National Federation of Enterprise Agencies

Annual Conference

Local enterprise agency loan funds: a review of performance

David Irwin

September 2006

Irwin Grayson Associates are consultants in enterprise and economic development. They undertake strategic reviews, programme design and assist with implementation on initiatives intended to provide support to new and growing businesses such as incubator workspace and finance. They undertake programme evaluations and provide policy advice to governments and private sector organisations including on regulatory reform and the enabling environment. Recent clients include DANIDA, DFID, Esmee Fairbairn Foundation, European Bank for Reconstruction & Development, Gatsby Charitable Foundation, National Council of Voluntary Organisations and OECD.

This research has been partly paid for by a grant from the Esmee Fairbairn Foundation.

Contents

Acknowledgements

I am grateful to all the enterprise agencies who responded to this survey and thank them for their patience when I went back with supplementary questions. Thank you also to the people who have read successive versions of the draft and for all their comments and questions – Sarah Forster, George Derbyshire, Nicola Pollock, Bob Brennan and Jon Scott. Hopefully, this paper is clearer as a result. Thank you to Esmee Fairbairn Foundation for their support which is greatly appreciated.

Irwin Grayson Associates, Unit 3, Hindley Hall, Stocksfield, Northumberland, NE43 7RY
Tel +44 (0)20 7193 9984 Mob +44 (0)7785 901020 e-mail david@irwin.org

Local enterprise agency loan funds

A review

1. Introduction

The Community Development Finance Association (CDFA) has just under 70 member or associate "community development finance institutions" (CDFIs) and believes that most CDFIs are in membership. I estimate[1] that there are rather more – indeed, only 9 of the 16 respondents to this survey are members – perhaps as many as 120 altogether. The CDFA defines CDFIs as organisations which "provide access to finance for businesses and individuals who are unable to access it from commercial banks".[2]

Many local enterprise agencies (LEAs) have established their own loan funds, generally as a mechanism to assist clients who have an apparently viable business proposition but, for whatever reason, are unable to borrow from commercial sources the money that they need. Some 40 LEAs are listed in the NFEA directory as having their own loan funds and many more assist clients to access loan funds managed by others as well as assisting clients to access commercial sources of money. Whilst not all would claim that they are solely offering micro-loans, many of them primarily or exclusively focus on that part of the market. Furthermore, they are all lending specifically to people wanting to start or grow a business, whether for-profit or social.

A note on definitions may be helpful. Micro-finance is essentially the provision of credit to low-income people who do not have access to mainstream bank finance. In the case of enterprise agencies loan funds, the target audience is people starting or growing a business who are unable to access all of the required credit from commercial sources.

Microcredit lending techniques have several features which differentiate them from commercial lending including a strong focus on the client's character, the business's forecast of cash flow and little or no collateral. These features are typical of enterprise agency lending though the enterprise agency would probably also want to maximise leverage, that is, lending enough to lever additional support from commercial sources, partly so that the client has a 'worried bank manager' watching over him, partly to make limited resources stretch as far as possible and partly to help the client build up a credit record with the bank so that it becomes easier to raise the next loan from commercial sources.

Many microlenders do not require a business to develop a formal business plan but would assess the business through an on-site assessment and cash flow analysis. Enterprise agencies are far more likely to rely on business plans and more traditional ways of evaluating a business, though are also able to provide the support necessary to develop a compelling proposition. Given that they are also more likely to be lending to new starts, that is, businesses without an existing cash flow to analyse, this is regarded as essential.

In this short paper I aim, firstly, to demonstrate that there is a need for non-bank finance and, secondly, to consider whether enterprise agency loan funds are addressing the need.

---

[1] Based on research by Cobweb Information Ltd, who maintain a directory of business support services for the UK

[2] CDFA, "Inside Out:: The state of community development finance", 2005

2. Background

The first enterprise agency managed loan funds appeared in the mid-1980s, largely as a response to the difficulty faced by many of their clients in raising finance from commercial sources. A number of agencies were able to raise funds from a variety of private and public sources and Shell helped with funds for six agencies and the creation of the Shell Enterprise Loan Funds. The Youth Enterprise Scheme, with finance from 3is, and the Prince's Youth Business Trust specifically focused on supporting young people to start in business. More recently, PRIME has been aiming to assist older people with start up finance.

