

Social Impact Report



BCRS
BUSINESS LOANS

We believe in you



*Leaving no
viable
business
unsupported*



2019 → 2020

Foreword

from the Chief Executive



**Stephen
Deakin**

Welcome to our latest social impact report covering the 2019 – 2020 financial year.

I invite you to read this report to understand the incredible impact BCRS Business Loans is having on businesses, the local community and the wider West Midlands economy as a lender dedicated to intentional social and economic impact.

As many traditional lenders tighten their credit criteria and retrench from the SME lending market, BCRS Business Loans is committed to supporting those businesses that are unable to access finance. We understand how important SMEs are and that they are a force for social good.

We are proud to share that the last financial year saw BCRS increase its lending by 27 per cent year-on-year to £9.07 million, supporting the growth and prosperity of 152 businesses in the West Midlands that wouldn't otherwise have been able to access responsible forms of finance.

As a Community Benefit Society that was established in 2002 with co-operative roots, social and economic impact is at the heart of everything we do at BCRS Business Loans.

By providing SMEs with the funding the need to grow and prosper, BCRS helped to generate an extra £47 million of value in the West Midlands economy. For every £1 we lend, we generate £5.21 of additional value in the local economy.

Not only this but we are committed to supporting the levelling up agenda and our lending is focussed on underserved communities, geographies and areas, with 55% of our lending being dispersed into the UK's most disadvantaged areas.

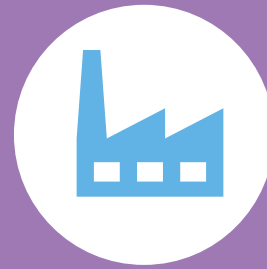
We would also like to take this opportunity to thank customers, introducers, funding partners, our board and staff. You all contribute to the success of BCRS and to our mission.

For us, no viable business should go unsupported.

'19/'20 Quick Stats



£9.07m
lent



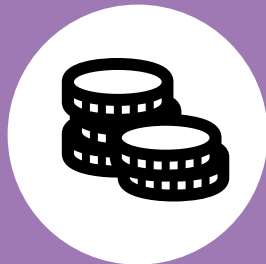
152
businesses supported



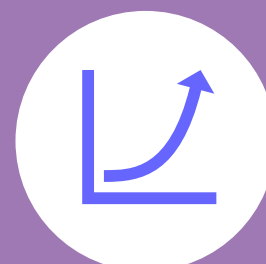
857
jobs safeguarded



492
jobs created



£47.3m
value added to the West
Midlands economy*



£5.21
of additional value generated in
the West Midlands economy for
every £1 lent.

*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).

'19/'20 Lending by Area

Area	Number of Loans	Percentage
Birmingham & Solihull	30	19%
Black Country	51	32%
Coventry & Warwickshire	10	6%
Gloucestershire	1	1%
Herefordshire	1	1%
Other	4	3%
Staffordshire	21	13%
Stoke-on-Trent	4	3%
Telford & Shropshire	20	13%
Worcestershire	16	10%
TOTAL	158	100%



55%

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

'19/'20 Lending

£9.07m lent

£3.11m
CIEF Fund

£2.93m
MEIF Fund

£3.03m
BCRS Funds

£985k

lent to start-up
businesses



18

start-ups
supported

SECTORS SUPPORTED

We are proud to support most industry sectors across the West Midlands. The top ten sectors we support by value are as follows:

Sector	Lent, £	% of 2019/20 lending
Manufacturing	£1,414,000	16%
Wholesale & Distribution	£1,336,000	15%
Service Industry	£988,800	11%
Motor Trade	£695,000	8%
Professional Services	£651,000	7%
Retail	£498,000	6%
Transportation	£490,000	5%
Food Industry	£459,500	5%
IT & Telecommunications	£435,000	5%
Installations & Maintenance	£360,000	4%

