



We believe in you

IMPACT

REPORT

2022-2023



OPENING THOUGHTS

JAMES RUSSELL - HEAD OF MARKETING & IMPACT

When I accepted the role at BCRS in October 2022, the first thing I did was download a copy of the Impact Report.

I knew this was going to be my world at BCRS and I wanted to see what we were already doing. What I found was both exciting and intimidating at the same time. BCRS were doing some fantastic work, making a great Impact in the communities they served and working to make the organisation better and fairer all the while. For my part, I knew I would have to work hard to improve things and make a difference.

I was excited to get started. In my early weeks, I sat with our Impact working group. We were full of ideas, projects, and programmes that we could implement. In the working group, I found a group that was as committed as I was and who were excited to find new ways we could grow our Impact.

Then, we hit a speed bump. Our ideas were there, but the execution was difficult. In some ways, we had too many. When you can do everything, how do you decide what is most important? How do you explore viable ideas and shelve the ambitious ones that might not work? We had zoomed right in on the individual solutions we could implement, but not yet figured out the problems we wanted to help solve.

So we spent a few months figuring out a mission for what we wanted to achieve and where we wanted to achieve it. We created a road map (which you will be able to find by reading on) which set a direction of travel and some of the topics we wanted to tackle. There is more work to be done, but this helped us get started.

From here we were able to focus on one area that we were particularly passionate about. The road to Net-Zero. I am pleased to report that we have made some fantastic progress in the area which I am excited to share with you in the coming pages.

I remain grateful to the team at BCRS and also to those outside our organisation who have helped us this year. A special mention to Iain Wheeler of EnTRESS who worked tirelessly to help us understand our carbon emissions and set-us on the path to net-zero.

I have learned that Impact is a truly collaborative effort. Ideas may come from individuals but it is the team and community that makes them possible.

I hope you enjoy reading this report as much as I enjoyed writing it.

2022/2023

OUR IMPACT

While 2022/2023 saw the country move out of major disruptions from Covid-19, the economic situation continued to be volatile and our support remained as crucial as ever.

With cost of living pressures and inflation, it's a hard time to be an SME.

We are committed to lending responsibly and as a result, our lending is lower than in previous years. We assess each loan application carefully to ensure we always do the right thing for the customer.

This year we were accredited for the new version of the Recovery Loan Scheme guarantee which has enabled us to offer SMEs vital support during these challenging times.

BCRS recently celebrated our 21st year in business. During that time we've supported over 1,400 businesses, lending £85m. Safeguarding over 6,300 jobs and creating over 3,000 more.

Behind each of these numbers is a person and often their family.

An employee without the stress of looking for a new job during a difficult time. A young person getting their start in a career or an entrepreneur making their dreams come true. We are proud to have supported them all.

However, we're even more proud that half of this lending has been achieved in the last five years.

That growth isn't by accident, the world has changed a lot since 2018. Circumstances have been unprecedented, and outside pressures have been high, but we've continued to support businesses.

Our message is simple:

When times are tough. BCRS steps up.

£85M
LENT
IN OUR 21 YEAR
HISTORY

STATISTICS SNAPSHOT

2022/23

£6.5M



Lent

72



Businesses
Supported

£5.20



of additional value generated
in the West Midlands and
environs economy for every
£1 lent

473



Jobs
Created

£33.7M



Value added to the West
Midlands Economy*

999



Jobs
safeguarded

*Our economic impact statistics are calculated using the Responsible Finance Economic Impact Calculator. The calculator was originally prepared by the Centre for Business in Society (CBIS), Coventry University with assistance from James Medhurst, ICF International, with the support of Citi. It was updated in 2019 following a review by Marc Cowling, Brighton Business School, Richard Roberts, Aston University and Steve Walker, Aston Reinvestment Trust (ART).

AS A PERCENTAGE...

WHO THE MONEY WENT TO

2022/23



50%

of BCRS's total lending was disbursed into the UK's top 35% most disadvantaged areas according to the Index of Multiple Deprivation.



