

Royal Bank Business Builder

Access to
Funding



WHAT IS FUNDING?

Funding is the act of providing resources to finance a need, programme, or project





Type of funding

Start-up loan & grants

- Generally government-backed personal loan or grant available to individuals looking to start or grow a business in the UK.

Accelerator funding

- Accelerators offering both equity and non-equity funding, usually alongside a programme of support.

Equity investment

Investment for an equity stake in the business including;

- **Angel investment** – Smaller amounts of investment for an equity stake in the business, usually from an individual high net worth investor, angel syndicate or local angel network.
- **Venture capitalist** – A venture capitalist (VC) is a private equity investor that provides capital to companies exhibiting high growth potential in exchange for an equity stake.

Crowdfunding

- Crowdfunding is the use of small amounts of capital from a large number of individuals to finance a new business venture, including;

Equity crowdfunding

Reward crowdfunding

Debt crowdfunding

Borrowing

Borrowing from a financial providers such as Banks and loan companies offering a range of borrowing services including;

Loans – personal or business loan

Business credit cards

Arranged overdraft

Commercial mortgage

Invoice finance

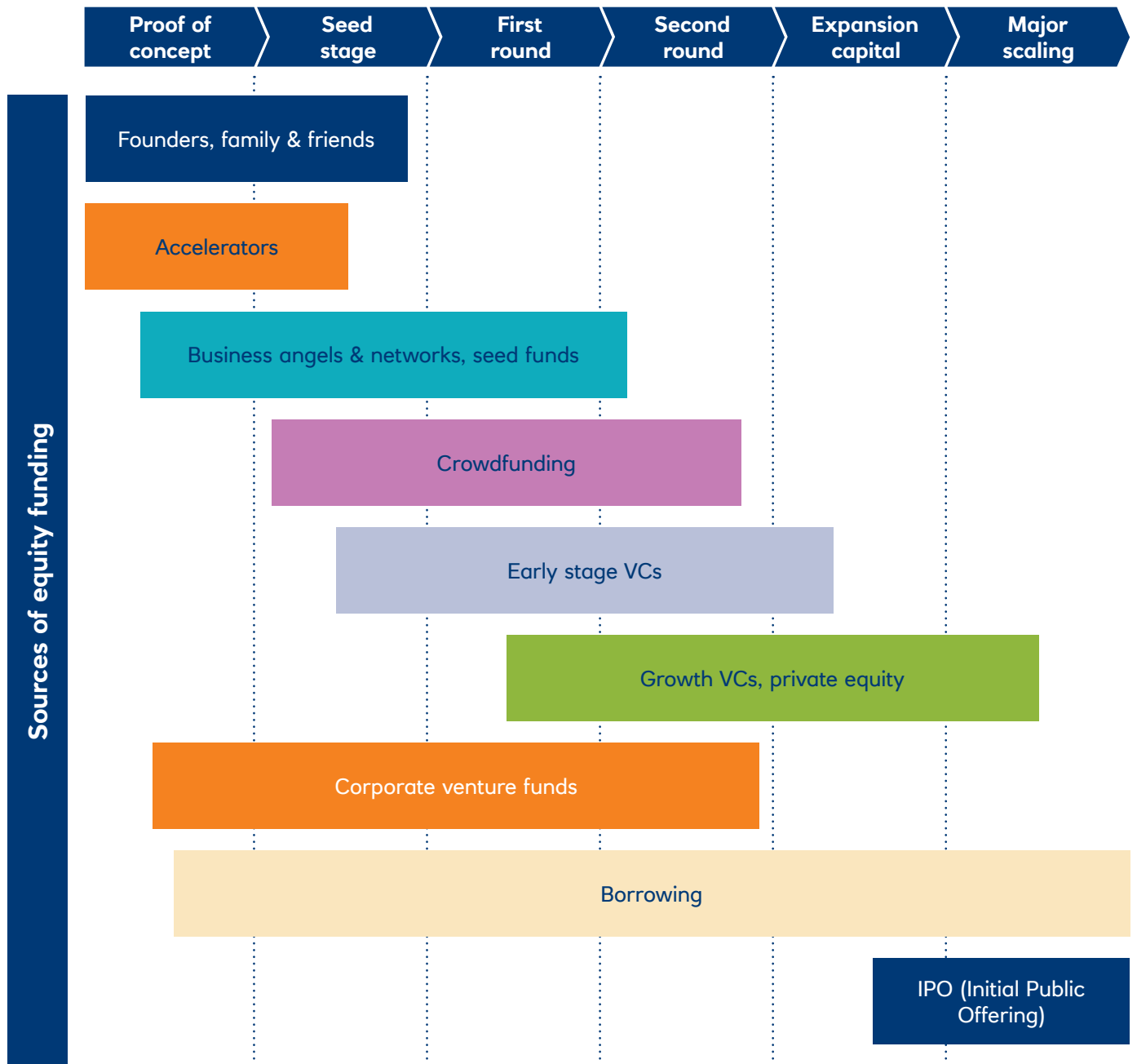
Asset finance & lease



Notes



Equity Funding by life stage





Funding requirements

Now take some time to reflect on what we have covered so far. Ask yourself the following questions to start to explore the funding stage, needs and requirements for your own business.

What stage is your business currently at?

Have you validated your business model and have clear traction?

Is your business generating revenue?

Do you have financial forecasts in place for your business? (1-3 years)

Have you identified a funding gap?



Funding requirements (cont'd)

When would you need the additional funds by?

Are you clear on how much funding is required?

What is the funding for?

Have you identified a funding source?

What are the next steps to securing that funding?



Notes



Funding checklist

Business Model Canvas

Pitch

One page summary

Pitch deck/business plan

Financial projections

Valuation

Funder details

Due diligence



Funding one pager

Business Summary & Vision

Customer Problem

Traction

Your Solution

Financial Summary Table

Competitive Advantage

Target Market

Your Ask (mentor/funding)

Business Model

Management Team

Contact Details



Top tips for getting funding ready

1

Securing funding can be tough so plan ahead

2

Explore all the options are available to you

3

Speak to peers, your bank manager and investors

4

Be realistic about how much you need and why

5

Pitch often & be resilient to knock backs

6

Create clear and concise documentation that stands out from the crowd

7

Have confidence in your numbers and the ROI opportunity

8

Develop your network and know who you are looking for



Actions

Reflect on the module and write down three key actions that you are going to do to assess the funding requirements for your business and what steps you need to take to get funding ready.

1. Action one

Completed by:

2. Action Two

Completed by:

3. Action Three

Completed by:

Well done, you have completed the Access to Funding Module!

Continue to explore different funding options for your business by:

- Building out a funding one pager for your business, identifying areas that need further exploration.
- Completing the Business Builder Finance Modules to help you develop solid financial statements and put forecasts together.
- Sign up to the one of our wrap around events to help you explore your funding needs further.

#PowerUp

THANK
YOU

