

*It's  
great  
up  
North*





331

CLIENT DEALS



175

NEW UK BUSINESSES CREATED



£7.08m

OF CLIENT INVESTMENT



820

UK JOBS CREATED OR SAFEGUARDED



£31m

ADDED TO THE REGION'S ECONOMY  
(£156M IN THE LAST 6 YEARS)



40%

OF TOTAL LENDING WITHIN LOWER-LAYER  
SUPER OUTPUT AREAS (LSOAs)

## A NOTE FROM OUR CHAIRMAN AND CHIEF EXECUTIVE



### MALCOLM LYNCH » CHAIRMAN

**I'm pleased to report the continued growth of BEF and the impact we are making to dynamic businesses and communities across the region through sustainable lending.**

In a time of particular economic and political uncertainty, BEF is working harder than ever to ensure SMEs are supported via growth investment and I'm proud that we are continuing to deliver on our strategy and make a difference.

As a social enterprise, BEF continues to make real impact and, alongside our board, I'm particularly pleased to see that underserved demographics, geographies and sectors are being supported more than ever. Earlier in the year, The Alison Rose Review highlighted the disparity of lending by gender and published important findings and recommendations; I'm glad that female entrepreneurs have been the recipients of 36% of all loans – this is higher than the industry average and a 9% increase from last year. We also continue to support many younger and older entrepreneurs with almost 30% of loans going to 18-35 year olds and 20% to 55s and over. We have also increased the number of women directors on the board of BEF from 25% to 37.5%.

The manufacturing sector, the long-standing backbone of our region's economy, received 25% of all last year's lending. The healthcare sector increased to 15% and we doubled our lending to independent retailers. The creative and technology sectors have also been a key area of focus for start-up lending. Over half of all SMEs we supported via BEF/NPIF funding reside in areas deemed 'disadvantaged', yet display the entrepreneurial spirit and tenacity to grow their businesses to tangibly benefit their local communities in ways that have a positive impact; 820 jobs were created or safeguarded as a result of BEF's lending, delivered via an incredible 3,000 hours of investment support from the team!

Our relationship with partners and stakeholders is crucial in delivering the kind of impact we do, including local business advisers, accountants, local authorities, banking institutions and many more. Key to this continues to be the relationship with our parent company, the West & North Yorkshire Chamber of Commerce. We thank everyone for the support and look forward to working with them throughout the year.



### STEVE WAUD » CHIEF EXECUTIVE

**Welcome to our latest social impact report and annual statement. We look back at the impact we have made to businesses, individuals and communities through our lending which has added £31m to the region's economy in the last 12 months; over £4 for every £1 we lend.**

The North of England – wilfully determined, entrepreneurially progressive – 'where there's muck there's brass'. Rolling hills and breath-taking scenery. Sadly, the financial landscape for SMEs does not quite mirror the real thing. The Financial Times recently reported that 'companies in London and the south-east receive 75% of all private equity investment in the UK' and a survey by Code Investing reveals only 8% of SMEs who apply to banks get their loans. The funding gap clearly still exists and we are as committed as ever in our role to support underserved yet tenacious SMEs across the North.

In this report we share some exciting stories from a range of unique businesses that have prospered from the funding we have provided, reinforcing our belief that it's great up North. We continue to play an important role as a delivery partner to the Start Up Loans Company, helping to launch a further 175 new businesses through the government-backed programme, and continue lending through the Northern Powerhouse Investment Fund (NPIF). We were also delighted to announce, albeit it later than hoped, the launch of our first social impact fund through Big Society Capital, where we have

already begun facilitating further growth in areas including the North West.