16%

of BCRS's total lending was disbursed to female led businesses. In 2022, 15% of SME employers were female led.



14%

of BCRS' total lending was disbursed to ethnic minority led businesses. In 2022, 12% of SME employers were ethnic minority group led.

LENDING BY... REGION

2022/23

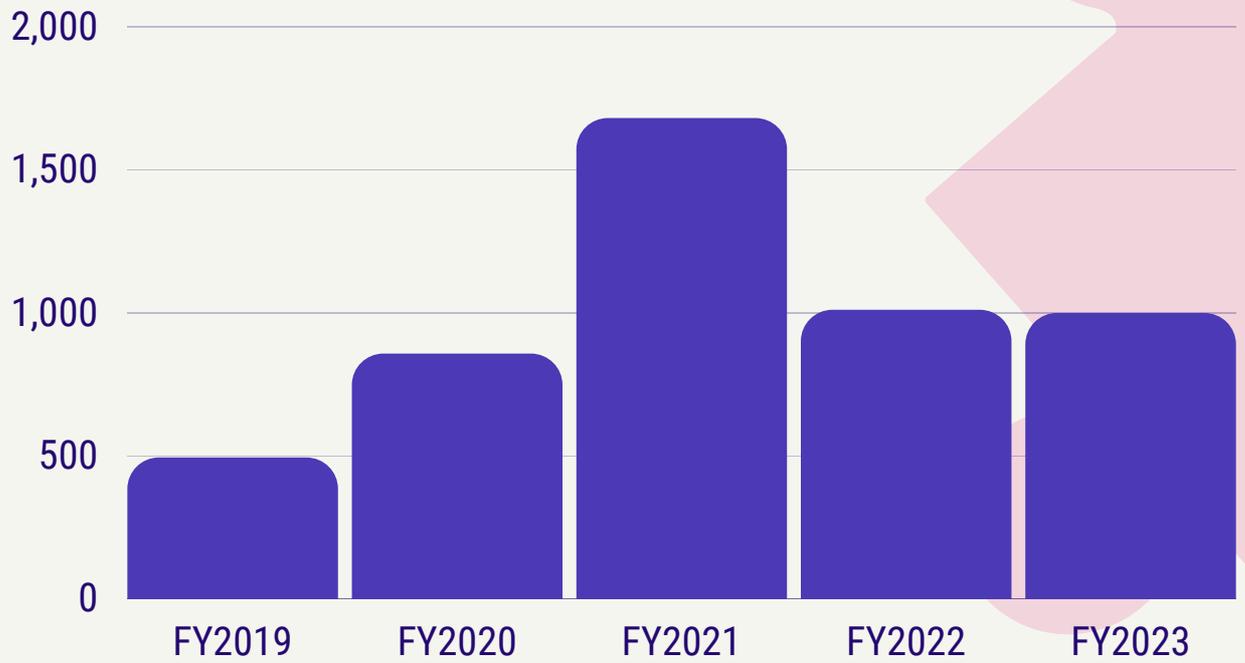
Region	Number	Percentage
Black Country	22	26%
Coventry & Warwickshire	8	9%
Gloucestershire	3	4%
Greater Birmingham & Solihull	15	18%
Leicester & Leicestershire	1	1%
Stoke & Staffordshire	21	25%
The Marches	4	5%
Worcestershire	6	6%
Other	5	6%
Total	85	100