'19/'20 Our Impact

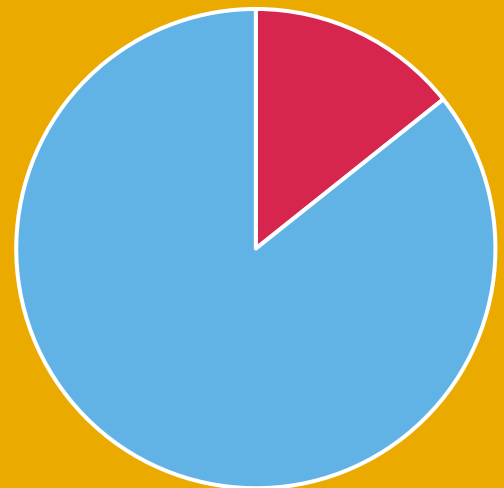
Intentional social and economic impact is at the heart of everything we do at BCRS. A large proportion of our lending is dispersed into areas of high deprivation, helping to create and safeguard jobs that are so essential in supporting families, improving mental wellbeing, and generating a positive economic impact. BCRS also actively promotes diversity by focusing lending to both ethnic minorities and female-led businesses.



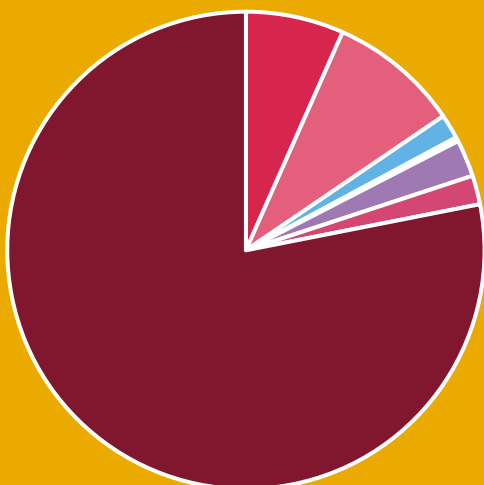
■ 18-24 ■ 25-34 ■ 35-44
■ 45-54 ■ 55-64 ■ 65+

Age Range	%	No. of Loans	Amount Lent
18-24	<1%	3	£78,000
25-34	20%	26	£1,787,500
35-44	23%	34	£2,082,800
45-54	38%	60	£3,406,000
55-64	15%	26	£1,342,000
65+	4%	9	£370,000

Gender	%	No. of Loans	Amount Lent
Female	14%	20	£1,289,000
Male	86%	138	£7,777,300



■ Female ■ Male



■ Asian ■ Asian British
■ Black ■ Black British
■ Mixed ■ Multiple Ethnic Groups
■ White

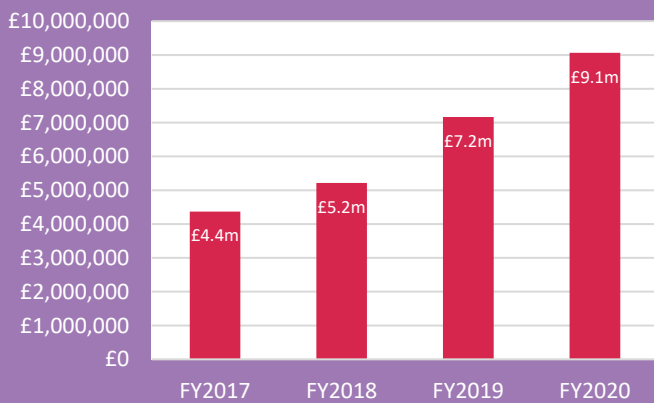
Ethnicity	%	No of Loans	Amount Lent
Asian	7%	11	599000
Asian British	9%	11	798000
Black	2%	1	150000
Black British	<1%	1	25000
Mixed	2%	4	226000
Multiple Ethnic Groups	2%	2	177000
White	78%	128	7091300

Over the Years

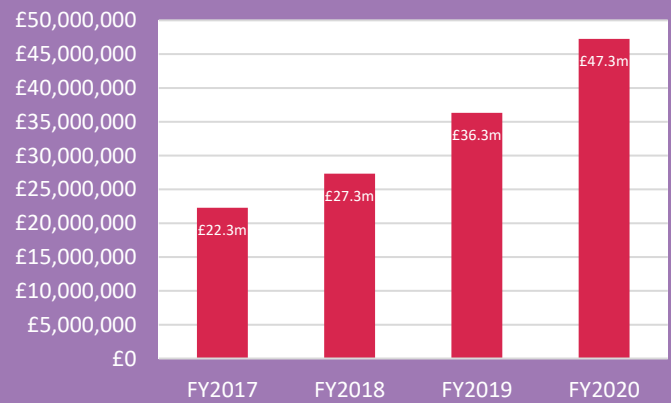
As part of our mission to increase our support for SMEs based in the West Midlands that are unable to access finance from traditional lenders, we are proud to have **increased our lending by 108 per cent** since 2017.