These were all intended to be 'funds of last resort', though they were often willing to make the first offer to maximise leverage from commercial sources. Enterprise agency funds were boosted in 1998 following the Government's Policy Action Team (PAT 3: Enterprise & social exclusion) articulation of the difficulty faced by some businesses in accessing bank finance. They believed that many were potentially viable enterprises, but their age, experience, track record or business structure made them unattractive to the banks. The Social Investment Task Force's report in 2000 confirmed these conclusions and highlighted the value of developing enterprise within disadvantaged communities. The Chancellor provided additional funding, through the DTI's Phoenix Fund, to support CDFIs and also created community investment tax relief (CITR) to provide a tax incentive to investors (whether through equity or debt) in community development finance institutions.

Since then, there has been considerable growth in lending by CDFIs. CDFA reports, for example, that the loan and investment portfolio of CDFIs grew to over £181m by the end of 2005. Loans and investments made during 2005 totalled £77m. The average loan to a micro-enterprise is £7,250 and to a small business is £50,000.

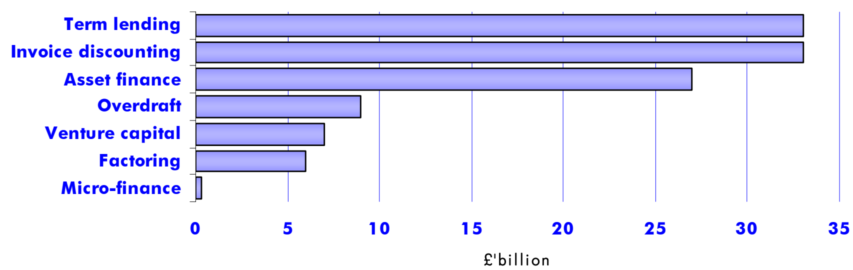
Average delinquency (that is, loans for which repayments are more than 90 days late) is reported to be 11 per cent for micro-enterprise lending; defaults are reported at 8 per cent.[3]

3. Where do businesses go for finance now?

As might be expected commercial sources of finance are far more significant to small businesses than micro-finance. The figure below shows estimates of amounts outstanding to small businesses at the end of 2005 from a number of sources, including familiar sources such as bank lending and overdrafts, invoice discounting and asset finance. Factoring finance is typically repaid with 62 days so the total benefit may not be immediately clear from the chart: invoice discounting and factoring between them provided total support last year of £148bn. Venture capital funds are poor at supporting new businesses and most investments continue to go towards supporting management buy-outs.

[3] CDFA, "Inside Out", 2005

Figure 1 External finance for small businesses



Sources: BBA, FDA, FLA, BVCA

The British Bankers' Association publishes data on bank lending to and deposit taking with small businesses. For the year to the end of Sept 2005:

- Term lending had risen by 15 per cent over the year, to almost £33bn;
- Overdraft lending had risen by 9 per cent over the year, to £9bn;
- Around 500,000 small businesses had established banking relationships over the year.

So bank lending is clearly important. However, a major study of bank customers (Fraser, 2005) sheds a bit more light on bank lending:

- Some 80 per cent of SMEs (2.9m) have used external finance within the last three years;
- Approximately 24 per cent (900,000 businesses) use term loans;
- Some 27 per cent of businesses use asset finance (leasing and HP);
- Some 1.6m SMEs (42% of established business and 69% of start ups) sought new finance;
- Main sources of finance for start ups are personal savings (65%), bank loan (10%) and friends/family loan (6%); (and fewer than 5% relied mainly on a mortgage on their home);
- The median financial requirement at start-up is £15,000; the median requirement for established businesses is £20,000;
- Obtaining finance is reported as a major problem at start up by some 10 per cent of businesses;
- 11 per cent of businesses needing new finance experienced outright rejection; 19 per cent received less than they wanted; 8 per cent felt discouraged from applying because they expected to be rejected;

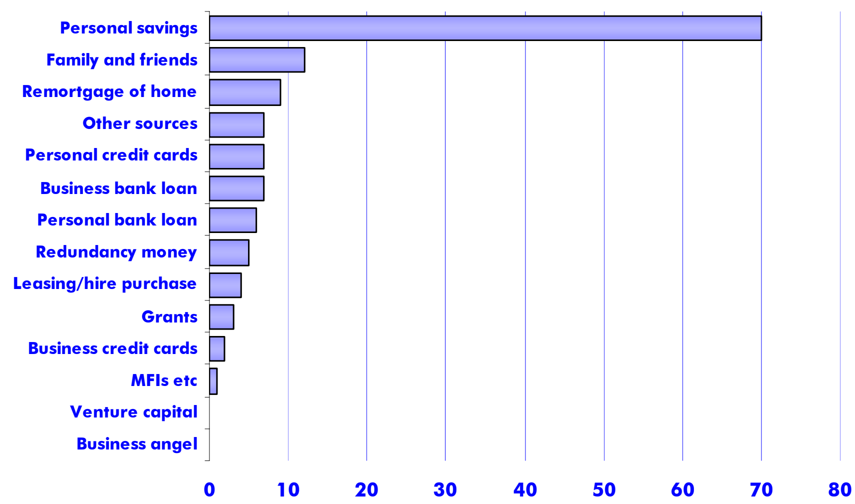
In total, therefore, some 38 per cent getting less finance than they need. In addition, 10 per cent report difficulties in raising start up finance, but the survey only captured data from existing businesses: it is not clear how many prospective entrepreneurs were unable to start because they could not raise the money. Indeed, this is an important topic that is probably worthy of further research.

