

ANNUAL IMPACT REPORT 2016

The Start Up Loans Company is a government-backed, not for profit, organisation established in June 2012, with the first loans being issued in September 2012.

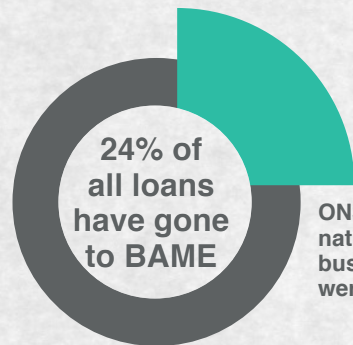
IMPACT

The scheme has enabled people from all walks of life to realise their ambitions and start their own business.

The Start Up Loans scheme also lends to significantly higher numbers of both female and Black, Asian and Minority Ethnic (BAME) led businesses, compared to the UK national average.



38% of all loans have gone to females. ONS figures* show nationally only 24% of businesses aged 0-1 years were female-led.



24% of
all loans
have gone
to BAME

ONS figures* show that nationally only 9% of businesses aged 0-1 years were started by MEG **

*Latest ONS figures published for 2014

**MEG – defined as having a person from an ethnic minority in sole control of the business, or having a management team with at least half of its members from an ethnic minority.

47%

OF 18-24 YEAR OLDS
SUPPORTED
WERE PREVIOUSLY
CLASSED AS NEEDS.

OVER
45,100

JOBS SUPPORTED
(INCLUDING THE
LOAN RECIPIENT).

Successful businesses supported by Start Up Loans are making a significant contribution to the UK economy through the value measured on the money invested into the scheme. In addition, they generate a wider social impact through the contribution they make to communities. **

£1

Put into scheme

=

£3*

Value measured



**40,371
LOANS
PROVIDED**



**£250,000,000[^]
MONEY
LENT
SO FAR**



**28
BUSINESSES
BACKED
PER DAY**



**45%
APPLICANTS
UNEMPLOYED
BEFORE
APPLYING**

* Evaluation of Start Up Loans: Year 1 Report (SQW) published March 2016. This evaluation commissioned by the British Business Bank provides the official and independent view on the economic value of the Start Up Loans scheme.

** SULCo 12 month survey of loan recipients.

[^] The £250million figure is to end of August 2016 and includes approved loans that have not yet been drawn down.

