackle the impact of COVID-19 and has enabled Battersea Spanish to secure an £80,000 loan with a Government guarantee.

With the loan in place, the school has been able to pay six months' rental deposit on its new premises and cover the moving and fit-out costs. The loan will also guarantee staff wages and business expenses for the next three months and includes £10,000 for its website redesign, allowing the business to invest in new technology to support the delivery of online learning and virtual classes.

### **Ben Hope, Co-Founder of Battersea Spanish, said:**

"We were about to embark on an exciting expansion prior to COVID-19 but needed to quickly adapt to the changing situation. The new HSBC UK loan has enabled us to bridge the gap of day-to-day expenses and make necessary investments in our website and technology to move our business online in the short-term, as well as providing the funds required to move to our new premises when the moment is right."

### **Richard Gimblett, Area Director for Business Banking in London City, HSBC UK, added:**

"As an existing customer on the verge of expansion, we were keen to continue supporting the growth of Battersea Spanish, despite the challenges it's currently facing. We are committed to supporting UK businesses through these challenging times and our CBILS offer will now enable Battersea Spanish to quickly modify its business and continue delivering education and dance classes to people at home, as well as securing employment for its 12 instructors."

The Coronavirus Business Interruption Loan Scheme (CBILS) is available for existing customers with a group turnover of up to £45 million. The Government guarantee will secure bank loans to viable businesses with a sound borrowing proposal but which may lack adequate security.

Benefits include:

- No loan arrangement fee or loan prepayment fee, should the company wish to repay early
- An interest free period of 12 months
- No repayment of capital required during the period of 12 months from drawdown<sup>\*1</sup>
- For incorporated entities: Available for sums of £10,000 to £5,000,000<sup>\*2</sup>
- For sole traders and partnerships: Available for sums of £25,001 to £5,000,000<sup>\*2</sup>

- The loan can be repaid over any period up to 6 years
- Variable interest rate with option to fix after the initial interest free period

HSBC UK is working closely with the Government and UK Finance to identify emerging issues and make sure customers and businesses have the advice and support they need. For tips and advice for businesses around planning for any possible disruption, visit [www.business.hsbc.com/novel-coronavirus](http://www.business.hsbc.com/novel-coronavirus).

The new measures build upon the package of support that HSBC UK has already announced for business customers.

- £5bn to help businesses that need support
- Preferential financial solutions for ventilator businesses
- Coronavirus Business Interruption Loan Scheme launched
- £100 Small Business Loan fee waiver
- relationship managers proactively contacting customers to see what help their businesses need
- launching a helpline to support any customer queries (08000 121 614, open 9am – 5pm Monday to Friday).
- Offering repayment holidays to free up cash within businesses
- Reviewing overdrafts or trade loans to allow stock to be held for longer
- Providing trade finance solutions to support customers with their supply

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**Note to editors:****HSBC UK**

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