It is worth noting that around 500,000 new businesses start each year. So, if 10 per cent experience problems, that represents some 50,000 businesses – who are, presumably, under-capitalised because they could not raise the money that they need, and arguably therefore more likely to suffer financial problems. Research by Sara Carter and Fiona Wilson (2006) points out that this is particularly true for women entrepreneurs.

Despite the high level of bank debt, it may not be the most important source of finance for start ups. Research to be published later this year (Irwin & Scott, forthcoming) based on a survey of 400 businesses interviewed by Barclays

Bank small business research team suggests that personal savings is by far the biggest source of finance for most new businesses.

Figure 2: Sources of funds for start up



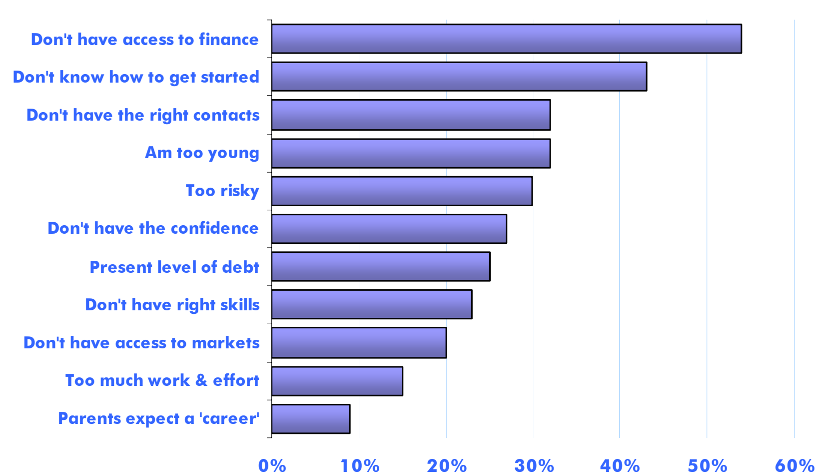
Source: Barclays Bank research for Irwin & Scott, 2005

The Global Entrepreneurship Monitor Finance Report (2004) confirms the view that close family members, friends and neighbours are the biggest sources of informal capital for start-ups. They observe that entrepreneurs typically have to provide two-thirds of the initial capital.

Some groups of potential entrepreneurs cite access to finance as a major problem. The rest of this section focuses on finance for young peole, simply because the author has easily to hand results from other research (Enterprise Insight, 2004; Irwin & Scott, 2005). However, research into the needs of other groups such women and ethnic minority entrepreneurs shows similar results.

Finance is seen by young people as the biggest barrier to starting in business, at least according to a survey undertaken in 2004 for Enterprise Insight.

Figure 3: Barriers to young people starting in business

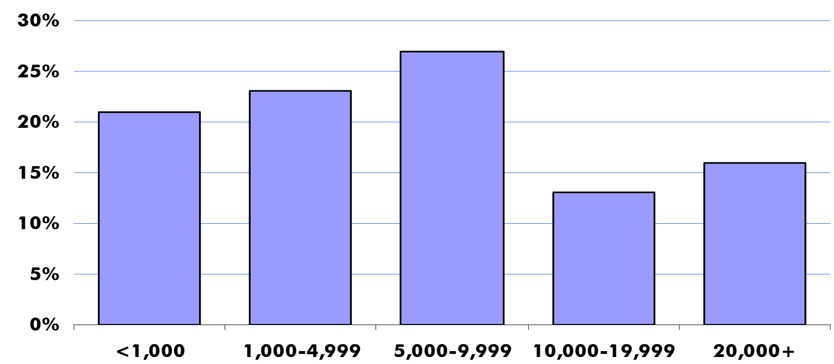


Source: NOP Survey for Enterprise Insight, 2004

Research amongst young entrepreneurs (Irwin, 2005) based on a survey undertaken by Shell Livewire[4] suggested that MFIs can be more important than the banks.