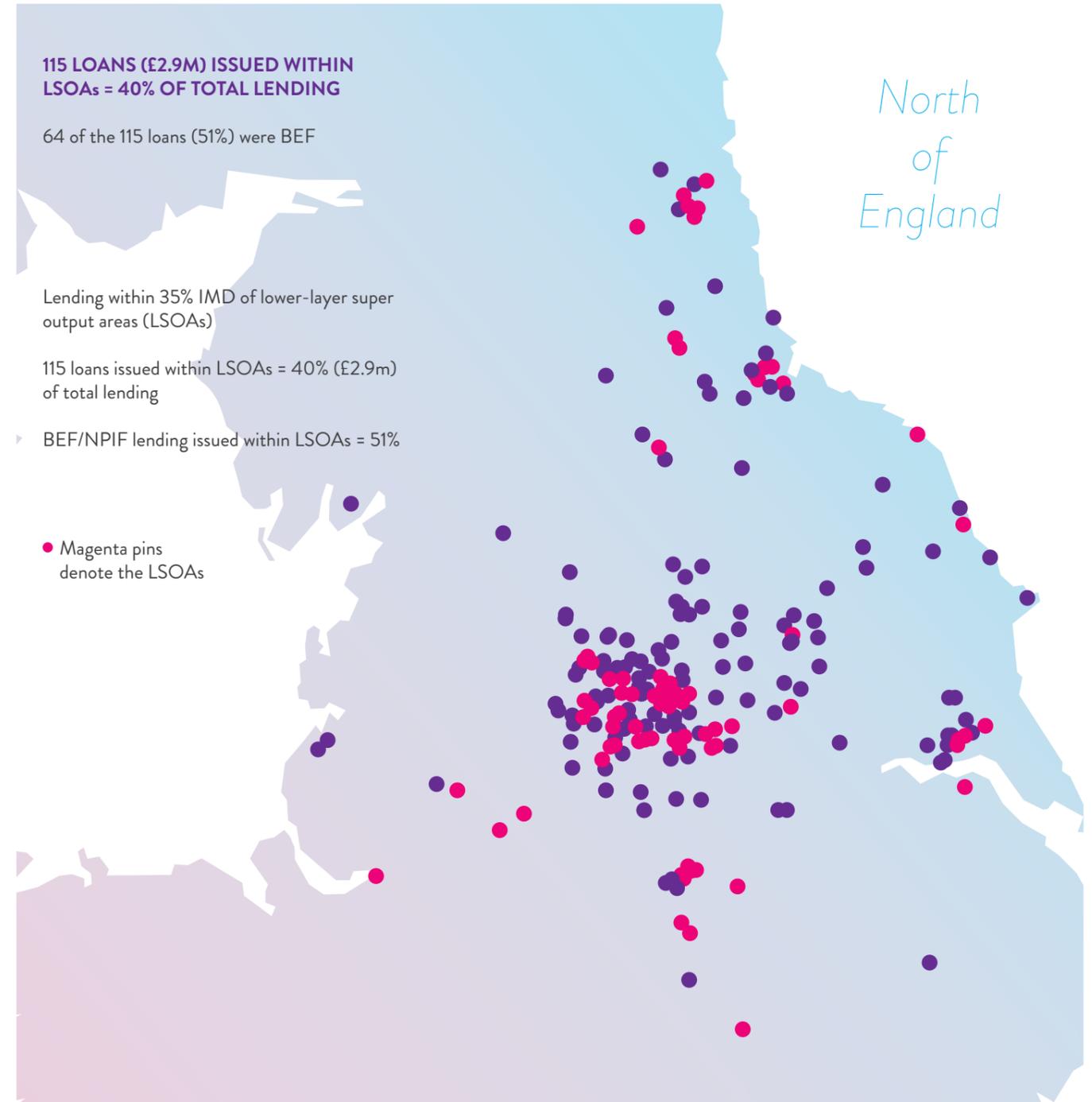
Last year we announced our alignment to the UN Sustainable Development Goals (UNSDGs) with portfolio targets for the next three years. I'm pleased to confirm we are making great progress against the goals and are continuing to embed them within our operating model and educate our wider stakeholders on their importance. 40% of all our lending is within the region's lower-layer super output areas – a 6% increase on last year. That's 115 individual business loans within communities that are often excluded from mainstream funding. The set of goals provide a clear and consistent framework to measure impact and we are encouraging our network and CDFI peers to consider their adoption.

We continue to work very hard for the business community and I'm proud of the continued development of BEF. I hope you can see the great work we have done and also be proud of the part you have played. We look forward to working with you in the future to support the wealth of the region, the wilfully determined businesses we lend to, and the communities we all serve; it truly is great up North.

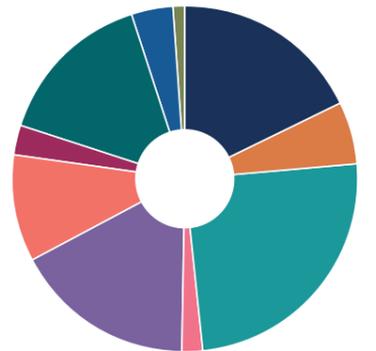
# OUR IMPACT



# WHERE WE INVEST



- |  |   |
|--|---|
| <b>Business services</b><br>18% / £873k / ~ £22k up from 2017/18 | <b>Construction</b><br>10% / £470k / ~ £268k up from 2017/18          |
| <b>Hospitality</b><br>6% / £284k / ~ £541k down from 2017/18     | <b>Logistics</b><br>3% / £135k / ~ £84k down from 2017/18             |
| <b>Manufacturing</b><br>25% / £1.18m / ~ £294k up from 2017/18   | <b>Healthcare and beauty</b><br>15% / £708k / ~ £646k up from 2017/18 |
| <b>Creative</b><br>2% / £115k / ~ £112k down from 2017/18        | <b>Education</b><br>4% / £185k / ~ £145k up from 2017/18              |
| <b>Retail</b><br>17% / £803k / ~ £444k up from 2017/18           | <b>Social enterprise</b><br>1% / £30k / ~ £120k down from 2017/18     |