LENDING BY... SECTOR

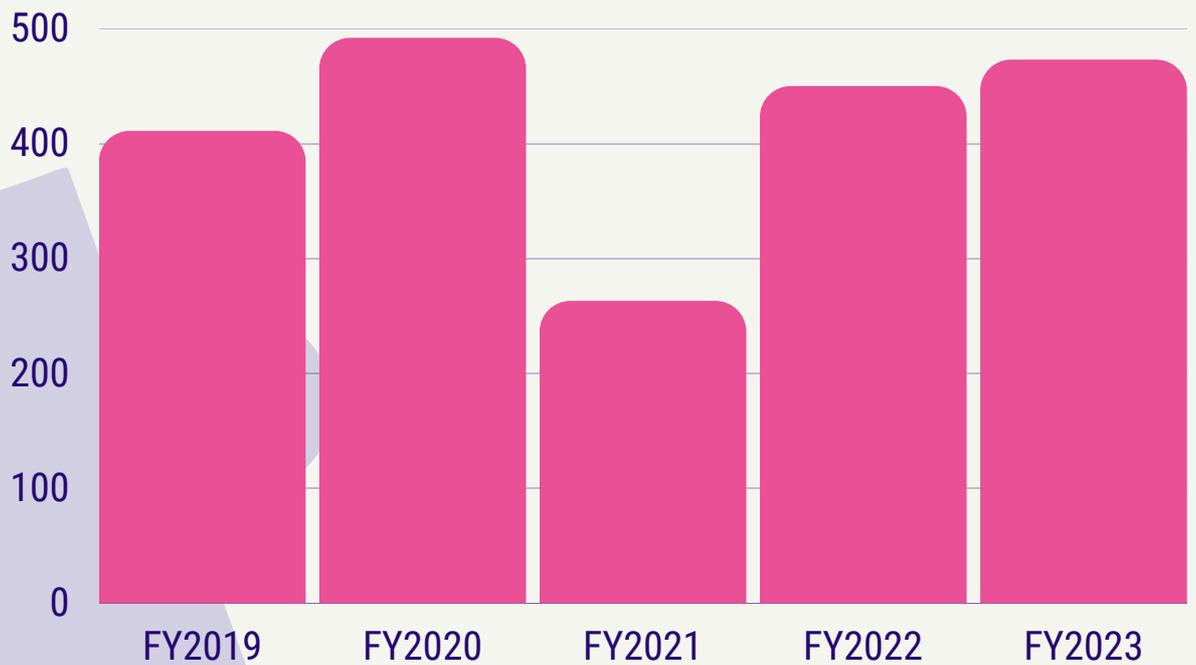
2022/23

Sector	Total Loaned
Agriculture	£35,000
Care Industry	£620,000
Construction	£1,308,000
Consultants	£100,000
Engineering	£300,000
Financial services	£325,000
Food Industry	£25,001
Health and Beauty	£100,000
Installations	£220,000
IT	£205,001
Leisure	£140,000
Manufacturing	£595,001
Marketing / Advertising	£200,000
Media	£20,000
Motor Trade	£350,000
Professional Services	£455,000
Recruitment	£100,000
Retail	£250,000
Service Industry	£50,000
Training / Education	£115,003
Transportation	£165,000
Waste Management	£100,000
Wholesale and Distribution	£691,003
Total	£6,469,009