The spread of finance required was more or less normal with a peak requirement in the range of £5-10,000. Some 27 per cent were able to find all the finance themselves leaving 72 per cent to find finance from other sources.

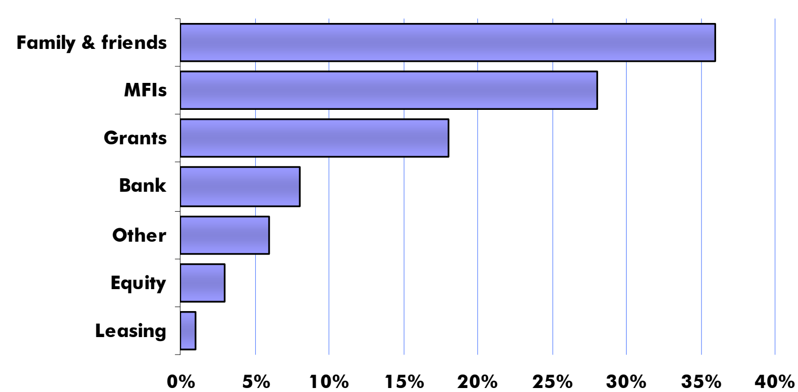
Figure 4: Finance requirement at start up



Source: Survey by Shell Livewire on behalf of David Irwin

As might have been predicted, the biggest source of funding was family and friends. But MFIs was the second biggest source. There may be some element of younger people being able to access specific funds such as the Prince's Trust, though they do claim that they will only help people who can demonstrate disadvantage and the research indicated that they would not have been able to secure the money from the banks (Irwin & Scott, 2005). Grants were next with just under 20 per cent of respondents, while bank finance was used by fewer than 10 per cent of respondents.

Figure 5: Sources of finance



Source: Survey by Shell Livewire on behalf of David Irwin

[4] Shell Livewire e-mailed all the entrants to the 2005 Livewire Awards who had provided an e-mail address, some 474; some 79 responded, giving a response rate of 16 per cent.

The need for micro-finance is confirmed by earlier research (Irwin et al, 2004); we aimed to assess demand for finance by surveying all the clients coming to enterprise agencies in the north east over the course of one week. The survey suggested that few new starts were securing the total finance required from the banks. There was an average need of £14,000 with a personal contribution of £5,000 and an expected bank contribution of £4,000, leaving a gap of £5,000. We calculated the annual demand for non-commercial finance to be in the range of £3-5m for new starts in the north east alone.

Advice and support from the enterprise agencies may mean that some people choose not to start and may help some raise their requirement from commercial sources. It is clear, however, that there is a significant need for micro-finance to provide at least some of entrepreneurs' borrowing requirements if they are to be able to start.

4. The research methodology

CDFA undertakes a survey each year of their members, but CDFIs are not lending exclusively to businesses and, in any event, not every enterprise agency loan fund is a member of CDFA. The objective of this research therefore was to build a picture of enterprise agency lending.

All of the enterprise agencies offering loan finance were contacted between May and August and asked to complete a short Excel based template providing data for their loan fund performance during 2005 and for their performance from inception till the end of 2005.

There are 40 enterprise agencies listed in the NFEA directory as offering loan finance. Two not listed have funds and responded to the survey; three replied to say that they no longer offer loans. One had started a fund, handed it over to another organisation and has recently started another fund, but had no figures for inclusion in the survey. A further 16 provided data that could be used, giving an effective response rate of 41 per cent.

NFEA assisted in encouraging LEAs to respond. Whilst the response rate is lower than was hoped, most of the agencies with larger funds responded.[5]

5. The results

The key results are presented in the tables below. In most cases, these comprise the lower and upper quartile and the median. In some cases, totals or weighted means are also provided.

In 2005, respondents received 805 loan applications and assisted 477 businesses with 488 loans totalling £4.6m and levering £5.8m from other sources. This might suggest that the LEAs supported 1,000-1,500 businesses of which around one half may have been new starts. This is a low proportion of the total of 40,000 that NFEA estimates are assisted by the enterprise agencies each year. However, discussions with two agencies (Project North East and Bolton Business Venture) suggest that many clients are able to raise the money that they need from commercial sources but that there are still large numbers of clients who could benefit from micro-finance who are still not finding their way to it. This might be an area that would be worthy of further research.

---

[5] Having seen the results of the first survey, NFEA recognises the value of this research, wants it to be repeated and will aim to ensure a much better response rate.