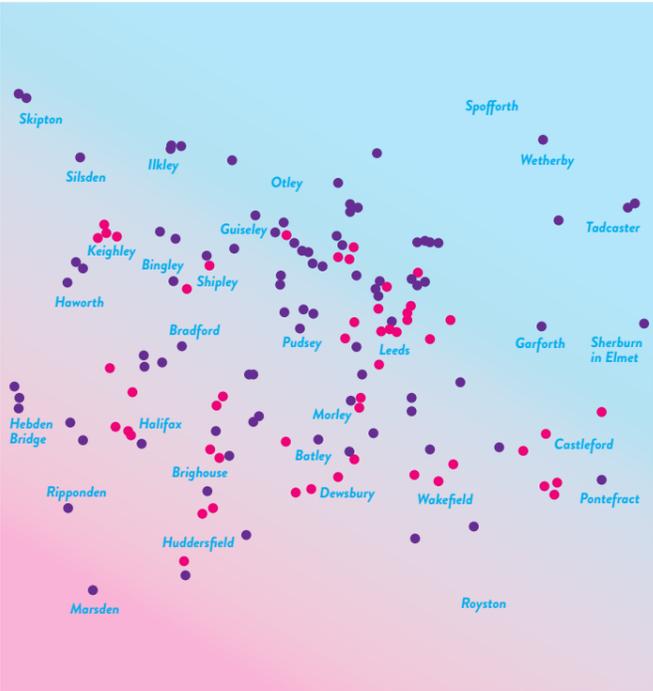


# LENDING BY REGION

## NORTH YORKSHIRE



## WEST YORKSHIRE



## HUMBERSIDE



## NORTH EAST AND TEESIDE

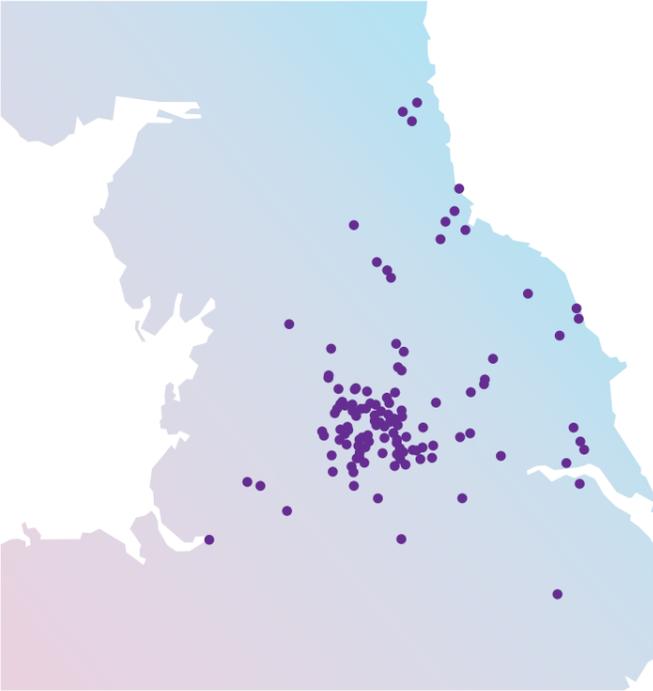


● Magenta pins denote the LSOAs

## YOUNGER ENTREPRENEURS (18 – 35) Total lending £1.23m (17%)



## FEMALE ENTREPRENEURS Total lending £2.6m (36%)



### AGE RANGE OF BORROWERS

RANGE	QUANTITY	VALUE	% OF QUANTITY	% CHANGE
18 – 24	13	£160k	4	~ 1
25 – 34	80	£1.067m	24	~ 8
35 – 44	95	£1.61m	29	~ 4
45 – 54	77	£1.9m	23	~ 5
55 – 64	54	£1.5m	16	0
65+	12	£574k	4	0



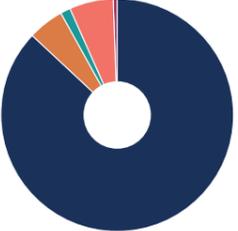
### GENDER OF BORROWERS

	TOTAL £M	% OF TOTAL
FEMALE	2.6	36
MALE	4.48	64



### ETHNICITY OF BORROWERS

	TOTAL	% OF TOTAL	% CHANGE FROM 2017/18
WHITE BRITISH	289	87	~ 2.7
ANY OTHER WHITE BACKGROUND	16	5	~ 2.7
MIXED / MULTIPLE ETHNIC GROUPS	5	1.5	~ 0.5
ASIAN / ASIAN BRITISH	19	6	~ 1.2
BLACK / AFRICAN / CARIBBEAN BLACK BRITISH	2	0.5	~ 0.8



# SUSTAINABLE DEVELOPMENT GOALS



In 2018 we announced our commitment to adopt a long-term plan to support the United Nations Sustainable Development Goals (UNSDGs). The UNSDGs were developed in 2016 to tackle the root causes of poverty and unite us together to make a more positive change for both people and planet, creating an improved environment for future generations.

Using our Responsible Finance model, we continually contribute to these goals. We measure success by the volume of lending attributable to each goal. We are proud that over the past year we have seen a significant increase in our support of Gender Equality, and Good Health and Well-Being, along with increased lending that supports Quality Education, and Affordable and Clean Energy.

