



**Enterprise
Nation**

Show me the money!

The A to Z of finding funds for your business

Emma Jones
Enterprise Nation
January 2017



Introduction

As the UK continues to witness record numbers of people starting and growing a business, ensuring funding flows to these businesses remains a hot topic.

The past five years have been filled with innovation when it comes to new and alternative sources of funding for entrepreneurs. We have seen the rise of crowdfunding and peer to peer lending, alongside the launch of Start Up Loans and opening of corporate backed accelerators. High street banks continue to play a critical role and the government backed British Business Bank is ploughing millions into proven lenders to ensure cash gets to the right companies.

Profiled here are these and other sources of finance for your business; starting with angels and working our way through to working capital.

Whichever form of funding you choose, be sure to take advice from professionals; from accountants and finance experts. Every company I know that has successfully secured money talks about the importance of being prepared for a pitch; know what the money is for, how it will be spent, and the return it will deliver. Then there's the task of keeping investors and lenders informed and on side.

You may be looking for funds to promote your business, develop a prototype, or to tide you over from one order to the next. Whatever the reason and however much the amount, I hope you'll find here a source of funding that provides a perfect match.

Emma Jones
Founder, Enterprise Nation

[@emmaljones](https://twitter.com/emmaljones)



About the Author

Emma Jones is a business expert, author and founder of small business network Enterprise Nation. Her books include Spare Room Start Up, Working 5 to 9 and Go Global: How to take your business to the world.

Following a five-year career at an international accounting firm, Emma started her first business at 27. That business was sold 18 months later, and the experience led to Emma's next venture, Enterprise Nation.

Its website (www.enterprisenation.com) was launched in 2006 and over the past decade, Enterprise Nation has grown into a community of over 75,000 homegrown businesses that find help and support on its website, in its books and at live events. Emma is a co-founder of StartUp Britain and Small Business Representative for the Crown.

Emma was awarded an MBE for services to enterprise in July 2012.

About the sponsors

With thanks to HSBC and KPMG for supporting this publication.



HSBC Commercial Banking

For 150 years we have been where the growth is, connecting customers to opportunities. Today, HSBC Commercial Banking serves businesses ranging from small enterprises focused primarily on their domestic markets through to corporates operating globally. Whether it is working capital, term loans, trade finance or payments and cash management solutions, we provide the tools and expertise that businesses need to thrive. As the cornerstone of the HSBC Group, we give businesses access to a geographic network covering more than 90% of global trade and capital flows. For more information see www.hsbc.com/about-hsbc/structure-and-network/commercial-banking



KPMG

KPMG LLP, a UK limited liability partnership, operates from 22 offices across the UK with approximately 13,500 partners and staff. The UK firm recorded a revenue of £2.07 billion in the year ended 30 September 2016. KPMG is a global network of professional firms providing Audit, Tax, and Advisory services. It operates in 152 countries and has 189,000 professionals working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

Join us at Show me the money! Live!

In 2017 there'll be four Show me the money! events hosted across the UK so you can meet the funders profiled here and be connected with accountants and advisers who can help you perfect your pitch and get investment-ready. Join us in:

Leeds – 24 May
Birmingham – 21 June
London – 28 June
Bristol – 27 September

Book online at
www.enterprisenation.com/showmethemoney

We look forward to seeing you and supporting your funding journey.



The A to Z of funding sources

Angels	Local Enterprise Partnerships
Asset based lending	Nesta
Banks	New Enterprise Allowance
Big Lottery Fund	Peer to peer lending
Big Society Capital	Power to Change
British Business Bank	Research & Development tax credits
Community Development Finance Institutions	Seedcamp
Competitions	Start Up Loans
Corporate accelerators	The Prince's Trust
Credit cards	UK Export Finance
Crowdfunding	Universities
Dragons' Den	UnLtd
Enterprise Finance Guarantee Scheme	Venture capital
Friends and Family	Working capital
Foundations	
Grants	
Industry bodies	
Innovate UK	
Invoice factoring	

Angels

Raising investment from angel investors means accessing capital as well as hopefully useful industry contacts who will support the growth of the business. There are plenty of funds and investors eager to back good ideas and what's more, the government has made it financially attractive for angels to invest through the Enterprise Investment Scheme (EIS), offering up to 30% tax relief to investors, and the Seed Enterprise Investment Scheme (SEIS) which offers up to 50% income tax relief on up to £100,000 of investment and exemption from capital gains tax on any proceeds of sale of an SEIS investment.