Enterprise agency lending may seem low compared to total lending reported by CDFA of £77m. However, it is worth noting that the CDFA figures are inflated by loans from Triodos and Charity Bank and equity investments from Bridges and ELSBC.[6]

Since inception, respondents have considered more than 5,700 applications and have made almost 3,200 loans totalling more than £21m to nearly 3,000 businesses. Of these, almost 1,000 have repaid in full and nearly 600 have been partially or fully written off leaving around 1,600 loans totalling more than £11m outstanding.

The smallest loan of any fund is just £500. The largest is £100,000, though this is unusual. The median smallest loan is £1,000; the median largest loan is £20,000. The mean loan across all respondents is £9,500.

Conversion rates at more than two thirds are high. For comparison, Aspire in Northern Ireland, supported just 12.5 per cent of those applying.

Default rates, defined as percentage of portfolio written off during the year, are good, given that most loans are to people regarded by commercial sources as high risk and given the lack of collateral. The weighted mean default is 5 per cent (compared to 8 per cent reported by CDFA). It seems that funds have different policies for when they write off losses, so delinquency rates (which CDFA defines as loans more than 90 days behind) would be a better measure of performance. That is an additional question that will be asked if this survey is repeated.

Table 1: LEA loan funds – lending performance (2005)

	Lower quartile	Median	Upper quartile	Total
Serious applications	28	42	78	805
Loans approved	60%	73%	83%	67% (mean)
Amount lent (during year)	£77,000	£152,000	£3439,000	£4.6m
Total outstanding	£77,000	£302,000	£576,000	£11.6m
Loan sizes	£3,900	£7,300	£12,000	£9,500 (mean)
Jobs per loan	1.24	1.6	2.54	1,100
Default rates	0%	2%	11%	5% (mean)

Some attempt has been made to look at the efficiency of managing the loan funds. There are differences in the way that funds record the cost of management, but it is believed that the figures are sufficiently accurate overall to make sensible comparisons.

There is a wide range in the cost of running the funds, with the most expensive costing £1.23 for each £1 lent. The inter-quartile range, which gives a better feel for the spread, is £0.12-0.46, with a median of £0.32 and a weighted mean of £0.39.

The Providential Finance cost of 16p per £1 lent provides a possible benchmark. However, they provide personal lending, have none of the costs of business appraisal and have many more borrowers (and so lower costs per loan). We should expect enterprise agency lending to cost rather more than this, so the median of 32p is probably about what should be expected.

One might have expected a correlation between low cost of lending and high default rates. However, that does not appear to be the case: the correlation coefficient is just 0.142. One of the lowest cost lenders (11p per £1 lent has one of the lowest default rates (1%) whereas one of the highest cost lenders

[6] ELSBC responded to this survey, but the survey excludes all equity investments.

(£1.16 per £1 lent) also has one of the highest default rates (15%). This is one area however where there is scope for considerable variation given that funds do not have similar policies for writing off bad loans and, in some cases, do not even apply the same policy themselves from one year to the next. Having a common policy would make no difference to the actual lending performance, but would make it easier to compare funds.

Table 2: LEA loan funds – efficiency indices (2005)

	Lower quartile	Median	Upper quartile	Weighted mean
Cost per pound lent	£0.12	£0.32	£0.46	£0.39
Capital sustainability index	0.57	1.45	2.24	
Total sustainability index	0.17	0.47	1.1	
Deployment ratio	37%	47%	57%	51%
Lending cover (years)	0.9	1.7	3.0	2.8
Leverage	0.6	1.1	2.4	1.6
Revolution	0.6	0.8	1.0	0.9

Sustainability of funds is regarded by some as important, though most enterprise agencies take the view that their loan fund is one service amongst a portfolio of services and aim to ensure that the agency overall is sustainable rather than focusing solely on the fund. However, no agency wants a fund that is a major drain on resources either. Two sustainability indices have been calculated. In both cases, a result of one means that the fund is sustainable; a figure of more than one means that it is making a surplus.

The capital sustainability index provides an indication of whether a fund can replenish its capital losses through the interest charged to borrowers and interest earned on unlent capital. The median is 1.45 and the weighted average 1.18, so it would appear that most funds are able to cover their losses from the interest earned on their funds. This is better than previous research by the author looking at MFIs' performance in 2004 (not just LEA loan funds) in the north east of England where the median was just 0.47.

The total sustainability index looks at how close a fund is to covering all of its costs, including fund management costs and capital losses, from its income. The median is 0.47 and the weighted mean is just 0.29. However, the upper quartile figure of 1.1 is encouraging and the best is much higher. The previous research cited above showed that funds in the north east achieve a median of 0.2 and a weighted mean of 0.18 so, again, the LEA performance is much better. (CDFA reports an average "operational self-sustainability ratio" of 36 per cent and a range from 0.22 per cent to 123 per cent).