GOAL	UN DEFINITION	HOW WE APPLY THE GOAL	MEASURE	£ OF TOTAL LENDING 2018/2019	% OF TOTAL LENDING 2018/2019	2022 TARGET
	End poverty in all its forms everywhere	We continue to work in some of the most challenging and economically and socially deprived communities in the country and now support businesses across the North of England. By supporting the lowest income communities and most disadvantaged areas, we aim to alleviate poverty in the communities we serve	Volume of lending into lower layer super output areas (LSOAs) and areas with the highest indices of multiple deprivation (IMDs)	£2.9m	40%	5% year-on-year increase
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	There is a recognition that the poorest families also have the poorest diets and nutrition. By seeking to alleviate poverty we improve families' nutrition	Volume of lending into lower layer super output areas (LSOAs) and areas with the highest indices of multiple deprivation (IMDs)	£2.9m	40%	5% year-on-year increase
	Ensure healthy lives and promote well-being for all at all ages	We increased our contribution to this goal by 6.4% – more than doubling our lending. We achieved this by actively supporting organisations that improve the health and well-being of individuals within the communities they serve	Business type and description	£708,000	10%	10% of all lending will be to these types of businesses
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	We supported SMEs that deliver learning opportunities to individuals and communities, ensuring education is accessible to all and individual needs are met. We continue to support charities, SMEs, universities, schools and colleges that promote and develop enterprise education	Continued monetary support to charities that promote this goal at local level e.g. One In A Million, alongside lending to a proportion of SMEs that lead on this goal through their products or services	£185,000	4%	To reach and maintain levels of 10% of all deals
	Achieve gender equality and empower all women and girls	Women-led businesses are a vital part of our communities and economy. We continue to actively promote funding support to women-led businesses which has resulted in a 5% increase in lending. We fully support the recently published Alison Rose Review and are playing an active role in addressing the funding gap to this demographic	Gender of main business owner	£2.6m	32%	To maintain current levels; > 20% of all the deals we do with female entrepreneurs
	Ensure availability and sustainable management of water and sanitation for all	We will actively support those businesses that seek to promote sustainable management of water and sanitation	Business type	Working towards reporting on this goal for our future portfolio	Working towards reporting on this goal for our future portfolio	To support and promote clients that operate in this sector
	Ensure access to affordable, reliable, sustainable and modern energy for all	In supporting businesses that supply affordable and clean energy, we have increased our contribution to this goal by 1.4%	Business type	£241,000	3.4%	5% of all deals will be to these types of businesses
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Everything we do is to support the economic growth and development of the areas we serve. This is part of our Company Articles	Every loan we provide	£7.08m	100%	100% of all activity
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	We work to support innovation and sustainable development of enterprise within the communities we serve	Volume of lending into lower layer super output areas (LSOAs) and areas with the highest indices of multiple deprivation (IMDs)	£2.9m	40%	5% year-on-year increase

GOAL	UN DEFINITION	HOW WE APPLY THE GOAL	MEASURE	£ OF TOTAL LENDING 2018/2019	% OF TOTAL LENDING 2018/2019	2022 TARGET
	Reduce inequality within and among countries	It is not possible for us to work out the inequalities amongst countries, but we can between people groups in the areas we serve. Therefore, we commit to support underrepresented demographics through our lending activity. We have increased our contribution to this goal by 9%	Ethnicity, age and gender	£3.3m	47%	Maintain current levels of lending to diverse communities and under-represented people groups
	Make cities and human settlements inclusive, safe, resilient and sustainable	Everything we do is to support the sustainable communities through economic regeneration and the creative use of finance. We work in the most disadvantaged communities in the North of England	Volume of lending into lower layer super output areas (LSOAs) and areas with the highest indices of multiple deprivation (IMDs)	£2.9m	40%	5% year-on-year increase
	Ensure sustainable consumption and production patterns	We will actively encourage all our clients to adopt sustainable consumption and production practices	Providing support or signposting clients to such organisations who can assist in improving their procurement and selling practices	Working towards reporting on this goal for our future portfolio	Working towards reporting on this goal for our future portfolio	To continue to support and educate all clients on sustainable best practices
	Take urgent action to combat climate change and its impacts	We will actively encourage all our clients to adopt sustainable consumption and production practices to minimise and reduce their environmental impact	Providing support or signposting clients to such organisations who can assist in improving their environmental footprint	Working towards reporting on this goal for our future portfolio	Working towards reporting on this goal for our future portfolio	To continue to support and educate all clients on sustainable best practices
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	We will work with such clients whose primary activity is within oceans, seas and marine resources to adopt and apply such best practice as to protect, restore and manage sustainable ecosystems	Providing support or signposting clients to such organisations who can assist in improving their environmental footprint	Working towards reporting on this goal for our future portfolio	Working towards reporting on this goal for our future portfolio	To continue to support and educate all clients on sustainable best practices
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	We will work with such clients whose primary activity is within agriculture or land management to adopt and apply such best practice as to protect, restore and manage sustainable ecosystems	Providing support or signposting clients to such organisations who can assist in improving their environmental footprint	Working towards reporting on this goal for our future portfolio	Working towards reporting on this goal for our future portfolio	To continue to support and educate all clients on sustainable best practices
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	We will work with clients to promote inclusive societies through their business activity	Providing support or signposting clients to such organisations who can assist in improving the work they do to promote inclusive societies	Working towards reporting on this goal for our future portfolio	Working towards reporting on this goal for our future portfolio	To continue to support and educate all clients on sustainable best practices
	Strengthen the means of implementation and revitalise the global partnership for sustainable development	We are committed to partnering in the promotion of these goals within the areas we serve, reporting and evidencing against the targets we have outlined	Board-level commitment	Working on reporting on all goals for our future portfolio	Working on reporting on all goals for our future portfolio	To deliver against targets for all goals

# SUPPORTING GOOD CAUSES

We continue to support local causes that help develop enterprise and improve disadvantaged communities. To date, these have included the University of Leeds, West & North Yorkshire Chamber of Commerce and Bradford-based charity



One In A Million. In the last year, we also supported Raising the Bar, two grassroots sports clubs – Brighouse Rangers ARLFC and Bentley ARLFC Juniors – in addition to our continued support of One In A Million.

## ONE IN A MILLION



One In A Million is close to our hearts. Their work helps disadvantaged children and young people break the cycles of deprivation while valuing and celebrating their uniqueness and letting them know they are ‘one in a million’.

In the last year, we raised over £7,000 to help them engage young people through sports, the arts and enterprise in the Bradford area.