OUR IMPACT IN JOBS

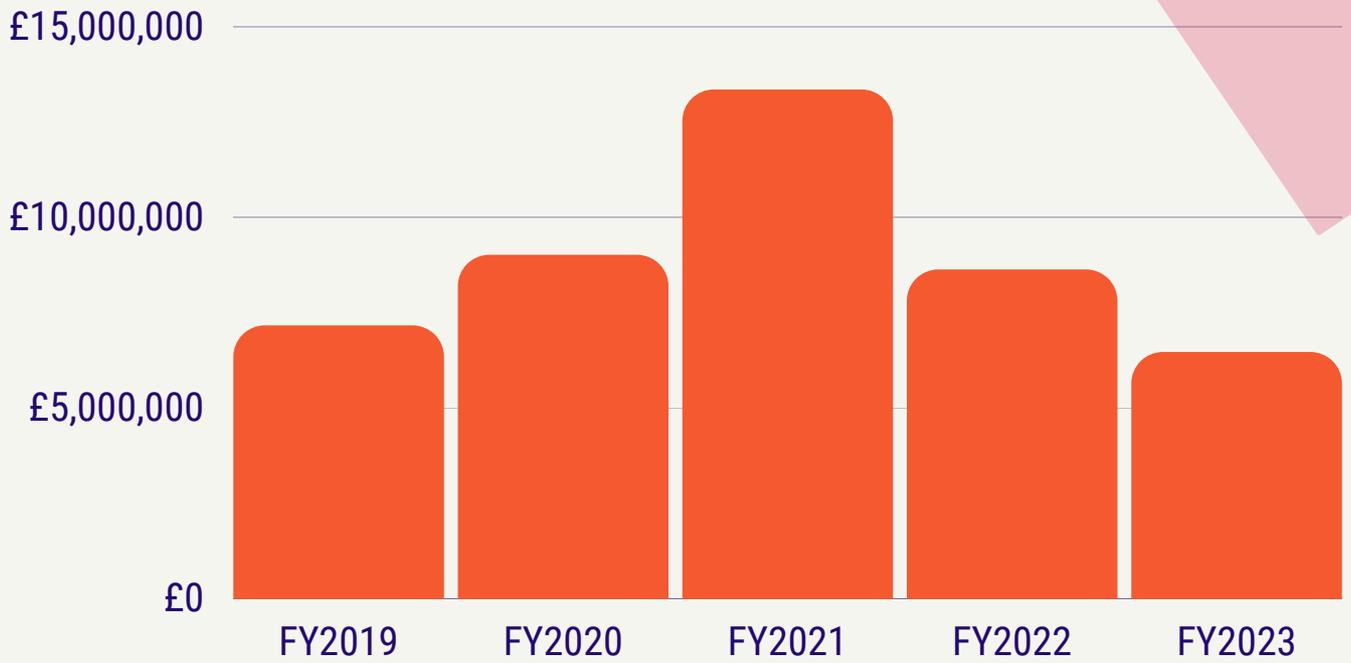


JOBS SAFEGUARDED

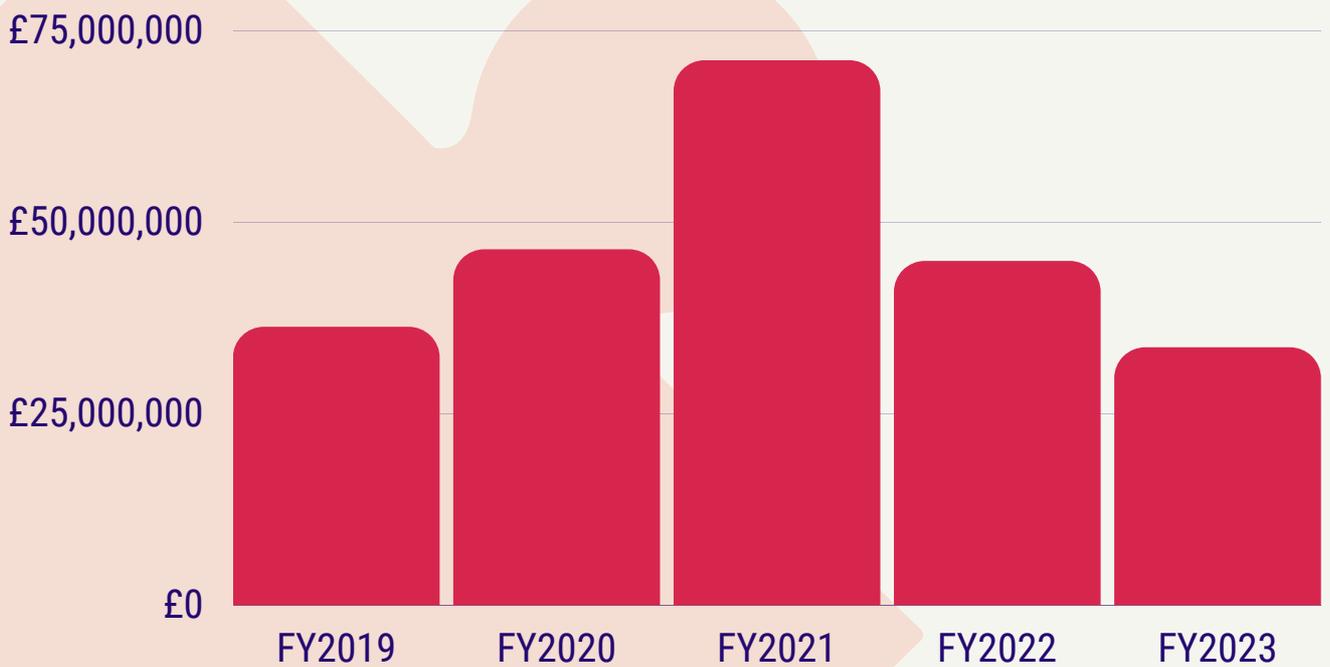


JOBS CREATED

OUR IMPACT OVER THE YEARS...



