

Equity Crowdfunding offering

Howard Hackney
Glyn Dale-Jones



Agenda

- Who we are
- Crowdfunding
- Our offering
- Our return
- What we want from you



Who we are

- Howard Hackney
 - Chartered Accountant
 - Escaped as partner in Grant Thornton in 2008
 - Special projects to mid market private businesses
 - Corporate finance expertise for private companies
 - Flexible offering
 - www.howardhackney.co.uk

- Glyn Dale-Jones
 - Solicitor
 - Retired as a partner in Hill Dickinson in 2014
 - Now advising on own account but with full backup
 - Company commercial specialist
 - Flexible offering
 - <http://www.excellolaw.co.uk/who-we-are/meet-our-lawyers/glyn-dale-jones/>



Crowdfunding

- Types
 - Equity
 - Peer to peer debt e.g. Funding Circle – **NOT** this proposal
- Fund raise
 - Typical £200k to £400k
 - Lowest perhaps £50k – highest in excess of £1.5m
 - Helpful to have some initial investment
- Main players (who we have met) & who each have a different approach
 - Crowdcube
 - SeedRS
 - Syndicate room
- Investors
 - £100 to £10k+
 - Tax relief (EIS or SEIS) on investment
 - Limited protection
 - Few if any exits
 - Increased regulation



Our offering

- Knowledge of equity crowdfunding market and criteria
- Advice and assistance with business plan
- Ensuring credible forecasts
- Rapid reaction and no credit committees
- Governance regime and shareholders agreement
- Tax – company and investors
- Valuation advice
- Ongoing advice and supervision
- Crucially credibility to investors making fund raising easier



Our return

- Upfront nominal commitment fee
- Discounted fixed fee for set up and take to market £??k
- Paid out of proceeds – so “skin in the game”
- Ongoing directors fee of £??k x 2 for 4 Board meetings p.a.
- Equity stake
- Limited numbers – perhaps 2 or 3 a year at most
- We will be very careful of our reputation



What we want from you!

- The issue
 - Good businesses
 - Good ideas
 - Competent management
 - Banks and traditional lenders unable to assist
 - Too small for institutional equity investment
 - Like the idea and would like to offer an alternative
- Our target
 - You would support but for credit policies
 - Owner prepared to give up equity & looking for 3 to 5 year exit
 - Trust the people
 - Funding needs of £100k to £500k+
 - Any sector
 - The bank highly likely to match fund equity obtained
 - Substantial start ups but existing businesses the “holy grail”



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