Some independent micro-loan agencies have set out with the objective of becoming sustainable – Aspire for example estimated their target market at more than 13,000 customers – and were then surprised when they found that this was all but impossible. A report which looks at lessons from Aspire suggests that "30 per cent operational efficiency should be considered good performance for programmes with 100-200 clients and 60-80 per cent considered a maximum target for stand alone micro-enterprise lending".

Enterprise agencies have always recognised this, but many believe that the provision of micro-finance is a valuable component of a package of support to businesses and that, without loan finance, many clients would not be able to start in business.

Sustainability does not appear to be related to size of fund or to the number of loans – sustainability is more a function of the number of clients supported by each member of staff rather than absolute size and this study did not look at the numbers of staff working for each fund – but clearly does depend on running costs and these appear to vary considerably.

Lending cover is an indication of how long (in years) the funds could keep on lending if they continued to lend and be repaid at their present rate. It is related to deployment, but also takes into account the speed (and effectiveness) with which funds are able to recover their loans. The median is 1.7 years, so most funds do not have a problem of insufficient funds to meet the current level of demand.

Leverage is a measure of the effect that funds have in encouraging others to lend alongside them. The best one achieves a leverage of 4.4: in other words, for every pound that they lend, a further £4.40 is being lent alongside from other sources, so they perform a service that is far more important simply than their own lending.

A high level of leverage might imply that (some) borrowers were nearly bankable and thus that the funds are not reaching the seriously financially excluded. The experience of the LEAs, and of the author, is that non-commercial finance, allied with advice and support, can make a significant difference to the whether the banks will lend. Funding from MFIs is seen by the banks as quasi-equity, so turns non-bankable propositions into bankable propositions. The challenge for the LEAs is to lend the minimum amount required to bring a bank on board.

The deployment ratio is a measure of how much of each fund's capital is lent. The higher the deployment ratio, the lower the amount of money sitting idle. Clearly funds need to have sufficient cash available to be able to continue lending when they receive good propositions but a weighted average of 51 per cent deployment suggests that perhaps more could be lent. (CDFA reports that deployment rates for CDFIs have risen from 49 per cent in 2004 to 62 per cent). On the other hand, this level of deployment also suggests that the loan funds are able to meet the demand for this type of money and that propositions are being turned down not because of lack of funds but rather because of the viability of the proposition. It should be noted, also, that a sudden influx of money, say from the Phoenix Fund, will distort the figures.

Revolution is a measure of how many times a fund has revolved its capital. Given that most funds describe themselves as revolving, it is perhaps surprising that most funds have barely lent their capital once, let alone revolved it. Even the best has only revolved their capital 1.8 times.

Without further research, it is difficult to draw a clear conclusion on why the deployment and revolution figures are low. This may be due to low demand, which seems unlikely, or due to the people who need the money not finding the LEAs, implying that they need to promote the availability of loans (together with advice) more effectively. There may be some regional variation.

Table 3: Performance indices over time (medians)

	2003 (NE)	2004 (NE)	2005
Capital sustainability index	0.90	0.47	1.45
Total sustainability index	0.15	0.18	0.47
Deployment ratio	30%	48%	47%
Leverage	0.2	0.2	1.1

Table 3 provides some comparisons with key performance indicators in 2003 and 2004. The comparisons are slightly unfair in that the figures for 2003 and 2004 were both of all micro-loan funds specifically in the north east of England. However, in the absence of other historical data it is worth making the comparison: it seems that LEA loan funds have lent about the same proportion of the funds that they have available, but are in general far closer to achieving sustainability and, though perhaps still on the low side, have achieved a far higher level of leverage.

6. Conclusions

Micro-finance is more important than it first appears: it provides support to businesses than cannot raise all of what they need from commercial sources and because, when well managed, it can have a substantial leverage effect, encouraging commercial sources to lend to businesses to whom they otherwise would not.