“On behalf of everyone at One In A Million charity we would like to thank all BEF colleagues for your vital commitment and most importantly for the impact you are having on the children and young people in our city of Bradford.”



We believe that ‘it takes a community to raise a child’ and we would like to thank BEF for being part of our community and helping to raise children who are the future of our great city.”  
*Craig McHugh, One In A Million*



## BRIGHOUSE RANGERS

Once a professional rugby league club, Brighouse Rangers now fields amateur men’s, women’s and junior teams in Yorkshire leagues. Our sponsorship of our senior men’s team, which includes two of our investment managers, equipped them with branded training shirts ahead of the 2019/2020 season which follows promotion to Division 1 of the Yorkshire Men’s League.

## RAISING THE BAR

Raising the Bar is an initiative from the West & North Yorkshire Chamber of Commerce that helps companies with their social responsibility aims. It enables companies to document and benchmark how they help local communities, education, the economy and the environment.



## BENTLEY ARLFC JUNIORS

BEF are proud to sponsor Doncaster-based, Bentley ARLFC Under 7s who play in the Yorkshire Juniors & Youth League. The team based at Scawthorpe Social Club, enjoys a safe and enjoyable rugby experience that promotes discipline, teamwork, respect, enjoyment and sportsmanship.

“Receiving sponsorship from BEF means so much to us.”

Without the raised funds we could not provide the kids with their kits for free. A lot of the children in this community could not afford to do a sport outside of school and this has given them a great opportunity. We are so thankful to BEF and watch this space as there is some real talent amongst the squad!”

*Paul Kelly, Head Coach*





# GREAT NORTH EASTERN BREWING COMPANY



The loan from BEF has enabled us to expand into new markets by introducing a keging system, meaning we can sell an impressive number of kegs to trade. The support from BEF has also allowed us to implement a bottling line so our cash flow has improved significantly as we previously outsourced this. We've gone from selling to wholesalers in the North East to working with pubs, shops and even garden centres across the country! We were so impressed with the efficiency of BEF, especially our investment manager Doug who was a fantastic help throughout the process.



The Great North Eastern Brewing Company (GNEB), based on Wellington Road in Gateshead, was established in 2015 by Paul Minnikin, who was inspired to set up the business due to his passion for traditional ales with support from his sons.

GNEB brews a variety of beer including Claspers Citra Blonde,

Styrian Blonde, Hopnicity and the highly popular Rivet Catcher; an ale with impressive North East industrial heritage.

The investment from BEF has helped GNEB to distribute nationally and secure several accolades with their Graphite Black IPA, crowned winner at the prestigious 2019 Newcastle Beer Festival.

#### LOAN

£30,000 BEF

#### PURPOSE

Equipment purchase

#### IMPACT

One job created

#### UNSDGs



# BRAMHOPE DELI



The support from BEF has enabled us to revamp the deli and maintain our outstanding reputation with a new oven, a large fridge freezer and a salad deck. The loan has allowed us to continue to put our customers first by making the property more functional and better equipped to handle its high footfall. Mark and the team were so friendly and helped us through the process every step of the way.

Nestled in a suburb of North Leeds, Bramhope Deli is renowned in the area for its locally sourced, rustic food. Established in 1999, Bramhope Deli was bought by Wendy Hegarty, who went from an employee to owner in late 2018.

Wendy and her team of four place a strong emphasis on a great customer experience. This prompted Wendy to approach BEF for a £25,000 loan to purchase new kitchen equipment and upgrade the property to meet required legislation. The deli now offers its customers an improved experience that builds on their outstanding reputation.

#### LOAN

£25,000 BEF

#### PURPOSE

Business refit and purchase of new equipment

#### IMPACT

Four jobs safeguarded and local produce supply chain sustained

#### UNSDGs



# FUTUREWORKS NY



Futureworks NY was established six years ago with the vision of working within the community to offer free mentoring and support services to young people and unemployed adults.

Sarah Thornton and Michelle Padron-Kitching, alongside their team, run a series of workshops over a 12-week period where young adults can learn practical skills in a variety of areas including plumbing, electrical and woodwork. The students are encouraged to work with residents in the community to undertake every-day

jobs that help both the young adults and residents. Since starting in 2012 they have worked with over 500 people within the Scarborough area from the ages of 14 – 60 years old.

Futureworks acquired funding from BEF to purchase a property as part of a renovation project to enable their learners to use the practical skills they had learned. The renovation is now complete and was a huge success. Futureworks are now planning to embark on property number two.



This investment has been invaluable in helping us move forward with our plans to develop and grow, without it we would have remained stagnant.

Our investment manager Andy has been very hands on, he is always available to hear our wacky ideas and give us the support we needed in moving forward with our plans. He is very knowledgeable and very approachable, and we have loved working with him.

**LOAN**  
£80,000 BEF

**PURPOSE**

The loan was used to purchase a disused Scarborough property, in which members of the community, who are looking to improve their lives and career prospects, could put their attained skills and training into practice to restore the building

**IMPACT**

Impacting disadvantaged people of all ages across Scarborough

**UNSDGs**





# CLAIRE ANDERSON DANCE SCHOOL

“

It's really exciting to be able to grow my client base – I started with seven students which has now built up to 180! The support from BEF allowed us to double our floor space; meaning we can offer more classes and hire my daughter as another full-time teacher. It's also enabled us to expand our offering by adding drama to our curriculum. The team at BEF have been fantastic throughout the process and I wouldn't have got a mortgage without their tremendous help.

