

Creative Growth Finance

Creative Growth Finance is a landmark fund providing vital scale up finance to the UK's most promising creative businesses. Finance will be directed to post-revenue creative businesses presenting promising growth potential and who:

- harness creativity in technologies
- are talent led
- bring change, disruption and new IP to the creative industries

Our offer:

- Loans of between £100,000 - £500,000* (*please speak to us first if you wish to apply for a lower amount)
- Repayment terms of between 1 – 4 years
- Flexible repayment schedules; repayments monthly, quarterly or annually
- An agreed fixed interest rate of between 7.5% - 15% depending on the risk profile
- A 5% management fee will be charged on payment of the loan

To be considered for a Creative Growth Finance Loan your company must:

- be registered in the United Kingdom
- operate within the creative industries
- have been trading for at least two years and with identifiable revenues and customers
- have minimum annual revenues of £300,000
- have at least two years of accounts filed at Companies House

Creative Growth Finance Business Loan FAQs 2019

What is the Creative Growth Finance Debt Fund?

We believe in the power of creative thinking and invest in businesses with widespread influence across sectors; in film, TV, Media, immersive and video games, advertising & marketing, digital & creative tech and creative software solutions.

Unlike traditional lenders who focus on where you have been, we are interested in where you are going, and consider your growth story when considering affordability. We are a trusted and credible source of finance with a very strong track record. We are a responsible lender and offer a fair, honest and transparent fee structure. By providing debt we are helping creative businesses to grow without giving up large part of their business away.

Who can apply?

Creative companies based in the United Kingdom. The loans are offered to established companies to enable them to realise their growth potential. The Debt fund is targeted at companies looking to scale-up or via the development of existing or new technology, products and services which will meet emerging client demand, provide a significantly better service and enhance the company's competitive edge.

The loans are not suitable for start-ups.

How much is available?

Loans range from £100,000 to £500,000.

Are the loans secured through Personal Guarantee?

We do not ask for Personal Guarantees, we secure our loans through a debenture.

What are the rates of interest?

Interest rates range from 7.5% - 15% depending on your risk profile and the repayment term.

What are the repayment terms?

Repayment terms of between 1 –4 years. We offer flexible repayment schedules; repayments can be arranged as monthly, quarterly or annually.

What are the fees?

We ask every successful applicant to pay a small arrangement fee of 5% of the loan value. This is charged to cover assessment, due diligence, legal, and administration costs.

What is the criteria?

The fund seeks to support companies that:

- Are small and medium sized enterprises incorporated in the United Kingdom
- Operate within the creative sector
- Have strong IP and strong commercial proposition
- Have been trading for at least two years, with identifiable revenues and customers as proof of traction
- Have minimum annual revenues of £300,000
- Have at least two years of accounts filed at Companies House
- Can pass our eligibility, due diligence and affordability test

Is match required?

No. Unlike previous funds we will not require you to match our investment. However, investments that offer the opportunity to co-invest and share due diligence with co-investment partners are attractive.

Will due diligence be conducted?

A due diligence process will be conducted on every investment. This will include company searches and may require personal searches on company directors. It will also include an appraisal of the business plan and the affordability of your financial model.

How do I apply?

Follow the link on the investment webpage and of this page, this will take you to our online application system.

<http://applications.creativeengland.co.uk/application/278>

Will I need to prepare anything to apply?

We will be asking you to provide the following information as part of our due diligence and application process:

- The company's last six months of bank statements
- 2 year monthly integrated financial forecast (Inc. profit and loss, cash flow, balance sheet forecasts and assumptions summary)
- A copy of your up to date company management accounts. This will need to include company performance, employment changes, cash summaries, P & L and Balance sheet position
- 2 years of company filed accounts at Companies House
- Where available an IP & Asset Register
- Company Capitalisation Table

What is the decision process?

Once you have submitted your application we will undertake a due diligence review, working with internal and external experts to take a position on your suitability for investment. All investment decisions are reviewed by our Credit Committee. We will also ask you to attend an advisory board meeting, which will require your attendance.

How long does the process take?

We aim to give you a decision in 6-8 weeks.