



IMPACT REPORT 2017



StartupDirect

Funding | Mentoring | Support

INTRODUCTION

Startup Direct, a not-for-profit organisation commenced operations four years ago and are excited to publish our first ever impact report.

The impact report provides an overview of the work we do; the businesses we nurture and a measure of the support we provide to businesses across the UK. The intent of this report is to provide a snapshot of the businesses we have helped fund so far and to provide the reader with an understanding of Startup Direct's ethos. We believe that this report will provide a microcosm of the entrepreneurial landscape in the UK. As much as the report is a reflection of our achievements, we hope to use this as a galvanizing tool to improve the way we work and address challenges faced by businesses through their journey of building viable and meaningful businesses.

We have an active interest in fostering the spirit of entrepreneurship in this country. We do so predominantly as a delivery partner of the Government-backed Start Up Loans Scheme. Through our journey of funding entrepreneurs and helping scale businesses, we play a growing, key role in helping businesses achieve their full potential and thus contributing to the UK economy.

Our team plays a very important part in delivering the objectives of the Start Up Loan Scheme. We provide support in navigating application procedures, offer professional business advice as well as a systematic approach to what can otherwise be a daunting experience.

Startup Direct is on hand to help businesses throughout their entire journey of starting and growing a successful business. Our team jumps in at the beginning of the journey to help polish the idea, assess and give feedback on the business plan, review financials and ensure the business is on the right track for success.

Startup Direct supports entrepreneurs through their funding journey with one-to-one Business Advisor Support. Once successful in gaining the funding, we then further support entrepreneurs through mentoring, workshops and networking events to help entrepreneurs grow their business.



MISSION STATEMENT

Inspire, empower and support entrepreneurs starting and growing their business



VISION STATEMENT

Everyone who has the ambition and drive to Start & Grow a successful business has the support available to do just that

LETTER FROM THE CEO

James Pattison
CEO



“ I begin this letter with a sense of gratitude and pride about Startup Direct that has only grown stronger over the course of the last few years.

2017 was a breakthrough year for Startup Direct. At the beginning of 2017 we set ourselves an ambitious goal to fund 1,000 businesses in a single year. I am pleased to report that we have been successful in achieving this goal with 1,063 businesses funded with over £18M worth of funding. This is a huge achievement and a testament to the hard work and dedication from everyone in the company. Our efforts this year brings us a thousand businesses closer to a vision where everyone with the ambition and drive to start and grow a successful business has the support available to do just that.

Startup Direct's growth continued over 2017 with the total number of businesses funded and supported now just shy of 3,000 businesses with over £30 million in funding provided. We have grown to a team of 22 with 6 offices across the UK.

Startup Direct's funding and support under the Government-backed Start Up Loans Scheme was key for businesses to begin trading. It was also encouraging to see more women starting businesses, a trend which we hope to see continue in the future.

The Start Up Loans Scheme continued to go from strength to strength with over 50,000 businesses receiving support with £350 million worth of funding.

2017 saw Startup Direct pilot new services to support startups further along their journey. We introduced our Crowdfunding service to support startups raising equity funding to grow their business. We also now offer support with legal advice and templates and provide access to alternative sources of funding. In 2018 we will continue to look for key strategic partners to work with to provide startups with more in-depth support along their journey.

Another new initiative in 2017 saw Startup Direct deliver its second Government-backed Scheme; the Start & Grow Scheme. Under the Start & Grow Scheme, businesses receive 3 years of support predominantly through workshops and mentoring. The delivery of the Scheme was a success with Startup Direct supporting 84 businesses through the Scheme. These businesses will be receiving support via our one-to-one mentor matching programme kicking off in Q1 2018.

These achievements aren't possible without the support of many people. I would like to thank Youth Business International who have been instrumental in their support of Startup Direct over the past years. I would also like to thank the Startup Loans Company who have done a fantastic job in growing a Government-backed scheme that is having a real impact across the