As a business lender dedicated to intentional social and economic impact, we are delighted to report that our **economic impact** has increased by **112 per cent** since 2017, while the number of **jobs created** has jumped by **44 per cent** and those **safeguarded** has risen by a massive **436 per cent**.

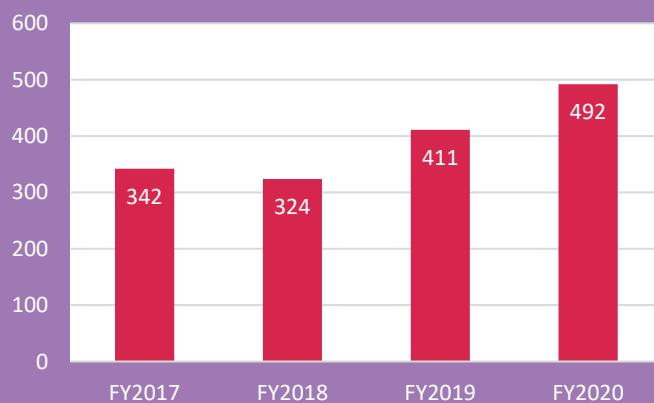
Amount Lent, £ (2017 - 2020)



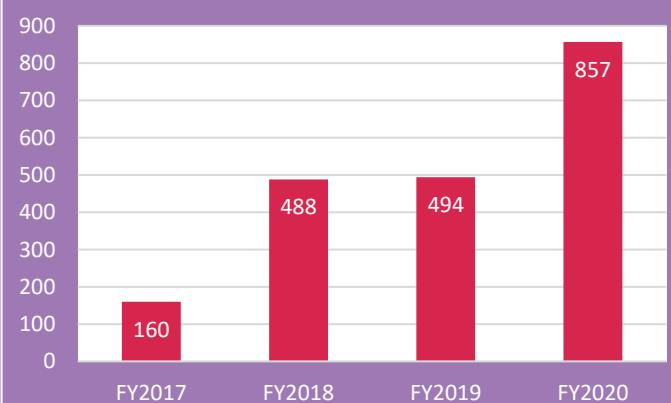
Economic Impact (2017 - 2020)



Jobs Created (2017 - 2020)



Jobs Safeguarded (2017 - 2020)



We Are a 5★ Lender



Over the past year, we are pleased to have built a strong collection of outstanding reviews on our Trustpilot page. We see this as one of the best methods of assessing the success of BCRS Business Loans – by having a positive impact on our customers’ lives, demonstrating the belief we have in them and helping them achieve their dreams and ambitions. We have a Trust Score of 4.8 out of 5.



Excellent business deal with...

Excellent business to deal with who take their time to understand you as a business owner and the requirements of your business before recommending a solution to your borrowing needs.



Excellent company

Excellent company with competent and friendly staff. Contactable at all times. They have made this process simple and pain free and have delivered something that our own bank could not do. Highly recommend.

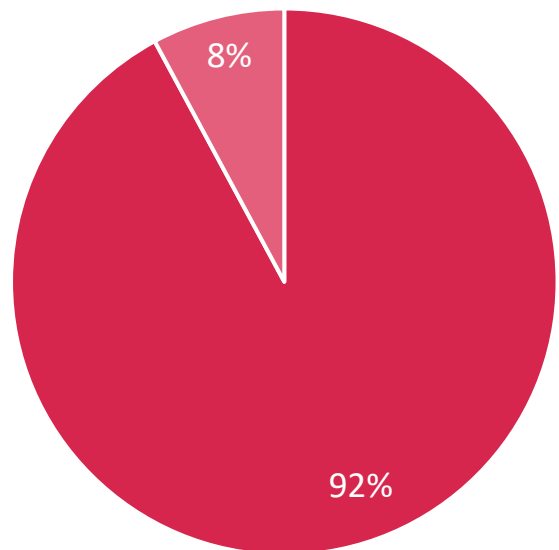


Supportive, practical and timely

Supportive, honest, practical advice, handled well and quickly, kept informed at all times of progress and ultimately resulting in sound financial assistance

Breakdown of Reviews

- Excellent - 5-star reviews
- Very Good - 4-star reviews



UN Sustainability 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 Nation Sustainable Development Goals act as a blueprint to achieve a future for us all.

