

Business Banking Supporting you through Brexit

On 28 October 2019, the EU and UK Government agreed to delay the date from when the UK was due to leave the EU from 31 October 2019 until 31 January 2020. If the UK Parliament fully ratifies the Withdrawal Agreement prior to 31 January 2020, the UK could leave the EU before then.

1 Trading with the EU

Imports and exports

Brexit could have a number of impacts e.g. longer transit times for goods being exported and imported, which not only means the possibility of receiving goods late but also being paid later too which stretches cash flow.

A no deal Brexit could lengthen supply chains and demand more cash tied up in stock or unfinished goods – ensure you have enough liquidity and inventory.



Key considerations

Apply for a UK Economic Operator Registration and Identification (EORI) number at www.gov.uk/eori so your business can continue to trade into and out of the UK. If your business is VAT registered and already trades exclusively with the EU you should be issued with an EORI number by HMRC automatically.

Visit the [Department for International Trade](http://www.gov.uk/government/organisations/department-for-international-trade)¹ website for guidance on trading with non-EU countries.

Our **Invoice Financing solutions** allow borrowing money against the outstanding amounts due from your customers; a useful way to manage cash flow with the potential changes in tariffs, charges and taxes.

Consider increasing your business' inventory of non-perishable imported goods. We may be able to help with increased working capital/funding facilities.

Notes

¹ <https://www.gov.uk/government/organisations/department-for-international-trade>

Key questions for customers

- Do you import/export from/to the EU?
- Are you prepared for potential changes in tax/duties on imported/exported goods from/to the EU?
- Are you prepared for potential delays in imported goods/raw materials?
- Are you prepared for potential extended supply chains?
- Are you prepared for potential delays in receipt of payment for exports?

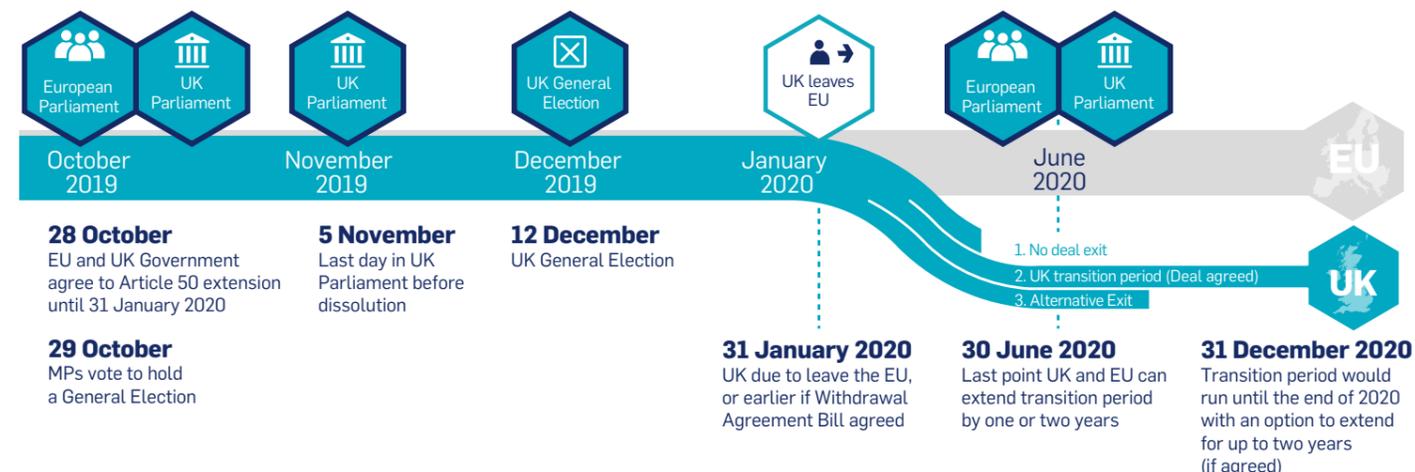
Ulster Bank offers a range of Trade Finance products:

Letters of Credit – help mitigate the risk of late or non-payment for exporters. Can also be used as a source of finance for exporters who may 'discount' Letters of Credit in certain circumstances.

Bonds & Guarantees (including Duty Deferment/ Customs Bonds) – many different types exist but they are used to mitigate the risk of buyer non-payment or mitigate the risk to importers that the exporter doesn't deliver the goods 'as ordered' to the required timescales. We may be able to help customers prepare for the imposition of tariffs on imports from the EU by offering Duty Deferment Bonds, enabling companies to continue importing goods whilst helping their cash flow position through deferment of duty.

Documentary Collections – help exporters and importers to ensure the goods they export and the associated payment are exchanged in unison – and not one without the other.

Ulster Bank also has a range of finance solutions, such as Overdrafts, Invoice Finance and Asset Finance.



2 Trading with the EU

Foreign exchange

Brexit brings additional volatility to the GBP, with expectations of GBP weakness in the case of no deal.



Key considerations

A weaker GBP means more expensive imports so why not prepare additional funding lines to support potential price rises?

Weaker GBP also means cheaper exports, offering potential Brexit-related opportunities (see section 4).



Need help keeping track of the evolving Brexit process? Did you know that you can sign up to receive the latest Brexit guidance for your industry on the UK Government website: <https://www.gov.uk/business-uk-leaving-eu>

Key questions for customers

- Are you prepared for potential foreign exchange volatility around Brexit?
- Have you experienced a change in foreign exchange on your business?

3 Your people

EU nationals

If you employ staff who are EU citizens, you may wish to visit the [UK Government's employer toolkit](#)² intended to help support you with the impact of Brexit.

The UK Government has published two important papers to support businesses on [Social Security Payments](#)³ and [Workplace Rights](#).⁴



Key questions for customers

- What are the implications for your EU staff?
- Are you keeping all your staff updated and informed on your Brexit plans?

Key considerations

Brexit uncertainty could trigger wider concerns about the UK economy and job security, affecting all employees. This could even lead to a loss of productivity and you may need to think about how to keep your staff engaged.

Notes

- 2 <https://www.gov.uk/government/publications/eu-settlement-scheme-employer-toolkit>
- 3 <https://www.gov.uk/guidance/social-security-contributions-for-uk-and-eu-workers-if-the-uk-leaves-the-eu-with-no-deal>
- 4 <https://www.gov.uk/government/publications/workplace-rights-if-theres-no-brexit-deal>

4 Brexit opportunities

Thinking outside the box

Brexit is likely to provide opportunities to trade with markets that you may not have considered before.

The weaker GBP has boosted the competitiveness of UK manufacturers since the EU Referendum in 2016.

Now could be the time for you to research expansion into new markets beyond Europe, launch new investments or consider diversification.



Key questions for customers

- Do you need foreign exchange limits and/or funding for non-UK and non-European growth?
- Are you exposed to new currencies?
- What additional funding / working capital do you require?

Key considerations

Our **Growth Funding initiative** is just one way we may be able to help you to potentially invest in your business and explore alternative exporting markets and diversify your businesses for the post-Brexit era.

Our **Asset Finance solutions** may also help future-proof businesses by providing working capital, for example, greater automation or investment in Artificial Intelligence without using up cash that could be invested more effectively elsewhere.

Growth Funding

If your business has export or import trade with the European Union, a reliance on the EU labour markets or is exposed to foreign exchange movements you may need further support through the Brexit process. We have funding available to help you achieve your ambitions and can help you access the right financing products so they can meet your short and longer term trade and working capital needs – whatever the outcome of the Brexit process.

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For more information about the potential impacts of Brexit upon your business sector please contact your Relationship Manager.

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