To be a qualifying company for either EIS or SEIS, visit the HMRC website to ensure you meet the criteria and complete an application. The approval process can take a few weeks so it's advisable to do this before approaching investors.

EIS Relief

www.hmrc.gov.uk/eis

SEIS Relief

www.gov.uk/guidance/seed-enterprise-investment-scheme-background

EIS Association

www.eisa.org.uk

Once qualified, take advice from Jenny Tooth, CEO of UK Business Angels Association:

"It's important when you're thinking about the finance needs for your business to consider whether angel investment is right for you. You will have to give up shares in the business in return for the finance and this means losing some of the control you may have had to date. You also need to consider that investors are seeking to make a return (ideally they look for 10x), although angels

are patient investors unlike venture capitalists so they are happy to work with you to grow your business over a number of years but you need to be prepared to ultimately exit your business, often by selling to another larger company, to enable the investors and you to realise the value of the shares. So if you feel that you just want to grow your business slowly and not share it with investors, angel investing is not for you.

If you do decide angel investing is the way forward, begin by appreciating the questions investors will have about growth and returns and reflect this in how you present your business proposal.

Show the investor you have an idea which can attract a good share of the market and customers (you don't need to have them yet, but show you know who they are). Show how you will make money from your service or product and that your business model can generate strong revenues over time. Show an understanding of your competitors and why your product/service is better (cheaper, faster, etc.) and how you might maintain this position – and how the business can be scaled over about a five-year period.

Outline why you need the investment, what you will spend it on to make a difference, and finally what else you want from the investors, such as finance or market expertise or strategic advice etc, since angels like to see how they can help.

When presenting your proposal, don't send out a complex business plan; start with a PowerPoint presentation of about 12 slides covering these aspects and have a 2-5 minute pitch ready in case they contact you.



In terms of how to approach angel investors, whilst they can be quite elusive, many of them belong to networks and syndicate groups and so a good way to find them initially is to send your proposal through to the gatekeeper or co-ordinator who will look at your proposal, and if they think it's suitable for their network or group of angels will then get in touch and invite you to meet with them, most likely through a pitch presentation. Many of the angel networks are listed on the UK Business Angels Association website: www.ukbusinessangelsassociation.org.uk/member/directory

You can also go to pitching events held in your area, but you may have to pitch at many such events before identifying the investors that are right for your business. However, these can also be good ways to gain experience at pitching.

Finally, if you do find investors interested in your business, make sure you do your due diligence on them to ensure that they have the finance and experience you need to grow your business. You could be involved with them for some time so it's important to feel you have the right people on board."

EIS Relief

www.hmrc.gov.uk/eis

SEIS Relief

www.hmrc.gov.uk/seedeis

EIS Association

www.eisa.org.uk

UK Business Angels Association

www.ukbusinessangelsassociation.org.uk

@UKBAngels

Asset-based lending

This is where you borrow money against assets you own. According to figures from the Asset Based Finance Association in December 2016, the amount of finance available through 'asset based lending' to UK businesses reached a record high of £4.3 billion, up 22% on the previous year.

An example provider is borro.com. Launched in 2008, borro enables you to secure a loan against assets:

"We offer loans of £1,000 to £1,000,000 secured against personal assets including luxury watches, jewellery, diamonds, gold, fine art, antiques, luxury cars and more."

The loans are typically for six months and come with no early repayment fees. You can apply online or by phone. Borro covers the cost of having your assets shipped to their valuation centre and then having them valued. You are made an offer and if you accept, the money is in your account within 24 hours.