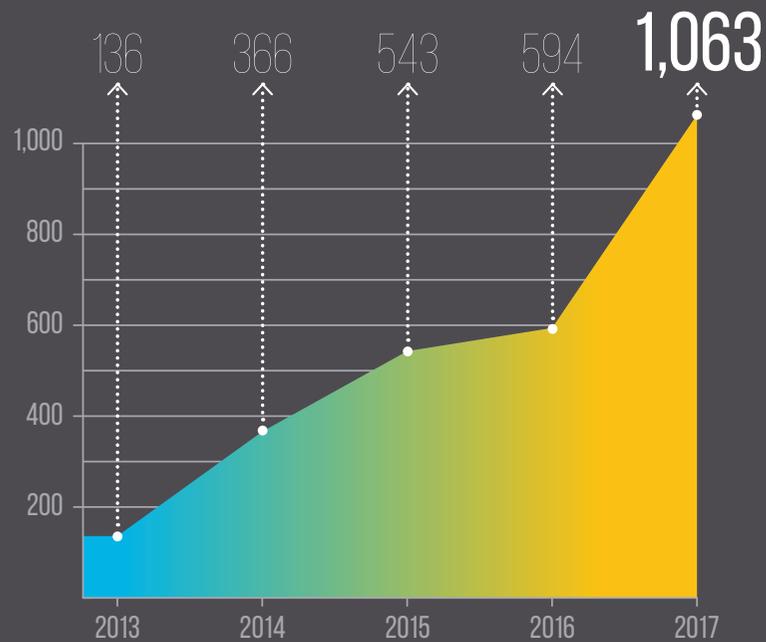
UK. Special thanks goes to our board members Gary Davis and Bernard Harvey for their continued support. My gratitude extends to our mentors who give their time generously to help support our clients. Finally, last but not least, a big thank you to our incredible team, who continue to inspire with their enthusiasm and commitment in supporting entrepreneurs starting out on their journey.

The startup space in the UK has never been in such a strong position, with a growing number of people looking to start a business. It's inspiring to be working in this space with so many passionate entrepreneurs of all ages, cultures and backgrounds. Startup Direct is in a great position to provide UK-wide support to people embarking on this entrepreneurial journey.

In 2018, Startup Direct will continue to provide funding, mentoring and support, primarily through the government-backed Start Up Loans Scheme. We will also continue to introduce new initiatives to help support startups further along their journey. Mentoring will continue to play an important role in the support we offer startups as they grow. We will continue to take on projects; both government and non-government, when these projects align with our mission and values. We plan to surpass the number of businesses we funded and supported in 2017, to further extend our reach supporting startups across the UK. The future of the UK startup scene looks bright and we here at Startup Direct are proud to be a part of it.

WE'VE CELEBRATED 4 YEARS!!!

2,800 LOANS AND GROWING!



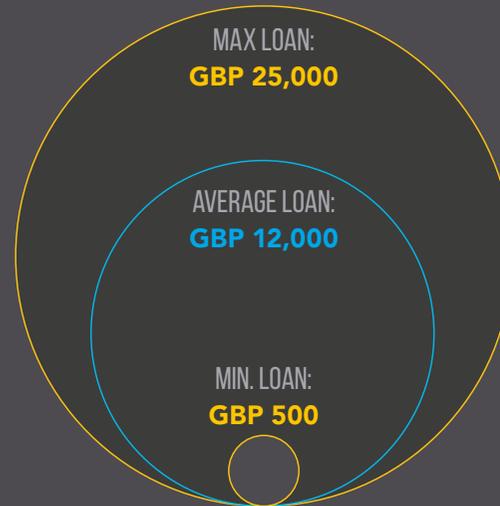
£34M

in financing over 4 years



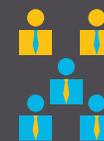
1 IN 3

Every one in three entrepreneurs that we fund is female.



25-35 YEARS OLD

The bulk of our client base is in the 25-35 age segment (c.44%).



40%

40% of entrepreneurs were able to leave the 9-5 and pursue entrepreneurship.

TOP 3 INDUSTRIES SUPPORTED:



FOOD AND BEVERAGE



RETAIL



PROFESSIONAL SERVICES



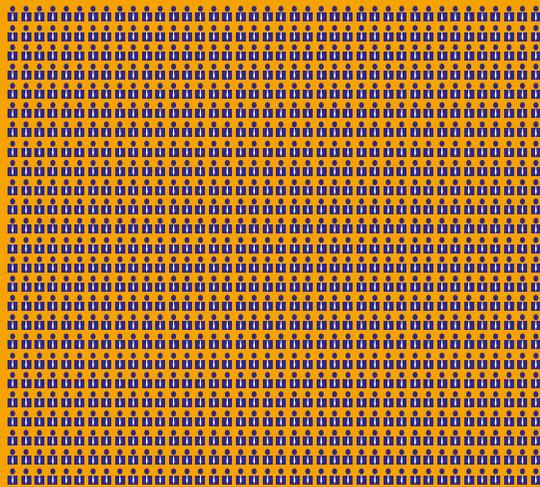
>96%

Our Start-up Loan helped more than 96% of entrepreneurs get from the idea stage to operational.