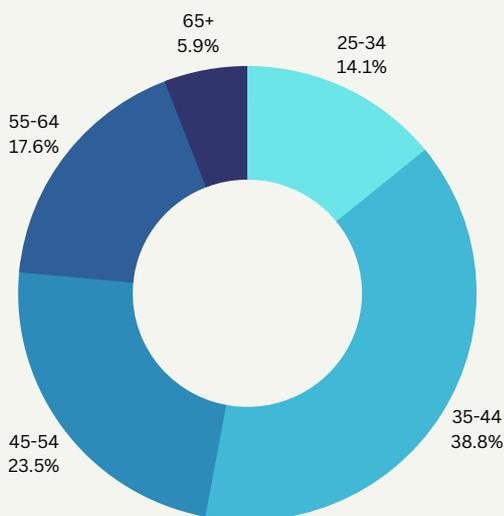
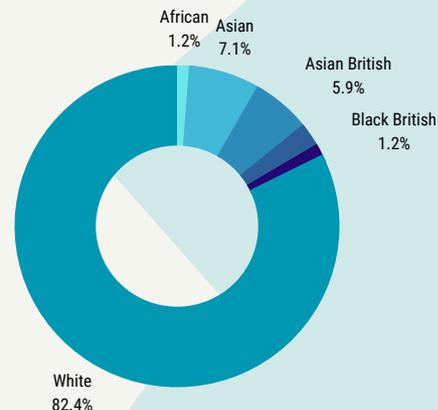
AMOUNT LENT



ECONOMIC IMPACT

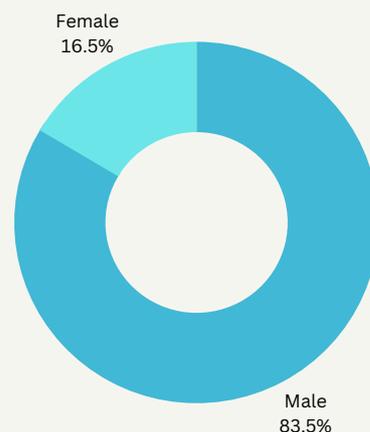
DETAILED DEMOGRAPHICS

Ethnicity	Number	Percentage
African	1	1%
Asian	6	7%
Asian British	5	6%
Black	2	2%
Black British	1	1%
White	70	82%



Age	Number	Percentage
25-34	12	14%
35-44	33	39%
45-54	20	24%
55-64	15	18%
65+	5	6%

Gender	Number	Percentage
Male	71	84%
Female	14	16%



WE ARE A 5 STAR LENDER

 **Trustpilot**



4.9

Trustscore

From

371 reviews

THANKS BCRS



We were offered a loan from BCRS when our bank refused to help. The £150k funds helped us increase sales and profits by 35% in a single year. We now turnover £13mil and we even paid the loan back 12 months later from additional profits. This is the whole point of having good access to credit. Thanks BCRS.

EXCELLENT SERVICE



BCRS have been brilliant. Louise Armstrong couldn't do enough for us. She explained the whole process and listened carefully to what we were looking to achieve.

GREAT EXPERIENCE



Great experience, Lynn Wkye was helpful, down to earth and nothing was too much trouble (even with the never ending questions I asked!) fast efficient business set up I would definitely recommend and would consider using again in the future. Thanks to all the team for good old fashioned service!! 5 STAR

IMPACT STRATEGY

OUR ROADMAP

When we started thinking about Impact this year, we realised that first we needed to set-out what we wanted to achieve.