Borro

www.borro.com

Asset Based Finance Association

www.abfa.org.uk

Banks

In the third quarter of 2016, £5.6bn of lending was approved by the main high street banks for small businesses, with over 80% of applications being successful. These quarterly figures published by trade body for the banking sector, the BBA, show the banks are hungry for your business.

As an example of the type of accounts on offer, HSBC offers free banking to start-ups for 18 months with the possibility of loans and overdraft facilities to support the launch. For growing businesses there's access to trade finance and business credit cards, plus potential to be profiled in the HSBC Knowledge Hub as well as sell to customers via the bank's popular in branch pop-up weeks where space is turned over to small businesses to show and sell their wares.

Compare rates and products at the banks and choose the one that will see you through from start-up to growth.

HSBC Business

www.business.hsbc.co.uk

@hsbcukbusiness

The BBA

www.bba.org.uk

Big Lottery Fund

If yours is a voluntary or community based business, the Big Lottery Fund could be right up your street. It offers lottery grants of between £300 and £10,000 and you can view funding options and organisations who have received grants via the website.

Big Lottery Fund

www.biglotteryfund.org.uk

Funding Finder

www.biglotteryfund.org.uk/Home/Funding/Funding%20Finder

Big Society Capital

One of the most significant developments in funding for the social enterprise sector is the creation of Big Society Capital – the world’s first social investment bank with a funding base of £600 million. Big Society Capital works by investing in intermediaries who directly fund social enterprises.

Big Society Capital

www.bigsocietycapital.com

@BigSocietyCap

British Business Bank

Describing itself as ‘a government-owned business development bank dedicated to making finance markets work better for smaller businesses’ the British Business Bank steps in to increase funding to small businesses when it feels the market is not doing its job. The British Business Bank does not lend directly to small businesses – instead it funnels public money to over 80 partners including banks, peer lending platforms and venture capital funds, so they can do the lending and investing. Check out finance options for your stage of growth through their website, which links to British Business Bank backed funds.

British Business Bank

www.british-business-bank.co.uk

@britishbbank

Community Development Finance Institutions (CDFIs)

The definition of a CDFI is an institution that “lends money to businesses, social enterprises and individuals who struggle to get finance from high street banks and loan companies. They help deprived communities by offering loans and support at an affordable rate to people who cannot access credit elsewhere.”

CDFIs are independent, often locally-based organisations, operating in all regions of the UK. They provide finance for a range of purposes, including working capital, bridging loans, property and equipment purchase, and start-up capital. Find a CDFI in your area through the Responsible Finance website.

Responsible Finance funding options

www.responsiblefinance.org.uk/funding-innovation

Competitions

Enter competitions to win profile and prizes which can often come in the form of cash! One such competition is Shell LiveWIRE which has operated since 1982, offering start-up awards to young people across the UK with a monthly competition of prizes of up to £5,000 and an annual Young Entrepreneur award worth £10,000. There's also the popular VOOM competition run by Virgin Media Business, where contestants get to pitch to Sir Richard Branson and win a share of £1m in prizes.

Other competitions aimed squarely at small businesses with cash as an element include The Pitch, Nectar Small Business Awards and the FedEx Small Business Grant contests.

Shell LiveWIRE

www.shell-livewire.org/awards
@shelllivewireuk

VOOM

www.vmbvoom.com

The Pitch

www.thepitch.uk

Nectar Small Business Awards

www.nectarbizhub.com/nectar-business-small-business-awards

FedEx Small Business Grant contest

www.smallbusiness.fedex.com/grant-contest.html

Corporate accelerators

Large corporates are increasingly opening accelerators and launching funds to back small business. As the name implies, accelerators offer an accelerated process for start-ups to help get products to market. Some offer financial backing as well as access to a global customer base.

Collider is one such accelerator and outlines its reason for being:

"Collider is an accelerator dedicated to marketing and advertising startups. We invest capital in these startups, we coach them through a highly structured programme and we connect them to potential corporate customers and investors. The aim of the game is to help these startups become sustainable, rapidly growing businesses."