HIGHLIGHTS OF 2017

1000
BUSINESSES

It has been an incredibly satisfying year for Startup Direct as we have supported the business ideas of over 1,000 entrepreneurs this year alone.



NEW COMMERCIAL SERVICES AND PROGRAMMES



START & GROW SCHEME

Earlier this year, a unique opportunity, The Start & Grow programme in partnership with NWES (Norfolk and Waveney Enterprise Services), was offered to start-up businesses for extra hands-on-support in an effort to further develop and grow small business throughout the UK.

A combination of support services in the form of one-to-one mentor sessions, workshops, seminars and networking events are on offer as part of this programme.

Startup Direct is very pleased to be able to offer these services to a group of entrepreneurs and to add another government backed programme to our offering.



310 HOURS

of mentoring, workshops and networking opportunities were made available in 2017.

MENTORING

Startup Direct provides successful loan recipients with 12 one-to-one business mentoring sessions with a variety of experienced mentors.

FRANCHISE START-UPS

2017 brought a strong focus on helping to finance franchise businesses. We continue to develop new partnerships and streamline application processes for franchise applications.

Several new workshops and seminars were on offer in 2017, in relation to the new commercial services;

- Storytelling for Startups
- Startup Direct Legal Masterclass
- Startup Financing 101: Recipe for a successful application
- Startup Direct – Getting your idea ready for financing
- R&D Grant Writing Workshop
- Crowdfunding 101: Trends & Techniques;