Our goal is to become market leaders in impactful action, values & sustainability.

We created the below roadmap to chart our progress to this goal.

ROADMAP:

BCRS BUSINESS LOANS We believe in you	Environmental		Social				Governance
	Climate	Energy & Resource Efficiency	Diversity, Equality & Inclusion	Customer Relationships	Company Culture	Leadership & Strategy	Governance
Market leading	Net zero or net positive GHG impact.	Full suite of energy saving measures & some clean energy production Procurement considers environmental impact over cost	Industry DEI leader, championing employee safety, inclusion and acceptance	A sustainability leader, supporting customers own sustainability transitions	Values, purpose & sustainable action are embedded in the culture	Purpose-driven business model designed around sustainable parameters	Governance structure underpins sustainable business model
Embedded	Net zero target and resourced plan in place	Some energy-saving measures. Procurement considers the environmental impact	DEI integration with core values	Customer engagement plan and activity in operation	Quality focused culture incorporating sustainability values	Sustainability and/or ESG measures built into the company strategy	Focus on aligning governance policies with sustainability
Transition	GHG emission footprint and reduction measures in place	Recycling is facilitated. Procurement is not based on price alone Energy usage is measured	Commitment to DEI with planning in place and leadership understanding	Customer engagement plan development	Aspirational culture operating within the spirit of the law	Sustainability and ESG viewed as an aspiration	Suite of in house governance policies
Baseline	No GHG target or plan but some energy management	Basic recycling. Price & quality driven procurement	Awareness of DEI but little planning or activity	Proactive where required	Operating within the letter of the law	Sustainability and ESG considered but viewed as an additional cost	Sufficient governance in place to ensure legal requirements
Pre-baseline	No consideration made to GHG management	No thought given to waste management. Price driven procurement	Compliant at best but possibly potentially exploitive business practices	Reactive	Potentially operating illegally	No management consideration given to sustainability or ESG	Minimal governance and oversight; little or no HSE or data security



: OUR CURRENT POSITION

OUR ROAD... TO NET-ZERO

We know that for many of our customers, the road to net zero is important, both in the sense that there are potential regulatory pressures coming, but also in the feeling that it is the right thing to do to look after our planet.

We agree and it's our goal to help our customers on this journey as much as possible. However, we also recognised that we can't begin our project of helping customers until we get a handle on our own emissions.

That's why this year we enlisted the help of Environmental Technologies & Resource Efficiency Support Service (EnTRESS) based out of the University of Wolverhampton as an independent climate specialist to find out what BCRS was emitting in the course of running the business. Including travelling, commuting, energy usage when our team is in the office and working from home and other factors.

EnTRESS found we were emitting 29.6 tonnes/yr of CO₂.

With this data we have begun a project of carbon reduction, but have also immediately engaged with *Ecologi* to offset 36 tonnes/yr of CO₂ per year through carbon avoidance. This amounts to our full yearly emissions, plus extra to account for margins of error in the initial calculations.

You can follow our carbon reduction on *Ecologi*, by clicking below.

<https://ecologi.com/bcrsbusinessloans>



WE ARE OFFSETTING
36
TONNES/YR
OF CO₂



THE FUTURE WHAT'S NEXT?

As we reflect on this year, we are excited by the progress we have made, but recognise there is always more we could be doing.

While our plans are still evolving, we are exploring several ideas for the next twelve months. These areas of focus, though not finalised, exemplify our commitment to continuous growth and improvement.

PORTFOLIO EMISSIONS

We are proud of the work we've done so far in reducing our own emissions, but this is only part of the story.

In the next twelve months, we are looking to explore the ways in which we can support our customers with their own journey to net zero. We have recently added questions about net zero into our application form, this will allow us to measure what our customers are currently doing and also may guide us in focusing our support in the future. We will report on the findings of this in next year's Impact report.

We are also looking into ways we can provide guidance for customers, and how we can adapt our loan products to encourage net-zero transition and offset carbon based on the number of loans we write.

EQUITY & EQUALITY

We are pleased to see that our figures around supporting female-led and ethnic minority-led businesses are growing year on year and we would like to explore ways of continuing this growth.