According to recent research, dancing has a positive effect on quality of life, body image, mood and anxiety. That's why Claire Anderson, a dance teacher with 28 years' experience, is keen to share her childhood passion with a new generation of young dancers.

The Claire Anderson School of Theatre Dance was founded 24 years ago in Doncaster and has achieved the highest fellowship status amongst the International Dance Teachers Association.

It offers lessons in ballet, tap, theatre craft, modern jazz, freestyle and gymnastic dance.

After seeing a huge rise in her most popular client base – school children – Claire approached BEF for funding to expand the dance space and recruit staff. BEF provided a £35,000 that loan enabled Claire to acquire a large permanent space, recruit another full-time teacher, and expand the curriculum.

**LOAN**  
£35,000 BEF

**PURPOSE**  
Purchase property and staff recruitment

**IMPACT**  
One job created

**UNSDGs**

# YORKSHIRE DALES DISTILLERY



Yorkshire Dales Distillery is a multi award-winning family run distillery based just outside the historic market town of Richmond. The distillery hand crafts exceptional spirits, which embody the essence of the wonderful county. Using local botanicals and traditional techniques, husband and wife duo Sarah and Tony Brotherton create, develop, distil and bottle all their premium craft spirits.

Yorkshire Dales Distillery secured start-up funding from BEF, enabling them to grow the business further to meet product demand. The distillery prioritises employment of ex-offenders, long-term unemployed and veterans, and this infrastructure results in a positive impact for the local community.

<b>LOAN</b> £50,000 Start Up Loan	<b>PURPOSE</b> Business expansion and development	<b>IMPACT</b> Created one job and safeguarded six	<b>UNSDGs</b> 8 BETTER PAY AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
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The funding was vital to the growth and development of the distillery, providing the funding needed to purchase further capital equipment and improve infrastructure. Our BEF investment manager was excellent and kept us informed throughout every stage of the process.





Throughout our journey so far, we have turned to BEF first for our funding requirements. We are a growing and sustainable-driven business – one that BEF want to support. BEF have been an integral part of Novalux’s growth, quite simply we would not be growing without their help and support.

York-based Novalux LED help companies to save money, save energy and save carbon by changing old inefficient lighting for the latest LED lighting technology. Companies install LED lighting to reduce energy use and costs. A very useful side effect is a reduction in their CO2 emissions.

In 2014, Novalux approached BEF with their carbon saving start up, needing finance to enable growth. Directors David Emslie and Nigel Codman received a start-up loan which took the business

to its next level. To meet the demands of an expanding business, Novalux acquired further funding from BEF to support the company’s growth needs. Nearly five years on and Novalux are launching their new division, NovaLoo Ltd, which will distribute innovative low water toilets.

Thanks to three investments from BEF, the projects Novalux have carried out have created a carbon footprint reduction of 1,450 tonnes of CO2.

### LOAN

£92,000 Start Up Loan and BEF

### PURPOSE

Investing in stock and acquiring larger premises

### IMPACT

A carbon footprint reduction of 1,450 tonnes of CO2. Three Jobs created

### UNSDGs



It's great up North



Julie and the team have been phenomenal in helping us improve our business plan and they shared our enthusiasm for the project – they were truly committed to our success!



WeTennis is a ground-breaking digital tennis platform created by Leeds-based young entrepreneurs Jake Fox and Cameron Almas. The online sports app is a response to the duo’s passion for tennis, the world’s fourth most popular sport. Aimed at the global amateur and recreational tennis community, WeTennis provides performance statistics, match data and the ability to discover new players.

### LOAN

£40,000 Start Up Loan

### PURPOSE

App development

### IMPACT

Building a global community of tennis players

### UNSDGs



Inspired by the popularity of apps aimed at runners and cyclists, Jake and Cameron researched and completed the initial development of the WeTennis concept before approaching BEF for £40,000 funding. The loan has enabled the duo to develop features ahead of their July 2019 launch. These include personal analytics, leader boards, search availability and comparison. The loan has also enabled WeTennis to connect with the Lawn Tennis Association’s court database allowing users to search over 10,000 courts in the UK.

# ASSEMBLY BRADFORD

Assembly Bradford is a creative co-working and event space established by David Craig and Haigh Simpson. Located in the independent quarter of North Parade, Assembly Bradford provides self-employed creatives and freelancers with the low cost and flexible space, services, and networking opportunities to get inspired and collaborate.

The start-up loan enabled David and Haigh to transform the space into a light and modern co-working studio with sofas and bespoke desks, a dedicated Skype room, and all the mod cons required by most start-ups and growing businesses.

### LOAN

£12,000 Start Up Loan

### PURPOSE

Refurbishment of newly acquired commercial property

### IMPACT

Since launch, 30 new small businesses have procured co-working space

### UNSDGs



“

The investment has allowed us to grow to the point where we are exploring further expansion. BEF made the whole process easy, allowing us to concentrate on running the business.

# SETTLE IN

“

Our experience with BEF was phenomenal, the turnaround was so quick and they all shared my vision. Our investment manager Lee Vickers was superb, he really got under the skin of the business and completely understood what made us tick. We wouldn't be where we are now without his hard work.