These are some of the ways BCRS contributes to reaching the sustainable development goals:

Goal	Definition	How BCRS fulfils this goal
	<p>End poverty in all its forms everywhere.</p>	<p>Accounting for 55% of our total lending in the last financial year, BCRS is committed to lending into the most deprived areas of the UK.</p> <p>Furthermore, by providing funding to support the growth of small businesses, BCRS is facilitating job creation and improving job security, which is essential in reducing poverty.</p>
	<p>Ensure healthy lives and promote well-being for all ages.</p>	<p>BCRS understands that small businesses are essential in supporting our mental and physical well-being – associated with the both direct employment or via the products and services they offer.</p> <p>Whether that's grocery stores selling healthy ingredients, restaurants providing healthy food, gyms supporting our physical fitness or other businesses providing well-being</p>
	<p>Ensure inclusive & equitable quality education & promote lifelong learning opportunities for all</p>	<p>Funding from BCRS enables SMEs to offer training and support the undertaking of professional qualifications for staff. Apprenticeship schemes are also offered by a number of businesses supported by BCRS.</p> <p>Internally, BCRS supports the personal and professional development of its own staff by offering a £250 per year personal development allowance as well as encouraging and financially-supporting staff who wish to complete training qualifications to further their professional development.</p>
	<p>Achieve gender equality and empower all women and children.</p>	<p>We believe in championing female-led businesses and empowering women to be successful businesses leaders by providing them with the finance they need to grow and prosper.</p> <p>Research continues to demonstrate that female business owners continue to be underrepresented or disproportionately excluded by traditional finance providers, so BCRS closely monitor and report on our lending demographics.</p>
	<p>Access to affordable, reliable, sustainable and modern energy for all.</p>	<p>As a Co-operative Community Benefit Society, BCRS is passionate about supporting co-operative sustainable energy projects run by social enterprises or community-led initiatives.</p> <p>Offering a scheme whereby BCRS invests £1,000 of withdrawable share capital in such organisations, we have recently invested in Ludlow Hydro, Community Energy Birmingham and the Community Energy Fund.</p>

UN Sustainability Goals

Goal	Definition	How BCRS fulfils this goal
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<p>Microfinance is a key enabler of sustainable economic development. Access to finance and financial exclusion continue to be significant barriers to growth and long-term prosperity in local economies across the UK.</p> <p>BCRS is committed to leaving no viable businesses in the West Midlands unsupported as we understand how important they are to the growth and prosperity of our local economy and supporting local communities by providing employment.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	<p>Access to affordable and appropriate finance is a key component for businesses across industrial sectors when making strategic decisions, and restricted access to finance has implications for developing strong and resilient industrial sectors. By delivering business loans, BCRS gives the people with the ideas the means to innovate and grow.</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries.</p>	<p>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.</p> <p>BCRS is an active member of the European Microfinance Network which allows members to collaborate on issues affecting members.</p> <p>BCRS also actively promotes diversity by focusing lending to both ethnic minorities and female-led businesses.</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<p>BCRS understand that small businesses are a force for good in our local communities. Offering far more than just employment for local people, businesses are at the forefront of advocating diversity, inclusiveness, growth and innovation.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns.</p>	<p>By delivering loans, BCRS is enabling small businesses to invest in improved production and consumption processes.</p> <p>Waste reduction, recycling and sustainable manufacturing projects have been enabled and developed thanks to accessing finance from BCRS.</p>
 <p>14 LIFE BELOW WATER</p>	 <p>15 LIFE ON LAND</p>	<p>BCRS actively encourages volunteering within its team to achieve goals that aren't necessarily accomplished through BCRS' normal lending activity. For example, Tony Wood, our head of credit, is currently volunteering at The Canal & River Trust and dedicates a day per month to helping the charity complete maintenance and supporting community projects.</p>

What We Do

BCRS Business Loans provide loans from £10,000 to £150,000 to growing West Midlands based businesses that are unable to access finance from traditional lenders. We support small and medium sized businesses – including social enterprises and charities – so they are able to grow, prosper and make a positive contribution to the social and economic well-being of the West Midlands.