We are looking into how we may train our staff to avoid unconscious bias, how we can improve access to finance in marginalised communities and we are looking to become a signatory in the Investing in Women code.

HELP & SUPPORT

We are committed to lending responsibly, but we understand that repaying a loan can have an impact on mental health.

We are looking at ways we can provide support in these circumstances, whether through training our recoveries team in mental health first-aid, or sign-posting to places where they can receive further support

UNITED NATIONS

SUSTAINABLE DEVELOPMENT GOALS

As a Community Benefit Society, BCRS Business Loans understands that small businesses play a crucial role in supporting inclusive and sustainable growth and are a force for social good in the communities they serve.

The United Nations Sustainable Development Goals act as a blueprint to achieve a bright future for us all. Whilst BCRS is unable to fulfil all goals due to retaining a deliberate focus purely on finance, here are some of the ways we are proud to support the sustainable development goals:



End poverty in all its forms everywhere

BCRS is committed to lending into the most deprived areas of the UK, which accounted for 50% of our lending last financial year. Providing funding to support the growth of SMEs enables BCRS to facilitate job creation and improve job security, which is essential in reducing poverty.



Achieve gender equality and empower all women and children.

BCRS believes in championing female-led business and empowering women to be successful business leaders. BCRS do this by providing the finance they need to succeed, raising awareness amongst our social media community and practicing what we preach in our own team. 16% of our funding went to female-led businesses in FY 22/23.



Access to affordable, reliable, sustainable, and modern energy for all.

BCRS is passionate about supporting co-operative sustainable energy projects. Offering a scheme whereby BCRS invests £1,000 of withdrawable share capital in such organisations.

UNITED NATIONS

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Financial exclusion continues to create significant barriers to growth and long-term prosperity in communities across the UK. Funding from BCRS is a key enabler of sustainable economic development, recognising how important SMEs are in supporting economic prosperity and meaningful employment.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure, promote inclusive and sustainable industrialisation, consumption and production, and foster innovation.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



By delivering affordable business loans, BCRS is proud to enable small businesses to invest in long term strategies that foster innovation and embed more efficient consumption and production techniques. Funding from BCRS gives the people with the ideas the means to innovate and grow.

10 REDUCED INEQUALITIES



Reduce inequality within and among countries.

BCRS is a fund manager for regional funds such as the Midlands Engine Investment Fund (MEIF) and Community Investment Enterprise Facility (CIEF), which have been established to address the regional access to finance imbalances in the UK and support the government's Levelling Up agenda.

18

Jobs Safeguarded

6

Jobs Created

£100,000

Lent



FITNESS WORX

Six new jobs were created through the opening of a gym after the owners secured £100,000 in funding.

Family-owned Fitness Worx has launched new premises in Stratford-upon-Avon, the company's seventh training centre to open, after receiving support from BCRS via the Community Investment Enterprise Facility (CIEF) and the Midlands Engine Investment Fund (MEIF).

Having launched successful gyms focused on personal training and group classes across Warwickshire and the wider West Midlands since 2014, Fitness Worx applied for the funds for its new location and to purchase equipment.

"Applying for funding can be daunting but working with BCRS has made the whole process straightforward."

Jack Gibson, Managing Director at Fitness Worx

7

4

£100,000

Jobs Safeguarded

Jobs Created

Lent



BEACON BARKERS

Carrena and Darron Burness bought Meadowcroft Kennels, in Stoney Bridge, Belbroughton.

After buying the business, which provides accommodation for 65 dogs, the couple embarked on the next phase of their growth plans, safeguarding seven jobs and creating four new roles in the process.

New services and offerings are being shaped as dog lovers Carrena and Darron set about realising their long-held ambition of running their own kennel business, living on-site with their two sons.

"We were novices at acquiring a business but the BCRS team offer us support and reassurance at every step of the way as they had the background and the experience to take on our project."