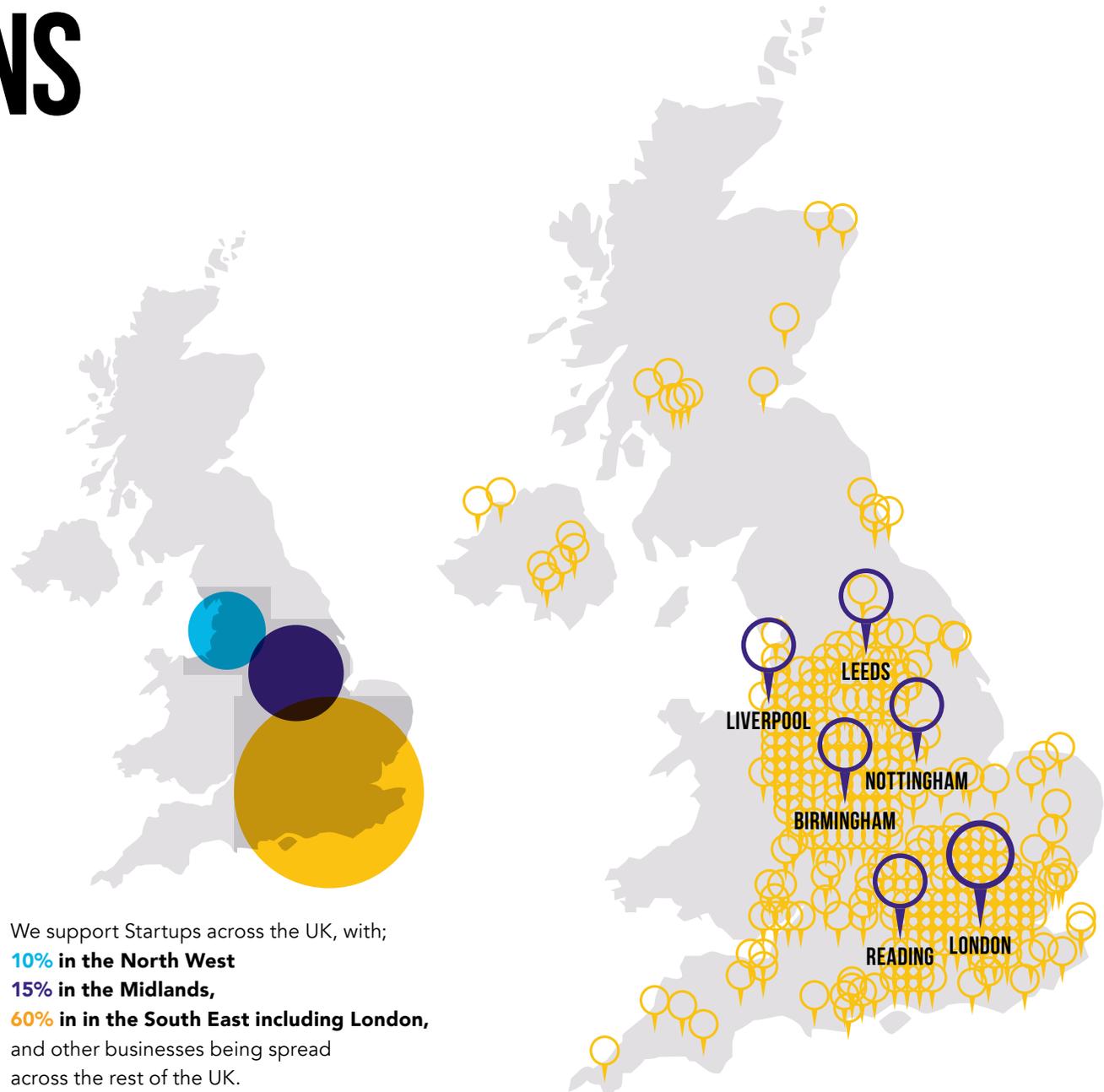
OUR LOCATIONS

OUR TEAM IS GROWING!

This year Startup Direct has not only been joined by new faces, but has also seen geographical growth.

We believe that regional teams are key enablers in helping us understand the start-up ecosystem. This helps us to assess and analyse the local landscape within which our entrepreneurs build their ideas.

Our offices are located in London, Birmingham, Liverpool, Reading, Nottingham and Leeds, with a planned location opening in Manchester.



We support Startups across the UK, with;
10% in the North West
15% in the Midlands,
60% in in the South East including London,
and other businesses being spread across the rest of the UK.

ENTREPRENEUR PROFILES



ALL BY MAMA

Gemma Whates

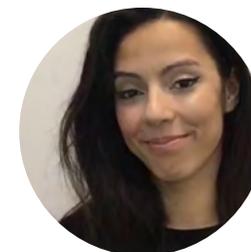
All By Mama is a unique marketplace made up of bespoke products made my mums (and a few dads too!) who are running businesses alongside looking after their families.

Since it's launch in 2014 All By Mana has built a community of creative, entrepreneurial parents who make beautiful products. Their ethos is to promote flexible working for mums and dads who don't want to have to choose between family and work life.

The concept for the business was inspired by a volunteer mission to South Africa, Gemma Whates, the founder took in 2010. There she worked with orphaned and disadvantaged children where she met lots of amazing women who were making gifts, homewares and artworks from found objects, in order to support their families. She was struck by their entrepreneurial skills and talents and when the time came to start her own family, Gemma remembered those mama-makers back in South Africa. Today, Gemma has two young boys and owns and operates All By Mama around busy work and family life.

“ The support from Startup Direct helped to get my business off the ground and to the next stage of investment. Without this first stage funding what has followed would not have been possible. It meant I could carry on the promotion of the business, as well as recruiting a team of employees while we worked towards second stage funding.

Startup Direct also supported All By Mama in the launch of a successful crowdfunding campaign via Crowdcube. They connected me with a great crowdfunding consultant who worked with me through the development and launch of the campaign to the end goal being successfully over funded. The support from Startup Direct from the first stage through to now has been a significant factor in my businesses success.



Meet our
1000th entrepreneur of 2017:
BUILT DIFFERENTLY LTD.

Zahra Elarabi

Zahra noticed a large gap in the fitness market after discovering a passion for weightlifting. However, there was a real lack of adequate space, proper equipment and the community she hoped to find within this industry. Good quality and accessible Olympic weightlifting space and equipment was what she was after and where the development of her business was born.

Built Differently Ltd was established in Harringay, North London and combines all aspect Zahra was looking for in an Olympic weightlifting, Powerlifting and Bodybuilding focused gym.

“ Without the help of Startup Direct, my dreams would not have materialised as fantastically as they have. The funding from Startup Direct meant I could equip the gym to the standard I know so many lifters have been trying to find in London for a long time.

