



# PERFORMANCE UPDATE

FEBRUARY 2016



ENABLING  
COMPANIES TO  
**START UP**



EMPOWERING  
COMPANIES TO  
**SCALE UP**



ENSURING  
COMPANIES  
**STAY AHEAD**





### FROM THE CEO KEITH MORGAN

Our work to unlock finance for smaller businesses is building momentum as we launch new programmes and develop further our collaboration with distribution partners.

In October we announced the first transaction of our new landmark ENABLE Funding programme. This £100m facility will help Hitachi Capital to increase significantly their supply of asset finance solutions for smaller businesses.

Our Venture Capital Solutions team also completed a number of transactions during the period. In September the VC Catalyst Fund helped Nauta Capital to a \$70m first close, and in November we committed £24m to the Edge Creative Enterprise Fund, taking our Enterprise Capital Fund programme's overall investment capacity to over £620m.

We are proud to support over 44,000 smaller businesses across the UK and look forward to continuing to improve the finance markets which serve them.

### NEWS HIGHLIGHTS

#### BRITISH BUSINESS BANK SUPPORTS BRITAIN'S CREATIVE INDUSTRIES

In November, Edge Creative Enterprise Fund became the first British Business Bank-supported fund to address the 'funding drought' for the creative industries.

The £40m fund will provide crucial capital and mentoring skills, stimulating growth and innovation.

The creative industries account for approximately 10% of the entire UK economy and provides 2.55 million jobs. The sector is growing four times faster than the economy as a whole and the fund will help these high-growth businesses access the finance they need to scale quickly.

**More information:** <http://british-business-bank.co.uk/british-business-bank-supports-edge-investments-delivers-40-million-boost-to-britains-creative-industries/>

#### NEW BRITISH BUSINESS BANK INVESTMENTS LTD ANNUAL REPORT AND ACCOUNTS PUBLISHED

In January 2016, British Business Bank Investments, the commercial arm of the British Business Bank, announced the publication of its 2015 Annual Report and Accounts.

In its first period operating as an independent company, BBB Investments has been profitable, productive and innovative. You can read the report on its website here: <http://bbbinv.co.uk>

### EVENT HIGHLIGHTS

#### BRITISH BUSINESS BANK FINANCE OPTIONS: VITAL INGREDIENT FOR GROWTH EVENTS IN LIVERPOOL AND LONDON LEVEL 39

Our events in Liverpool and London Level 39 this quarter brought together over 315 business owners and finance experts from across the North West and the South East.

Continuing a successful national roadshow which has already visited cities including Birmingham, Manchester, Bristol and Belfast, the 'Vital Ingredient for Growth' events showcased the range of finance options available for smaller businesses. It was a platform for smaller businesses to share their funding stories and join other attendees in debating the local growth environment and opportunities for smaller businesses.

#### OTHER EVENTS

We have also recently contributed to events organised by a number of other business organisations. Our Chairman, Ron Emerson, spoke at the Federation of Small Businesses Annual Conference, and our Chief Operating Officer Patrick Magee was part of the panel at the All-Party Parliamentary Group for Small Businesses which hosted its first discussion on supporting the growth of the UK finance industry at the House of Commons. In addition our Senior Economist Matt Adey spoke at the 2016 Business Funding Show.

#### SMALL BUSINESS FINANCE MARKETS REPORT 2015/16 PUBLISHED

We have published our second annual Small Business Finance Markets Report, which provides a unique and comprehensive insight into the health of a range of finance markets for smaller businesses. The report findings show that finance markets have continued to improve, but a number of challenges remain. You can read the full report on our website: <http://british-business-bank.co.uk/research/small-business-finance-markets-report-201516/>

## KEY FACTS

WORKING WITH OVER 80 PARTNERS

OVER 44,000 SMALLER BUSINESSES ARE CURRENTLY SUPPORTED THROUGH OUR PROGRAMMES

SUPPORTING £2.5bn OF FINANCE TO SMALLER BUSINESSES

WE PARTICIPATE IN A FURTHER £3.6bn OF FINANCE TO SMALL MID-CAP BUSINESSES

### FIND OUT MORE ABOUT FINANCE OPTIONS

The British Business Bank has partnered with the ICAEW and 17 major professional, membership and representative organisations to produce **The Business Finance Guide: A journey from start-up to growth**. This highly regarded guide sets out the considerations for businesses seeking finance and the full range of finance options available for firms ranging from start-ups to SMEs and growing mid-sized companies.