Other well known accelerators include Telefonica's WAYRA, Tuestart, The Bakery, Cisco's IDEAL, Microsoft's Accelerator and Stuart Marks' portfolio including JLab, the John Lewis digital accelerator. Many have a sector focus – research the accelerator that's right for you and be in with a chance of securing investment or custom from a global brand.

Collider

www.collider.io

Wayra

www.wayra.co.uk

Truestart

www.truestart.co.uk

The Bakery

www.thebakery.com

IDEAL

www.idea-london.co.uk

Microsoft Accelerator

www.microsoftaccelerator.com/programs

L Marks portfolio

www.lmarks.com/startups

Credit cards

Credit cards have been the funding foundation for many a bootstrapped young business. But only opt for one if you're confident of paying off the balance within the interest-free period. Visit comparison sites to access the best deals from the main providers.

Moneysupermarket.com

www.moneysupermarket.com/credit-cards

Money Saving Expert

www.moneysavingexpert.com/cards

Crowdfunding

Crowdfunding has had a significant and positive impact on a small business owner's ability to raise money. According to crowdexpert.com over \$34 billion worldwide was raised through crowdfunding in 2015. This figure looks set to keep rising.

There are three main types of crowdfunding:

Reward – this is where people fund your business in exchange for rewards.

Equity – this is where the crowd invests in your business in exchange for equity, i.e. a percentage of the business.

Loan – this is where you raise a loan and repay with interest.

In raising funds from the crowd, not only do you secure the capital you need but you also attract attention and an audience of potential customers.

As crowdfunding has become more popular, the number of crowdfunding platforms has increased.

The main platforms in the UK are:

Platform	Equity/Loan/Reward	Fees	Keep funds if don't hit target?	Sector focus	Visit
Crowdcube	Equity	7%	No, money returned to backers		www.crowdcube.com (@crowdcube)
Crowdfunder	Reward	6%	No, money returned to backers		www.crowdfunder.co.uk (@crowdfunderuk)
Fundit.buzz	Loan and Reward	5%	Keep funds if you hit milestones	Charities and social enterprises	FundIt.Buzz (@funditbuzz)
Indiegogo	Reward (referred to as Perks)	5%	Yes but pay higher fee of 9%		www.indiegogo.com (@indiegogo)
Kickstarter	Reward	5%	No, money returned to backers		www.kickstarter.com (@kickstarter)
Seedrs	Equity	Ratio of fees depending on how much looking to raise	No, money returned to backers		www.seedrs.com (@seedrs)
Spacehive	Reward	5%	No, money returned to backers	Community projects and public space	www.spacehive.com (@spacehive)
Unbound	Reward	Not stated	No, money returned to backers	Publishing	www.unbound.co.uk (@unbounders)

Dragons' Den

It's been broadcast since January 2005 and is well known to all. Rob Law of Trunki was one of the ones that got away (he's built a great business despite not securing funds) and the show retains its popularity as entrepreneurs go on to pitch for money, contacts and a little love from the Dragons. Not only do you get the money (if you receive and accept the offer) you also benefit from a whole heap of profile.

www.bbc.co.uk/dragonsden
@bbcdragonsden

Enterprise Finance Guarantee (EFG)

Since the scheme launched in 2009 over 26,000 small businesses have been offered EFG loans with a total value of £2.8 billion. EFG is open to any UK business seeking finance of between £1,000 and £1 million and works through the government providing the lender with a guarantee for 75% of each individual loan. It was launched as:

"A loan guarantee scheme which enables banks and other lenders to lend to small businesses that lack the security or proven track record to be offered a normal commercial loan."

The borrower is responsible for repayment of the full loan and pays a 2% per annum pro-rata premium to the government as a contribution towards the cost of the guarantee. There are now over 40 participating lenders including all the main high street banks.

Enterprise Finance Guarantee

www.british-business-bank.co.uk/ourpartners/enterprise-finance-guarantee

Friends and Family

Raising funds from friends and family continues to be the most popular source of funding across the UK. Friends and family are people you can trust – and asking them for money hopefully won't come with strings attached. Do consider having a written agreement, though, that covers the amount borrowed and a payback schedule.