Although, it was not just the money that meant I could get the business off the ground. Speaking with my business advisor who supported me back and forth for days on end as I was putting the business plan together was a key motivator. To have another human believing in my plans and telling me I was doing a good job when I doubted myself, was probably the most invaluable part of the (super crucial) early stages of the Startup Direct process.

ENTREPRENEUR PROFILES



MAISON DE CHOUP
George Hodgson



FUN SOY

JC and
Alex Fantechi

The team at Fun Soy comprises Alex and JC. Alex has a strong administrative and managerial background across several industries, while JC hails from a graphic design/ art director/ business development background within the advertising industry.

Upon meeting in 2015, they made the decision to come together and combine their very differing skill sets to take their less-sodium, all natural, flavoured soy sauces from hobby to limited company.

Very quickly all three flavours (Lemongrass, Chipotle and Black Truffle) were stocked by prestigious department store Harvey Nichols, and they were off and running. Since then they have landed UK distribution, which has seen their products stocked in stores such as Selfridges, Partridges, Chegworth Valley, and Stach in the Netherlands. Alex and JC have also independently sold to De Bijenkorf in the Netherlands, Foodist in Germany, Kapok in Hong Kong, and celebrity chef Rick Stein's Deli in Cornwall, amongst several others.

“ Our funding, as well as the guidance and advice, that we received from Startup Direct has been invaluable. It has meant that our production could move from ‘artisanal’ to a professional shared kitchen.

It has also acted to further legitimise the business and create working relationships through events such as Taste of London and our entry into the Great Taste Awards 2017, which lead to our Black Truffle flavour being awarded a gold star. We’ve also enjoyed working with everyone at Startup Direct immensely – they’re a fantastic team.

Startup Direct was first introduced to George Hodgson of Maison de Choup when he became the winner of the British Fashion Start-up Award in 2016.

His impressive line of clothing and inspiring story is what won the competition and Startup Direct was thrilled to help him take his business to the next step. George is a fashionpreneur, public speaker and mental health activist, all which have been incorporated into his one of a kind and socially minded business start-up.

Maison de Choup was launched to help George overcome severe anxiety and since launching, he has delivered public speeches, workshops in schools, colleges and universities and a number of interviews and business events. All in hopes of sharing the story of how launching his business has helped to get him out of a very dark place to finding his own within his fashion label. George is very honest about his suffering and talks about how everyone should be more open about their mental health and Vanity Fair has referred to Maison de Choup as ‘The Fashion Brand with a Mental Health Cause at its Heart’.

“ *Startup Direct are a wonderful and friendly team. When I was composing my business plan for Maison de Choup to get funding, I received incredible help all along the way up to the finishing process, they made the process simple and painless and have also delivered great aftercare. Startup Direct made the next step happen.*



MENTOR PROFILES

VIKKI LEFFMAN

Vikki Leffman has been mentoring with Startup Direct since 2014, providing support and encouragement to new start-ups throughout London. She has a long history of experience in entrepreneurship primarily in the hospitality industry, owning and operating several restaurants as well as a catering company. Although Vikki herself has never had an official mentor, she sees the importance of it and loves the energy and enthusiasm the mentees bring to their meetings. She enjoys the ability to assist in problem solving and has seen first-hand their growth in confidence and overall business acumen. When asked whether or not Vikki has a mentor of her own she responded:

“ Although mentoring was not a thing 20 years ago, I was lucky enough to have some great people who believed in what I was doing and gave great advice.



Vikki Leffman and Dominik Wiecek of Asperous



Ted Rowlands and Helen Keyede of Bash and Boo

TED ROWLANDS

Ted Rowlands spent eight years as the head of the Prince's Trust Business Programme in Greater Manchester. There, he helped to support around 250 disadvantaged people up to the age of 30, get themselves out of unemployment and into entrepreneurship each year. Ted's team was responsible for maintaining around 250 volunteer business mentors, and he saw first-hand the support these mentors gave to the new businesses and the impact they made on these people's lives.

“ I really admired the work that our business mentors did, remembering that we were dealing with mainly micro businesses, and could see from close range the value of mentoring. So when I hung my business boots up, I wanted to give some of my time to business mentoring.

Ted has been mentoring with Startup Direct since 2014 and has been supporting the growth and development of a number of entrepreneurs ever since. He believes business mentoring is not about giving business advice, but should most often be defined as a professional relationship in which an experienced person (the mentor) supports and encourages people to develop specific skills and knowledge that will maximise their business potential and improve their performance. In short, Ted believes the relationship is built upon the transfer of knowledge, skills and experience.