PROGRAMME OVERALL

Lent: **£239,155,794**

Loans: 40,371

Average: £5,858

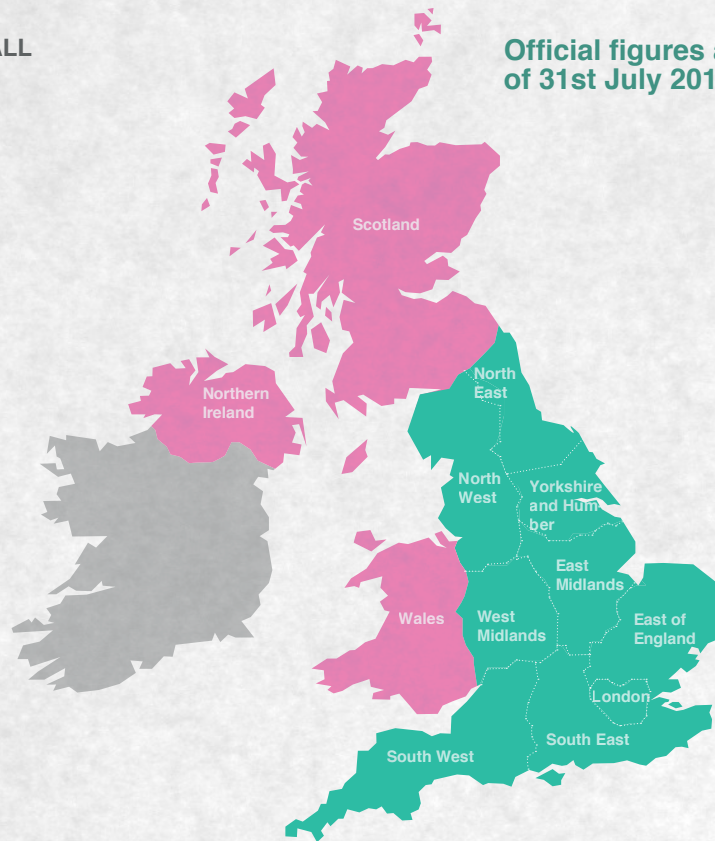
ENGLAND

Lent: **£208,036,612**

Loans: 35,533

Average: £5,855

Official figures as
of 31st July 2016



SCOTLAND

Lent: **£10,812,372**

Loans: 2,127

Average: £4,951

WALES

Lent: **£11,033,901**

Loans: 1,474

Average: £7,392

N. IRELAND

Lent: **£3,071,260**

Loans: 558

Average: £5,460

NORTH EAST

Lent: **£11,738,391**

Loans: 2,316

Average: £4,988

YORKSHIRE

Lent: **£19,661,893**

Loans: 3,238

Average: £5,929

EAST MIDLANDS

Lent: **£12,726,827**

Loans: 2,348

Average: £5,350

LONDON

Lent: **£65,093,376**

Loans: 10,495

Average: £6,166

SOUTH EAST

Lent: **£21,656,996**

Loans: 3,460

Average: £6,198

SOUTH WEST

Lent: **£19,630,200**

Loans: 3,297

Average: £5,892

WEST MIDLANDS

Lent: **£20,089,415**

Loans: 3,468

Average: £5,728

EAST OF ENGLAND

Lent: **£14,728,440**

Loans: 2,679

Average: £5,451

NORTH WEST

Lent: **£28,912,722**

Loans: 4,911

Average: £5,832

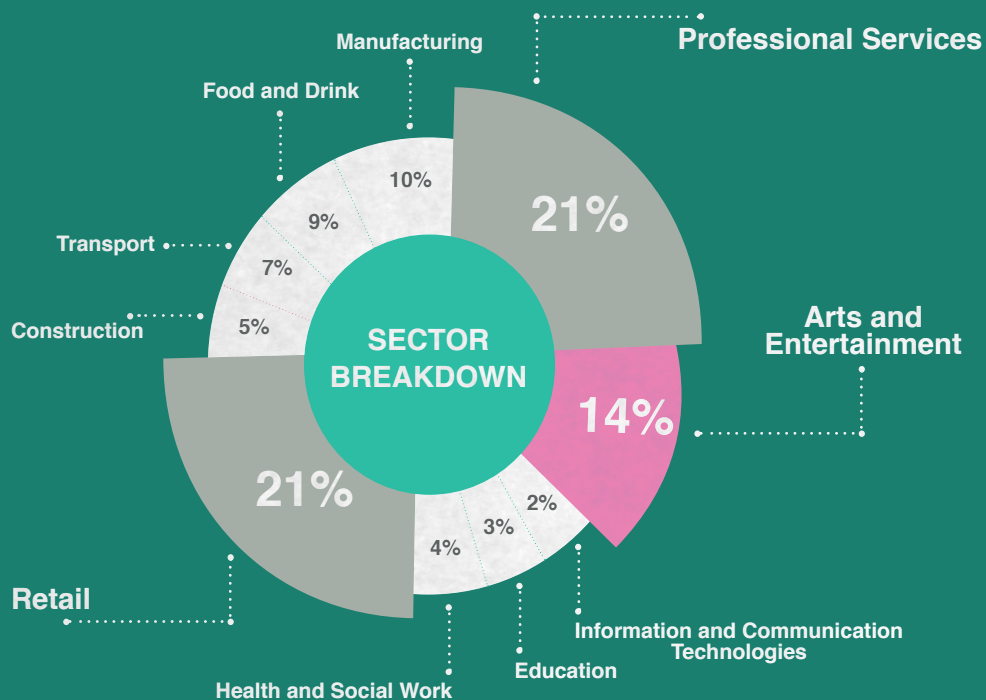
The Start Up Loans scheme has been successful in lending in all parts of the UK and the impact has been particularly noticeable in areas of greatest multiple deprivation.



INDICES OF MULTIPLE DEPRIVATION 2015

AVERAGE TURNOVER

The performance of successful Start Up Loans backed firms is measured by average estimated annual turnover in the first year of trading.



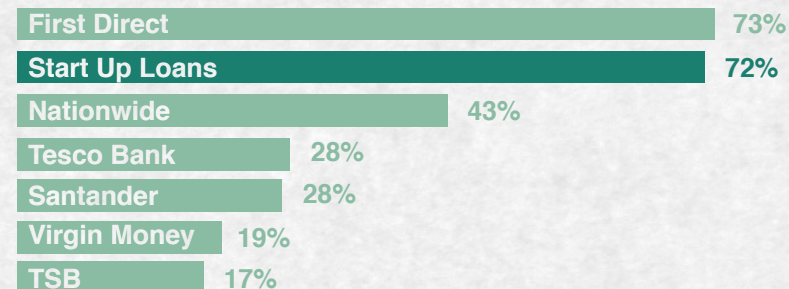
SECTOR BREAKDOWN (TOP 10)

Just over a fifth of our funding goes to businesses in retailing industries and a further fifth to those engaged in professional services. One in 10 loans goes to a manufacturing business.

A base sample of 3079 customers were sampled 12 months after taking their loan.