Consider investing £14.95 to download the Simple Loan Agreement from Clickdocs to put the business relationship in writing and keep the family relationship in tact!

Loan Agreement

www.clickdocs.co.uk/simple-loan-agreement.htm

Foundations

Foundations such as The Young Foundation and Esmee Fairbairn Foundation offer funds to businesses, social entrepreneurs and charities.

The Esmee Fairbairn Foundation offers funding across four main sectors; Arts, Children and Young People, Environment and Social Change – as well as through a Food funding strand.

“Across all our funding we aim to unlock and enable potential, back the unorthodox and unfashionable, build collective networks and catalyse system change.”

The Ventures arm of The Young Foundation provides support and finance to entrepreneurs running social ventures.

These and other foundations often direct funds via partners, for example the recent Esmee Fairbairn Foundation contribution of £200,000 to crowdfunding platform, Spacehive. Be connected to your industry or local business networks to identify Foundations to suit your venture.

The Young Foundation

www.youngfoundation.org/our-work/social-innovation-investment/@the_young_fdn

Esmee Fairbairn Foundation

www.esmeefairbairn.org.uk

Grants

Look for grants available in your area or for your industry/trade via the government’s ‘Business finance and support finder.’ Funding Central also lists available grants and is free to use for organisations with a turnover of less than £100,000 per annum, with charges thereafter.

Approach your local Enterprise Agency as they may be the administrator of local grant schemes. Find your agency by visiting the National Enterprise Network website.

Business finance and support finder

www.gov.uk/business-finance-support-finder

Funding Central

www.fundingcentral.org.uk/default.aspx

National Enterprise Network

www.nationalenterprisenetwork.org

Industry bodies

Depending on your sector, there could be funds available for specific purposes and projects. As examples, the British Fashion Council's NEWGEN programme supports young fashion designers with costs towards showing their collection, Creative England invests to back the games industry, Arts Council supports arts and culture with grants and funding, and BFI supports 'the production, development and completion of feature films which fairly reflect people from different backgrounds' via its film fund. Find out the name of your industry body, sign up to their newsletters and watch out for funding coming online!

British Fashion Council NEWGEN

www.britishfashioncouncil.co.uk/business-support-awards/NEWGEN

Creative England Games investments

www.creativeengland.co.uk/games/games-investments

Arts Council funding finder

www.artscouncil.org.uk/funding

BFI Film Fund

www.bfi.org.uk/supporting-uk-film

Innovate UK

Innovate UK is a government backed organisation referred to as 'the UK's innovation agency.' Part of its remit is to fund new innovations from businesses of all sizes. This happens through schemes such as Innovation Grants and European funding streams including Horizon2020.

Innovation Grants are available for amounts of between £25,000 and £10m to fund 'testing the feasibility of your idea, to create a new product, process or service, or improve an existing one, through research and development, or to work with other businesses or research organisations on collaborative projects.'

To fund ground breaking research, Horizon 2020 is an option. Applying for this European fund involves being part of a consortium with at least three partners from different countries.

Innovate UK

www.gov.uk/government/organisations/innovate-uk
@innovateuk_

Innovation Grants

www.gov.uk/government/collections/innovation-grants-for-business-apply-for-funding

Live funding competitions

www.gov.uk/government/collections/innovation-grants-for-business-apply-for-funding

Horizon 2020

www.gov.uk/horizon-2020

Invoice factoring

If you have secured an order and looking for immediate cashflow to fulfil the order, invoice factoring could be your solution. Banks and factoring agencies buy invoices from you (for a fee) and provide up to 85% of the invoice value straightaway.

Companies such as MarketInvoice can advance amounts between £5,000 and £3m in the space of 24 hours.

Find out more from the Asset Based Finance Association.