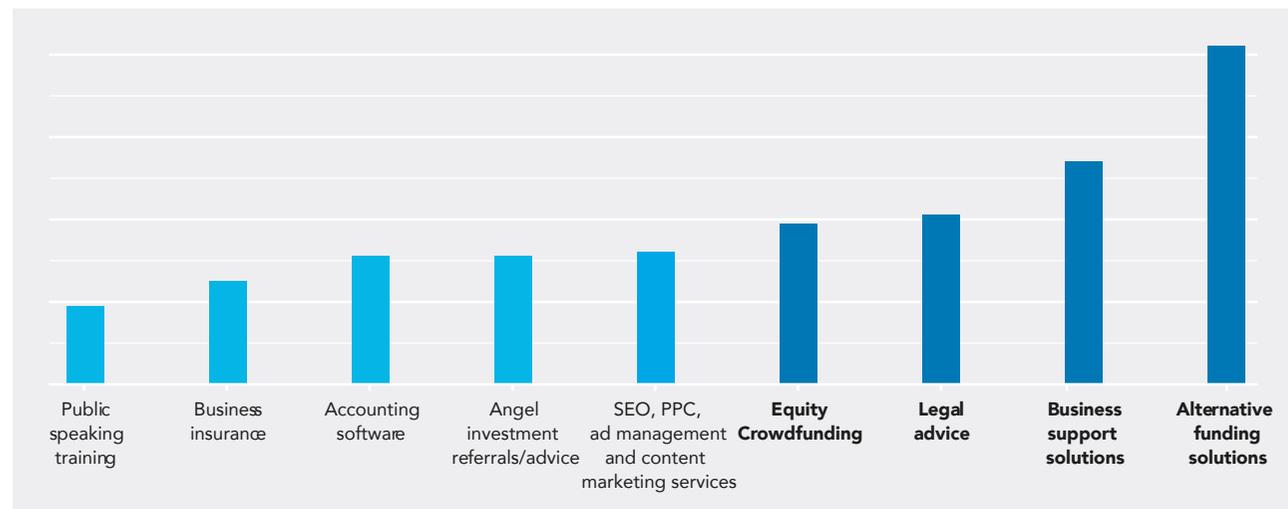
“ Put simply, it works!

COMMERCIAL SERVICES & PROGRAMMES

In the summer of 2017, Startup Direct polled our database of entrepreneurs to ask them which services they would find most useful to help them grow and develop their business.

As a result, several new services and partnerships are currently being piloted and continue to be developed.

SURVEY RESULTS:



EQUITY CROWDFUNDING



In partnership with a crowdfunding expert, Startup Direct is offering equity crowdfunding campaign support to eligible businesses. You can receive up to 5 months of consultancy support to develop, launch and finalise your businesses crowdfunding campaign. To-date Startup Direct has helped 3 successful businesses meet their crowdfunding goals.

ALTERNATIVE FUNDING SOLUTIONS



Startup Direct has partnered with several alternative financing organization to provide growth financing to eligible businesses.

LEGAL ADVICE



Startup Direct have teamed up with Lawbite who offer bespoke legal packages to entrepreneurs.

BUSINESS SUPPORT SOLUTIONS



R & D Tax Credits: Startup Direct has partnered with accounting and advisory networks who offer access to a range of core services, including audit, accounting, tax, risk and systems assurance, corporate finance, restructuring and insolvency, wealth management and disputes analysis. We offer a main focus on R & D and Grants service, which can help our clients to claim tax credits back in the form of R & D tax credits under government legislation.

OUR VALUED PARTNERS – THANKS!

We would like to thank all of our partners. The financial and in-kind commitments they made from January 1st, 2017 to December 31st, 2017 helped us reach record goals and expand on the services offered and support provided pre and post financing.

KEY STAKEHOLDERS

- **The Startup Loans Company / Part of the British Business Bank**
- **Youth Business International**

OUR VALUED PARTNERS

- Capital Enterprise
- Accenture
- Newable
- The Frederick's Foundation
- Crowdcube
- Seedrs
- Paul Grant
- Lawbite
- Imperial College London
- Anglia Ruskin University
- Nottingham University
- City Business Library
- The British Library
- The Women's Org Liverpool
- Innovation Birmingham Campus
- Grow at Green Park



