



PROTOTYPE **AS-IS Financial landscape for growing UK businesses**

BUSINESS GROWTH STAGE

PRE-SEED	SEED	EARLY	GROWTH	SCALE UP
Age: 0-1 years Staff: 1-5 Turnover: 0	Age: 0-3 years Staff: 2-10 FTE Turnover: < £100k	Age: 1-5 years Staff: 5-20 FTE Turnover: £20k – £200k	Age: 2-10 years Staff: 5-100 FTE Turnover: £100k – £5m	Age: 3-15 years Staff: 20-250 FTE Turnover: £250k – £50m
Focus: Idea for new product/service and loose business concept Status: May not yet be registered as a company	Focus: Product testing and prototype development Status: Registered company. May be pre-revenue - self-funded, borrowing or grants	Focus: Pilot testing and validation, developing a business model Status: Generating revenue and profit but need cash to meet demand or grow team	Focus: Market expansion and international scaling Status: Establishing partnerships and collaborations	Focus: Talent acquisition, leadership capability, business strategy and infrastructure Status: Generating exponential growth and optimising operational efficiency

TYPES OF FINANCE

- Grants**
Non-repayable funds provided by government and other organisations to support specific projects or social objectives. Strict eligibility criteria.
 - Debt finance**
Loans from banks or private lenders that are repaid with interest over a set period. Beyond interest costs, these often include covenants - legal conditions that can restrict how you run your business. There are some specialised loans designed for creative businesses.
 - Impact investment**
Investments made with the specific intention of generating a measurable, beneficial social or environmental impact alongside a financial return. It provides creative businesses a 'third way' between grants and private equity.
 - Equity finance**
Private Equity
Capital provided by investors seeking long-term growth in exchange for a share of ownership. It includes everything from small, private deals with individual investors to large-scale funding from major institutions.
Venture capital (VC)
Significant capital investments in high-growth businesses, at a seed or early stage. As well as an equity share, businesses also need to cede a level of control as the VCs seek to drive rapid scaling.
Angel Investors
Individuals or syndicates who invest their own money in a business in exchange for a minority stake. Angels offer more than just money, providing mentoring, support and access to contacts.
 - Alternative finance**
Crowdfunding
Funds raised from the general public and customers (via crowdfunding platforms) who can invest in exchange for shares in the company (equity crowdfunding) or early product access or exclusive perks (reward-based crowdfunding).
Peer-to-peer (P2P) lending
Loans from individuals and businesses directly via online lending platforms or offline brokers, with the idea that both borrowers and lenders may be able to secure a better rate than if they had gone through a bank.
- * Only open for a specific creative sub-sector or programmes available during particular timeframe