Darron Burness, Co-Owner at Beacon Barkers

1

Jobs Safeguarded

3

Jobs Created

£75,000

Lent



SHROPSHIRE ELECTRICAL SOLUTIONS

Shropshire Electrical Solutions was founded in 2015 by directors Marc Hammond and John Maddison, who both have a vast array of experience in commercial, industrial, and domestic electrical installations.

The business, which currently employs six people, specialises in electrical and fire alarm systems in the commercial sector. The loan will be used to provide working capital to help fund projects and enable the business to acquire five new vans.

"We are committed to growing sustainably in the future, maintaining our personal touch with projects, looking after our people and supporting our local community. Working with BCRS to secure the loan was really easy. They took the time to understand our business thoroughly and provided all the support we needed"

Marc Hammond, Communications and Operations Director at Shropshire Electrical Solutions

FINAL THOUGHTS

STEPHEN DEAKIN - CHIEF EXECUTIVE



We recently celebrated our 21st birthday as an organisation. An immensely proud moment for me and the team here, but also after the challenges of the last few years, a chance to reflect on what we've achieved as a whole.

Since 2002 we've lent over £85 million to over 1,900 businesses, safeguarding over 6,000 jobs and creating over 3,000 more. These figures are important, but I am always reminded that they don't tell the whole story, behind each of them sits a person and often their family.

Take Darron and Carrena who you've read about in this report. Their dream was to own a kennel and the hard work of the team here helped make this possible. Or Jack from Fitness Worx is set up a brand new site in Stratford, creating a number of jobs thanks to the money we've lent. There are hundreds of stories like this and this is where I believe BCRS does its best work.

I am pleased to see that our lending to female-led businesses and ethnic minority-led businesses has increased since the last financial year. As we strive to maximise the impact of our lending, it is crucial that we support entrepreneurs who are often left unsupported.

Apart from lending, I am also proud of the work we have done to reach net zero. We want to be market leaders in this area and support customers as much as possible with their own net zero transition, but we knew we needed to start by getting control over our own emissions. Thanks to the hard work of our Impact team and EnTRESS, we have become a net zero business and are making continual strides to reduce and further offset our emissions.

But we couldn't do it alone, so I would like to take this opportunity to extend some thanks.

Firstly, I would like to thank the dedicated and dynamic team at BCRS, whose unwavering commitment has enabled us to provide support to numerous businesses. This year has brought many challenges to SMEs, but it brings me immense satisfaction to witness how each member of our team prioritises our customers in their thoughts and actions. I would like to express my appreciation to our supportive and constructive board, whose valuable input and encouragement continue to drive us forward, and to our members, whose backing is crucial to BCRS's success.

Secondly, I would like to thank the British Business Bank, Big Society Capital, Triodos Bank UK, Social Investment Scotland, Unity Trust Bank and The Co-operative Bank for their unwavering support. Thanks to the successful relationships BCRS has with these partners, we are able to support businesses across the West Midlands and environs with the Midlands Engine Investment Fund (MEIF) and the Community Investment Enterprise Facility (CIEF). As a proud member of Responsible Finance, I would like to extend my appreciation for their ongoing support for our sector, which has been incredibly welcome this year. Thanks also to the introducers who have helped our team support a wide and diverse range of businesses this year, we really appreciate your continued support.

Finally, we to give huge thanks to our customers. Without you, none of this would be possible. You all contribute to the success of BCRS, and we greatly appreciate your continued support.

Here is hoping our next 21 years are as successful and impactful as the first.



We believe in you

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WE THANK YOU

FOR YOUR CONTINUED SUPPORT

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The Midlands Engine Investment Fund project is supported financially by the European Union using funding from the European Regional Development Fund (ERDF) as part of the European Structural and Investment Funds Growth Programme 2014-2020 and the European Investment Bank. The Recovery Loan Scheme is managed by the British Business Bank on behalf of, and with the financial backing of, the Secretary of State for Business, Energy & Industrial Strategy. British Business Bank plc is a development bank wholly owned by HM Government. It is not authorised or regulated by the PRA or the FCA. Visit <http://www.british-business-bank.co.uk/recovery-loan-scheme>