MarketInvoice

www.marketinvoice.com

Asset Based Finance Association

www.abfa.org.uk

Local Enterprise Partnerships

With 39 of them now up and running, Local Enterprise Partnerships (LEPs) have been created by the government to play a key role in stimulating economic vitality across the English regions. Many are launching funds that could be relevant to you. Identify the LEP for your area, visit their website, sign up for the communications and funding news could follow.

LEP Network – find your nearest LEP

www.lepnetwork.net/find-your-nearest-lep

Nesta

Nesta Impact Investments is a £17.6m fund investing in 'life-changing innovations that help tackle the major challenges faced by older people, children and communities in the UK' – the website outlines the type of businesses in which the fund invests and showcases a portfolio of funded companies. Contact the investment team or simply submit your funding plan online.

Nesta Impact Investments

www.nestainvestments.org.uk

@nesta_uk

New Enterprise Allowance

A programme designed to give jobseekers financial support and mentoring to ease the move from unemployment to self-employment, the New Enterprise Allowance is open to anyone over the age of 18 claiming Jobseeker's Allowance, Employment and Support Allowance or Income Support. If eligible you can benefit from a business mentor to help you develop your business idea and start trading, a weekly allowance paid for up to 26 weeks (up to a total of £1,274) and application for a StartUp Loan. The loan has to be paid back, the allowance doesn't.

New Enterprise Allowance

www.gov.uk/new-enterprise-allowance

Peer to peer lending

As with crowdfunding, this has become a popular route to raising funds and involves platforms matching businesses looking for loans, with people ready to lend. MarketInvoice (referenced in invoice factoring) is a peer to peer lending platform, as are Funding Circle and Ratesetter.

Funding Circle is relevant if you are a limited company with over two years of filed accounts with Companies House and a minimum annual turnover of £100,000. You can borrow between £5,000 and £1m with an online application form that takes around 20 minutes to complete and you receive a decision from underwriters within 48 hours. If successful, the loan is posted to a live loan marketplace where lenders make offers with specified interest rates. It usually takes a few days for a loan to get fully funded. It's then up to you if you accept the offer.

Ratesetter extends loans of between £25,000 and £2m with funds available typically within 2 weeks.

Funding Circle

www.fundingcircle.com

@fundingcircle

Ratesetter

www.ratesetter.com/borrow

@ratesetter

Power to Change

Set to open for applications in Spring 2017, the Power to Change Community Business Fund is a £10m fund that awards grants of between £50,000 to £300,000 to community businesses in England.

Visit the website to check if your community project or business is eligible.

Power to Change Community Business Fund

www.thepowertochange.org.uk/funding/grants/community-business-fund

Research and development tax credits

Not exactly a way of raising funds but Research and Development (R&D) tax credits are a route to securing a reduction in your corporate tax bill! The relief can only be claimed if you pay corporation tax. To claim the relief you must show that:

'the project seeks to achieve an advance in overall knowledge or capability in a field of science or technology through the resolution of scientific or technological uncertainty - and not simply an advance in its own state of knowledge or capability. The project must relate to your company's trade - either an existing one, or one that you intend to start up based on the results of the R&D.'

Costs that can be allocated include staff time and any outsourcing costs to partners working on the R&D. Visit the government website to ascertain if your company and expenditure is eligible to make a claim or speak with an organisation such as GrantTree that specialises in helping companies make claims.

R&D tax credits

www.gov.uk/guidance/corporation-tax-research-and-development-rd-relief

GrantTree

www.granttrees.co.uk/tax-credits

Seedcamp

Seedcamp is a seed investment fund and mentoring program, investing in around 20 companies per year. The company's standard investment is €75,000 in return for a 7% stake. As well as the financial injection, start-ups benefit from office space, access to mentors, intense support as part of Seedcamp Week and a four-week mentoring tour of the US startup and investor community.

Seedcamp

www.seedcamp.com

@seedcamp

Start Up Loans

The government backed programme which has now lent to over 40,000 start-ups offers funding of up to £25,000 per company director. The loan is a personal loan with a fixed interest rate of 6% per annum. To apply visit the website and from there you'll be directed to a loan delivery partner who will assess your business plan and, if the business plan is agreed and application successful, you will be awarded a loan. Visit the FAQ page to have your questions answered on eligibility for a loan as well as terms and conditions of the funding package.