Settle In, based in Stockton-on-Tees, was the brainchild of Ray Abbas and offers help to international students in universities across the North East. The website displays information on local attractions, maps, 'what's on' guides and student essentials such as money and visa advice.

After working closely with international pupils while undergoing his final year at university, Ray understood the enormity of this issue and wanted to make moving to a new country less daunting. As he was unable to find a similar service, Ray saw the real difference he could make to students' wellbeing and contacted BEF for funding to expand and develop the business.

### LOAN

£30,000 NPIF

### PURPOSE

Premises expansion and website development

### IMPACT

Two new jobs created and one safeguarded

### UNSDGs





Our experience with the banks did not live up to our expectations. The help we wanted was unavailable to a new business like ours. We needed to find someone who believed in us as much as we did. Having considered all our options, the Start Up Loan (delivered by BEF) presented the most obvious and viable way to get going quickly.



Launched by Jonathan Ward and his business partners, Corksol's mission is to supply truly sustainable products to the UK construction industry.

The Brighthouse-based business began with an exclusive UK license for a natural cork render which offers an eco-friendly, sustainable, and energy efficient alternative to existing products used by architects, property developers, construction contractors, and DIY enthusiasts.

Following unsuccessful conversations with the banks, Corksol secured two start-up loans from BEF valued at £75,000 and £18,000 respectively. The first loan was invested in building a dedicated training school and certification programme which resulted in a nationwide network of 50 certified installers. The second loan has enabled the development of complimentary sustainable products that will launch throughout 2019.

#### LOAN

£93,000 Start Up Loan funding

#### PURPOSE

Setup a training school, stock acquisition, and new product development

#### IMPACT

Sustainable construction material with high CO2 absorption. Customer benefits include reduced energy bills

#### UNSDGs



**Shainy Moscovitch and her husband Ezriel – a gas engineer, founded CP12 Energy in response to the question, what can we do to ensure the gas safety of tenants?**

Their expertise paved the way for a quality gas maintenance service for domestic properties. Their passion led to a simple, efficient, and hassle-free way for estate agents and landlords in the North East to acquire essential gas safety certificates.

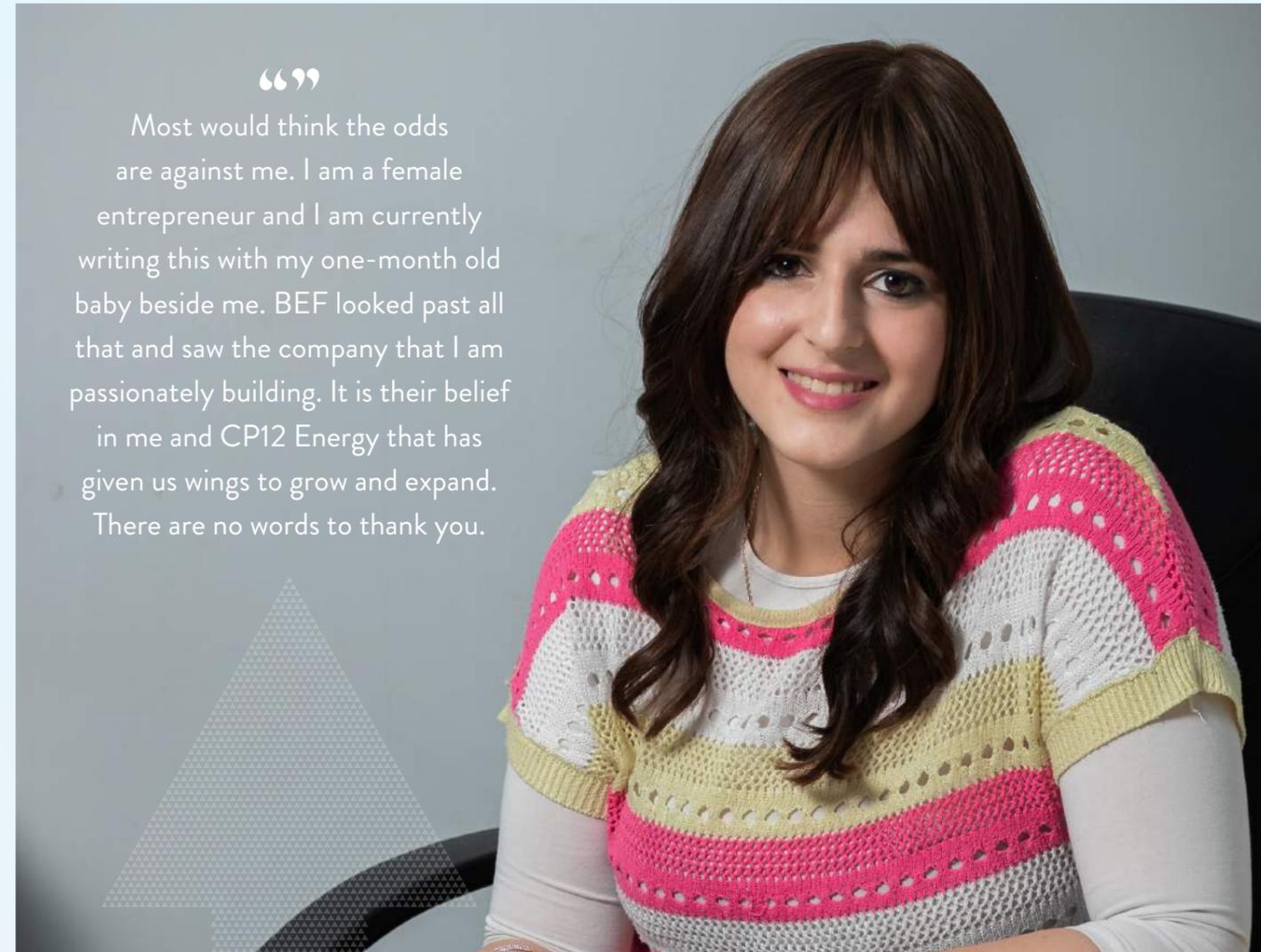
BEF provided £50,000 in funding to support CP12 Energy's growth.