CUSTOMER SATISFACTION

The 'Net Promoter Score' is used to help understand how customers rate the Start Up Loans service and the relationships they have with the scheme. A score of 72% is very strong and compares favourably with many other well known financial services companies.

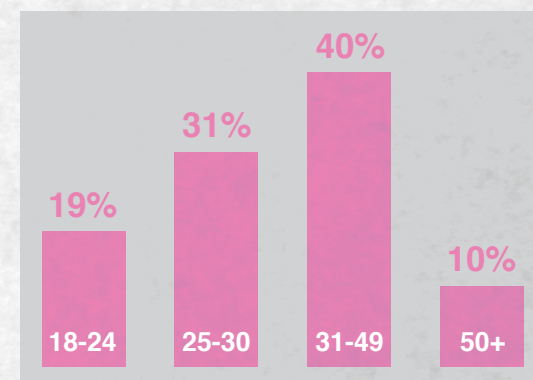


CUSTOMER AGE BREAKDOWN

The graph shows the breakdown of loans provided within age bands.

It's important to note that the scheme was restricted to 18-24 year olds until January 2013, at which point the age cap was lifted to 30 years old.

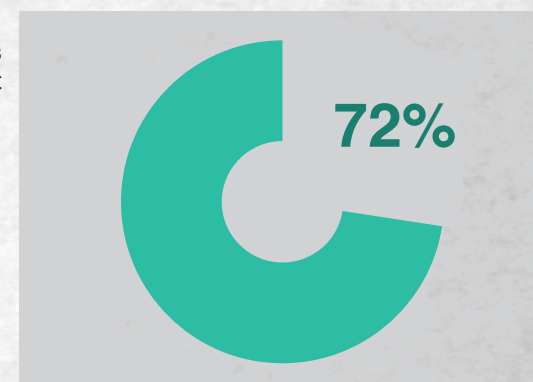
In September 2013, responding to customer demand, the age cap was removed completely.



PRE-APPLICATION SUPPORT

Three quarters (72%) of loan recipients reported receiving at least one aspect of pre-loan support including:

- to develop their business idea
- to develop their business plan
- to develop cash flow forecasts.



CASE STUDIES



Cornerstone (London)

Oliver Bridge came up with the idea for Cornerstone, a subscription based shaving service, after becoming fed up with suffering razor burn and over paying for shaving products. A £5,000 Start Up Loan allowed him to get suppliers on board and pay towards prototyping his products and launching the Cornerstone website.

Cornerstone has experienced remarkable growth with £150,000 of seed capital raised. A further £500,000 was raised via Crowdfunder in just 48 hours in the summer of 2015. The campaign saw Oliver receive over £1 million of funding and take on shareholders such as the ex-chairman of Jack Wills. In April 2015 Cornerstone won Best Razor at the Shortlist Grooming Awards beating competition from major brands such as Gillette, Wilkinson, Braun and Philips, this after just one year of trading. Oliver's aim is to get to 100,000 customers within two years.



Svadish Catering (Middlesex)

Sonya Kumar started her Indian restaurant and catering company, Svadish Catering, at the age of 19. As a diabetic, Sonya wanted to serve healthy, homemade Indian food and to use herbs and spices that are believed to help those with diabetes.

Svadish Catering currently has one member of staff and uses contract waiting staff for events. The business offers catering for events such as weddings, corporate functions, private parties and also offers a takeaway delivery service.

In 2015 Svadish Catering secured contracts with three major Heathrow-based companies. Sonya is also working on a cook book of diabetic friendly recipes.



Pizzado (Northern Ireland)

Karen Boyd had previously owned a pizza shop when she was aged 22 and therefore knew the industry well. It was that knowledge, and a change in personal circumstances, that gave her the impetus to start her Northern Ireland-based pizza business Pizzado. With the backing of a £11,000 Start Up Loan Pizzado was born.

Pizzado positions itself as a 'family friendly pizza making kit' and has proved to be such a popular idea that it is now stocked in Tesco in Northern Ireland and at Dunnes Stores in the Republic of Ireland. All of the ingredients are locally sourced from regional suppliers.

A strong social media strategy has seen Pizzado develop a dedicated following and Karen is currently talking to stockists in both the Republic of Ireland and England to expand the business.



Superior Bathrooms (Lanarkshire)

Having been made redundant after 26 years in a previous role, Sharon Shearer decided to set up her own bathroom fitting company, using her loan to secure showroom premises in her local town of Hamilton in Lanarkshire.

The Superior Bathrooms showroom opened in March 2014, and now employs seven sub-contractors to install the bathrooms. Where possible Sharon uses local suppliers.

Sharon's sister now works with her, on a part-time basis, having been made redundant from her previous role.

Want to know more? Please contact:

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