Start Up Loans

www.startuploans.co.uk

@startuploansuk

FAQ page

www.startuploans.co.uk/faq

The Prince's Trust

Focused on unemployed people aged 18-30, The Prince's Trust Enterprise programme offers support and cash grants to develop ideas into viable businesses. Young people also benefit from being matched with proven mentors. Since 1983, The Princes Trust has helped over 80,000 young people to start their own business.

The Princes Trust

www.princes-trust.org.uk

@princestrust

UK Export Finance

For businesses looking to go global and enter international markets, a form of finance called UK Export Finance becomes relevant. The financing terms on offer from the government to 'can help exporters make their offering more competitive' and can help with working capital to secure and deliver on international contracts. The first step is to contact an Export Finance Manager for a free consultation and to establish if your business is eligible.

UK Export Finance

www.gov.uk/government/organisations/uk-export-finance

Contact Export Finance Manager

www.gov.uk/government/publications/find-an-export-finance-manager

Universities

Through enterprise centres and societies at universities, funding may be on offer. Visit the NACUE website for links to over 250 enterprise societies and research the centre or society in your area to explore funding streams. Details of funding and business partnerships will also appear on most major University and College websites in the business and enterprise section.

NACUE

www.nacue.com/societies

Universities UK

www.universitiesuk.ac.uk

UnLtd

UnLtd is a charity offering financial awards and ongoing practical and networking support to social entrepreneurs. It is the largest organisation of its kind in the UK.

UnLtd offers funding for entrepreneurs at different stages of the funding cycle; from idea through to capital growth. Investing comes in the form of Do It and Grow It Awards. The charity states: 'UnLtd operates a unique model by investing directly in individuals and offering a complete package of resources; from awards of funding to ongoing advice, networking and practical support.'

UnLtd

www.unltd.org.uk

@unltd

UnLtd funding

www.unltd.org.uk/path

Venture capital

The British Venture Capital Association describes venture capital funding as:

"a form of equity finance. Venture capitalists (VCs) invest their money in early-stage, innovative and often high-risk businesses. In return, they gain a share of equity. Businesses typically seek venture capital because they have a limited timeframe in which they need to scale to meet an opportunity. By foregoing a share of equity, they can obtain both the financial and strategic means to enable accelerated and sustainable growth."

This makes the point that venture capital funding is only appropriate for companies that are high risk and fast growth. If that's you, you'll want to acquaint yourself with the terms used and funding stages followed. You can find information on that on the BVCA website. Venture capital firms include Balderton, Octopus, Hoxton Ventures, Passion Capital and Index Ventures. Many have sector specific funding themes ie if you fit in their sector, you're more likely to appeal to their funding criteria.

BVCA

www.bvca.co.uk

Finding investment overview

www.venturecentral.co.uk/finding-investment/4583889654

Balderton Capital

www.balderton.com

Octopus Investments

www.octopusinvestments.com

Hoxton Ventures

www.hoxtonventures.com

Passion Capital

www.passioncapital.com

Index Ventures

www.indexventures.com

Working capital

Maybe your business needs funds for 'working capital', i.e. an injection of cash to tide you over from one order to the next. If so, consider options such as Iwoca, which is a play on the words 'instant working capital' – it's fast turnaround, short-term funding that enables business owners to purchase stock and keep the business moving. Investment decisions are rapid as iwoca has developed a tool to assess risk based on the company's trading data. The loans go up to six months with interest of 3-7% per 30 days on the outstanding balance. There are no admin or early repayment fees, only interest which accrues daily.

Another option (for PayPal merchants only) is PayPal Working Capital which offers 'a maximum cash advance amount based on your PayPal sales and account history, and is typically up to 15% of your annual PayPal sales, to a maximum of £60,000.'

IWOCA

www.iwoca.co.uk

@iwoca

PayPal Working Capital

www.paypal.com/workingcapital