- Finance from family and friends is particularly important for young people who want to start in business but micro-finance is also essential, not least in levering finance from commercial sources;
- There are a significant number of businesses, and a far higher proportion amongst young people, who would be unable to start in business without being able to secure a loan from an MFI so it would appear that MFIs are indeed filling a gap;
- Enterprise agency loan funds have a high conversion rate, presumably because many of those referred have come from LEA advisers and so the propositions unlikely to be supported have already been weeded out;
- There is considerable variation in transaction costs, which may genuinely be because some agencies are more efficient than others, or may be because some are not attributing costs accurately; it would appear form the evidence, however, that there is scope for some agencies to be become more efficient;
- There is considerable variation in the running costs of MFIs, but the analysis would suggest that there is scope for the 'more expensive' funds to reduce their transaction costs;
- NFEA should encourage LEA loan funds to report against common performance measures which would enable more effective benchmarking (this was one of the conclusions from the report on Aspire and is something on which CDFA is currently working – but it is important that LEA loan funds can report separately and not simply be grouped with a group of organisations with which they have little in common);
- More effort needs to be made to promote the availability of micro-finance; and
- It is likely that the real need for a prospective entrepreneur is effective advice and support which will assist in unlocking the necessary financial support so the most effective MFIs, measured by survival and growth of clients, are likely to be those that can provide effective advice and support alongside their loans.

Although not revealed in this research, an important issue is whether those people who would like to start in business are receiving support of sufficient quality to help them develop their ideas and present a sensible business plan describing a viable proposition to the funders – which would reduce the capital losses of the funds and improve their sustainability.

Postscript

NFEA was sufficiently encouraged by the results of this survey – and can see the value of having good data when working with policy makers and sponsors – that they would like this to become an annual survey. A higher response rate would enable regional benchmarking.

Appendix 1: References

British Bankers' Association, press release, 2 Feb 2006

Carter, S & F Wilson (2006), *Securing a Business Loan: How Important is Gender?*

Fraser, S (2005), *Finance for small and medium sized enterprises: a report on the 2004 UK survey of SME finances*, Warwick Business School

Irwin, D. Graves, A. and Scott, J.M. (2004) Assessment of the demand for finance in the north east ONE NorthEast

Irwin, D. and Scott, J.M. (2005) *The Important Role of Micro-finance in Supporting SMEs,* ISBE conference, Blackpool

Irwin, D. and Scott, J.M. (2006) *The Important Role of Micro-finance in Supporting SMEs*, Cyprus International Journal of Management

Irwin, D. and Scott, J.M. (2006, forthcoming) *Barriers faced by SMEs in raising finance from banks,* ISBE conference, Cardiff

McGeehan, S, (2006) *Inside Out: the state of community development finance 2005*, CDFA

Shorebank International UK Ltd & S Forster, *Aspire – Microloans for business: operational and funding lessons for microfinance in the UK*, CDFA & Esmee Fairbairn Foundation, 2006

Appendix 2: Data gathered

The table below shows the data that was gathered, both for 2005 and for the period from inception until the end of 2005. Those agencies who participated have been sent benchmarking data showing how they perform against the rest of the survey participants.

Applications Considered
Loans Offered
Loans Taken Up
Businesses Helped
Amount Offered
Amount Lent
Additional Funds Levered
Jobs Created/Maintained
Capital Repaid
Fees/ interest paid
Loans Cleared
Loans Written Off
Loan Amount Written Off
Loans approved
Jobs per loan
Annual running costs
Estimate of income on balances
Capital raised
Capital outstanding 1 Jan
Capital outstanding 31 Dec
Revenue charged to capital
Smallest loan
Largest loan
Average interest rate

Sources of capital (where not all grants)
Interest rate on borrowed monies

Appendix 3: Enterprise agencies

In this appendix, I list the enterprise agencies as listed in NFEA Yearbook 2005-6 together with those agencies listed as having a fund and those who responded to the survey.

Agency (and location)	Fund	Responded
Airedale Enterprise Services	✓	
Basildon & District Local Enterprise Agency		
Bedfordshire & Luton Enterprise Agency Limited		
Birmingham Enterprise Ltd		
Black Business in Birmingham (3b)	✓	
Blackburn & District Enterprise Trust		
Bolton Business Ventures Ltd	✓	
Brent Business Venture		
Bristol & Avon Enterprise Agency (Brave)		
Bristol East Side Traders		
Bucks Enterprise Limited		
Burnley Enterprise Trust Limited		
Business Advice Centre (Plymouth)		
Business Advice Direct (Louth)		
Business Enterprise Centre (Hammersmith & Fulham)	✓	
Business Enterprise Support Limited (Burton on Trent)	✓	✓
Business Extra Limited (Southwark)		
Business Focus (Bromley)		
Business Initiative (Stoke on Trent)		
Business Link Coventry & Warwickshire		
Business Link Gloucestershire		
Business Support & Development Limited (Bedale)		
Cambridgeshire Enterprise Services Limited		
Cariocca Enterprise Manchester Limited		
Centa Business Services (Central London)		
Centre for Enterprise (Leicester)		
Chester & Ellesmere Port Enterprise Limited		
Chester Le Street & City of Durham EA Limited		
Colchester Business Enterprise Agency Ltd (COLBEA)		
Croydon Business Venture Limited		
Cumbria Rural E A Limited		
Darlington Business Venture	✓	
Derbyshire Enterprise Agency		
Derwentside Industrial Development Agency		
DONBAC Limited	✓	✓
East Durham Business Service		
East London Small Business Centre	✓	✓
East Riding of Yorkshire Council		
Eastbourne & District Enterprise Agency Limited	✓	
Enterprise Agency of North Kent	✓	✓
Enterprise Agency of West Kent		
Enterprise Enfield	✓	✓
Enterprise Fenland		
Enterprise First (Aldershot)		