Download the guide online: [british-business-bank.co.uk/bfg](http://british-business-bank.co.uk/bfg)

## OBJECTIVES

INCREASE SUPPLY OF FINANCE to smaller businesses where markets do not work effectively

CREATE A MORE DIVERSE MARKET for smaller businesses' finance with greater choice of options and providers

MANAGE taxpayers' resources efficiently and effectively

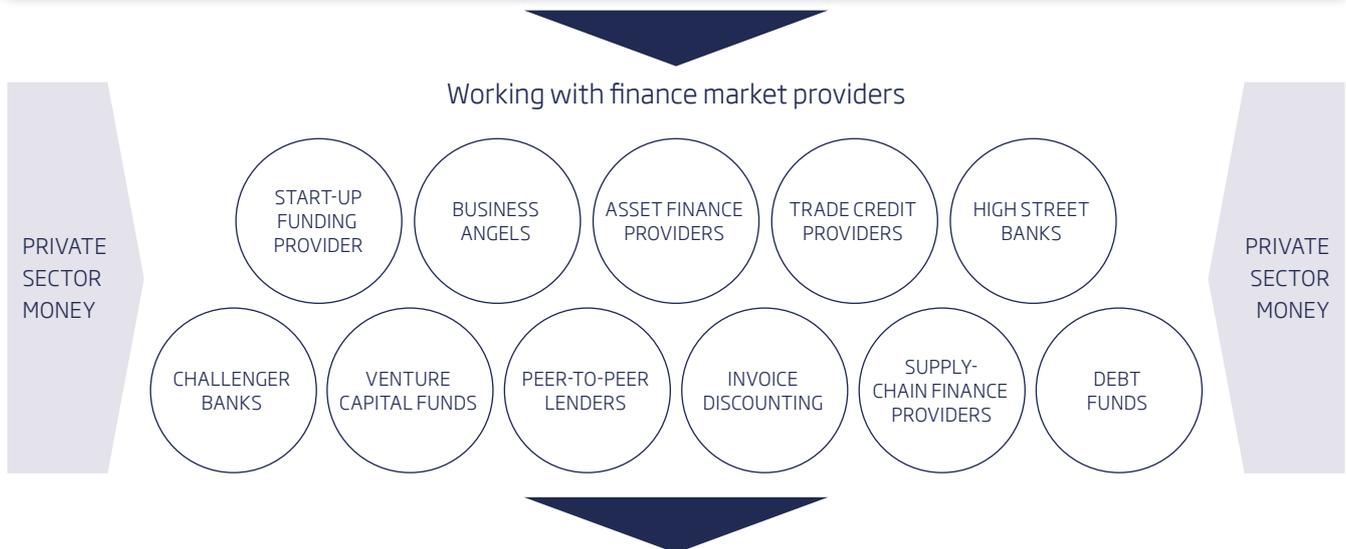
PROVIDE BETTER INFORMATION in the market, connecting smaller businesses and finance providers

### RECENT HIGHLIGHTS

- 1/ Delegates from our Liverpool event outside the Liver Building
- 2/ Eileen Burbidge, partner at Passion Capital, addresses the audience at our London event
- 3/ Chairman Ron Emerson addresses the FSB Annual Conference
- 4/ Keith McAvoy, Seven Brothers, Stuart Hilton, Zeal Creative, Simon Swan, Hiring Hub, Trevor Wills, Albert Medical Devices speaking at our event in Liverpool

# HOW WE OPERATE

<b>SOLUTIONS</b> Designed to make finance markets for small businesses work better		<b>MONEY</b> £3bn+ of public funding commitments
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<b>START UP</b> Mentoring and funds to 'be your own boss'	<b>SCALE UP</b> Funds for high growth potential businesses	<b>STAY AHEAD</b> More funding options and choice of provider
<b>Start Up Loans</b> Providing loans and mentoring support to help entrepreneurs to start a business.	<b>Angel Co Fund</b> Matching equity investment in smaller businesses from business angels.	<b>Investment Programme</b> Supporting a greater range of funding for smaller businesses.
	<b>Venture Capital Solutions</b> Supporting a vibrant and diverse venture capital market for early stage and high growth businesses.	<b>Enable</b> Funding and capital products to help increase the flow of finance.
	<b>Help to Grow Programme</b> Allowing fast-growing firms to reach their potential. It will include debt finance with equity elements or, more simply, junior debt.	<b>Enterprise Finance Guarantee</b> Encourages financial institutions to lend to viable smaller businesses lacking collateral or track record.

Northern Powerhouse Investment Fund

Finance platforms and credit reference agencies

**RESULTING IN INCREASED BUSINESS INVESTMENT, GROWTH AND JOBS**