The funding supported marketing activity, staff recruitment, and registration with the Contractors Health and Safety Assessment Scheme (CHAS) and Constructionline.

Since receiving the investment from BEF, CP12 Energy have been awarded the 'Highly Commended, Boiler and Heating Installer & Contractor' for the North East from Energy Efficiency Awards. They are an exciting start-up with state-of-the-art equipment, passionate office staff, and highly skilled engineers.



Most would think the odds are against me. I am a female entrepreneur and I am currently writing this with my one-month old baby beside me. BEF looked past all that and saw the company that I am passionately building. It is their belief in me and CP12 Energy that has given us wings to grow and expand. There are no words to thank you.



#### LOAN

£50,000 BEF

#### PURPOSE

Marketing and staff recruitment

#### IMPACT

Three jobs created. Fitted a large quantity of free CO2 alarms

#### UNSDGs



# WHAT MAKES US UNIQUE



Our mission is to provide flexible finance to businesses, helping grow and improve the wealth of the regional economy and the people we serve.

We provide loans to SMEs to help them thrive and grow when other lenders can't fully assist and, as a social enterprise, our profits are re-invested to further our social aims.

# OUR LOANS



## START UPS

Government-backed loans for businesses trading less than two years

**£500 – £25,000 | 6% fixed**

Terms up to five years

Support on offer from experienced business mentors

No set up or early repayment fees

Personal loans for business use



## GROWING BUSINESSES

Tailored unsecured finance for businesses of all ages

**Up to £250,000\***

Terms up to 10 years

Flexible rates, set up and early repayment fees

Personal guarantees required

\*Eligibility is subject to full due diligence and would need to meet our lending criteria

# ANNUAL STATEMENT



## GROUP COMPANIES

Business & Enterprise Finance Ltd  
Business & Enterprise Finance (NE) Ltd  
Goole Development Trust

NPIF YHTV Microfinance LP  
BEF-NPIF GP Ltd  
BEF-FFE CIP Ltd  
BEF BSC Ltd

## FINANCIAL PERFORMANCE

	2017 / 18 Total	2018 / 19 Total
	£'000	£'000
Income	2,531	2,411
Expenditure	(1,823)	(2,266)
Operating profit	708	145
Write-offs	255	324
Write-offs %	2%	3%
<b>GROSS LOAN PORTFOLIO</b>	<b>11,367</b>	<b>11,258</b>
<b>YIELD %</b>	<b>14%</b>	<b>13%</b>

# INDUSTRY SUCCESSES



We're very proud to have received recognition by our peers for delivering a needed solution to the marketplace. In the last year we received recognition from four leading organisations within our sector.

We were delighted to have been named the winner of the Impact Award at the 2019 Citi Microentrepreneurship Awards. Funded by the Citi Foundation and delivered in partnership with Responsible Finance, the awards are the annual celebration of Britain's microentrepreneurs that have accessed "responsible" business finance – and the providers, like us, which work with them.

The Impact Award recognised our contribution to economic growth, the social and environmental vibrancy of the communities we serve, and for our demonstrable performance towards the United Nations Sustainable Development Goals (UNSDGs).

The annual NatWest SE100 Index recognised us as one of the top 100 social enterprises in the UK. The index celebrates the growth, impact, leadership and resilience of social ventures in the UK – naming the most impressive 100 social enterprises of the year.

Finally, we were shortlisted for awards from the National Enterprise Network (NEN) and Social Enterprise UK (SEUK). The NEN shortlisted us in the category of Enterprise Support Organisation of the Year (over £750k) while SEUK shortlisted us for Social Investment Deal of the Year for the support we provided to our client, Spark:York.



# FUTURE FOCUS



At the end of 2019 BEF will be 15 years old. Our future focus remains true to our original mission set out in 2004; to provide flexible finance to businesses in areas that need it most. As a Responsible Finance Provider, our principles are rooted in delivering social and economic benefit to people, places and businesses.

As part of our strategic plan, we are committed to grow BEF and support more regional businesses than ever before. We have taken the step to expand our reach across the North West, supporting businesses from all corners of the North with a flexible product range that includes an increased unsecured limit up to £250,000. We are also working hard to source further funding streams that match our aims and ethos.

The investment in our digital lending capability will continue and enhancements are planned to streamline the application process and ensure a faster turnaround of funds for successful businesses.

This will continue to be supported by our dedicated and highly experienced investment team that provide valued investment-readiness support.

Building and maintaining partnerships is key to our success and we wouldn't exist without our network of capital funds, intermediaries, banks, local authorities, growth hubs, and education institutions. We have a clear focus on strengthening these relationships further across the North of England, working hard for the businesses and communities we serve together.



#### MORE INFORMATION

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#### OUR PARTNERS