Agency (and location)	Fund	Responded
Enterprise Plymouth Limited	✓	✓
Enterprise South Devon	✓	
Enterprise Tamar Limited		
Enterprise West Cornwall		
Erewash Partnership	✓	
First Enterprise Business Agency Limited (Nottingham)	✓	
Furness Enterprise Limited	✓	✓
oneLondon Limited	✓	✓
Great Western Enterprise	✓ (but since closed)	
Grimsby & Cleethorpes Area Enterprise Agency Ltd	✓	
Haringey Business Develoment Agency Limited		
Haringey Business Development Agency		
Harrogate & Craven Business Development Centre Ltd		
Harrow In Business		
Harrowgate & Craven Business Development Centre		
HBV Enterprise	✓	
Heart of Devon Enterprise Agency		
Hull Area Business Advice Centre Limited		
Hyndburn Enterprise Trust		
InBiz Limited		
Ipswich & Sudbury Enterprise Agency Limited		
Isle of Wight Enterprise Agency	✓	✓
Islington Enterprise Agency		
Kent Invicta Chamber of Commerce		
Kettering Business Venture Trust		
Manchester Business Consortium Ltd		
Mansfield Sutton & Kirby Enterprise	✓	
Mid Anglian Enterprise Agency Limited		
Mid Cornwall Enterprise Trust Limited	✓	
Mid Essex Enterprise Agency		
Newark Business Venture	✓	
Norfolk & Waveney Enterprise Services	✓	✓
North Devon Enterprise Agency Limited		
North East of England Business & Innovation Centre	✓	✓
North Somerset Enterprise Agency	✓	
North Yorkshire Moors & Coast Business Advice Agency		
Northamptonshire CDA Limited		
Northern Pinetree Trust		✓
Norwich Enterprise Agency Trust		
Northern Pinetree Trust		✓
Nottinghamshire Business Venture	✓	
Nottinghamshire Enterprises		
Oxfordshire Business Enterprise Limited		
Pendle Enterprise Trust Limited		
Portobello Business Centre	✓	
Preston Business Venture Limited		
Project North East	✓	✓

Agency (and location)	Fund	Responded
Ribble Valley Enterprise Agency		
Rotherham Enterprise Agency Limited		
Salford Hundred Venture		
Scarborough Enterprise Agency		
Sedgefield Borough Business Services		
Sheffield Enterprise Agency	✓	
Shepway Enterprise Agency		
Sirius (Saltend Community Development Co Ltd)	✓	✓
Small Business Counselling Service (Milton Keynes)		
South East Northumberland Enterprise Trust	✓	✓
South Hampshire Enterprise Agency		
South Humber Business Advice Centre Limited		
South Ribble Business Venture		
Southend Enterprise Agency Limited		
St Albans Enterprise Agency (STANTA)		
St Helens Chamber		
Stafford Enterprise Limited		
Stevenage Business Initiative		
Surrey Business Advice		
TBV Business Services (Timperley)		
Technology Enterprise Kent		
Teesdale Enterprise Agecny		
Ten Sixty Six Enterprise Limited	✓	
The Enterprise Agency Brighton, Hove and Lewes		
The Greenwich Enterprise Board		
The Innovatory (London)		
TNG Business Support (Enfield)	✓	
Tyne & Wear Enterprise Trust Limited		
Tyneside Economic Development Co Limited	✓	
Warrington Business Venture	✓	
Wear Valley Development Agency		
Welland Enterprise Agency	✓	
WENTA Business Services	✓	
West Cumbria Development Agency Limited		
West Devon Business Information Point Limited		
West Sussex Area Enterprise Centre		
West Yorkshire Enterprise Agency	✓	✓
Whitby & District Business Development Agency Ltd		
York Selby & Malton BAC Ltd	✓	