No early
repayment fees



Relationship-based
approach to lending



Speedy
loan process

WE BELIEVE IN YOU.

Small businesses are at the heart of what we do.

We believe in what they do.

We genuinely love helping small businesses achieve their goals - seeing them grow and supporting both the people who work there and the communities they serve.

With no shareholders to support and with people who really understand the business of business, we can support organisations in ways few other funders can.

With funding; with advice and support; with real belief.

And we do this when others can't. In a way they don't.

It is banking like it used to be. **Personable. Accessible. Reliable.**

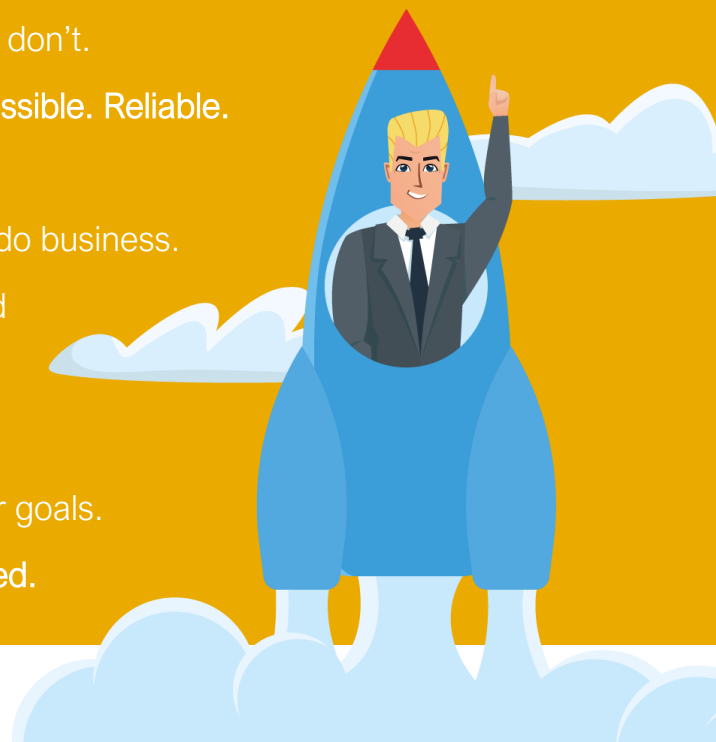
Hands on, not hands off.

There is nothing fancy about the way we like to do business.

We are honest and genuine, straightforward and personable.

And we share a common passion – to liberate businesses, their owners and their people to grow and develop and to achieve their goals.

For us, no viable business should go unsupported.



Our Lending in Action

FOUNTAIN RETREATS

QUICK STATS

Loan Amount: £75,000

Area: Worcestershire

Jobs Created: 6 jobs

Jobs Safeguarded: 2 jobs

Economic Impact: £322,500

UN Sustainability Goals:



Fountain Retreats is a franchise network that provides menopause retreats across the UK. The company secured £75,000 to launch an online educational tool and invest in social media marketing to raise the company's profile and promote upcoming retreats.

Dee Gardner, Director of Menopause Retreats, said:

“Securing funding from BCRS has been vital in supporting the growth and development of our company, as we aim to welcome an additional 22 franchisees to Menopause Retreat, taking it up to 52-strong franchise network.

“Our educational retreats were established as a holistic approach to the treatment and management of menopausal symptoms; covering lifestyle, nutrition, medical and psychological issues.”



Our Lending in Action

DSK Electrical

QUICK STATS

Loan Amount: £80,000

Area: Coventry

Jobs Created: 2 jobs

Economic Impact: £432,000

UN Sustainability Goals:



DSK Electrical, a family run electrical wholesaler, secured an £80,000 business loan to renovate its CCTV and lighting showroom, extend its product range and employ an additional two members of staff.

Sundar Bhambra, Managing Director of DSK Electrical, said:

“Securing funding has enabled us to put our growth plan into action after experiencing an increase in demand this year.

“We are proud to be a family-run one stop shop for all electrical requirements. Our client base ranges from electrical contractors and the general public to international sports stores and hotel groups, and many in between.”



Our Lending in Action

UtilityWorks Group

QUICK STATS

Loan Amount: £65,000

Area: Solihull

Jobs Created: 4 jobs

Jobs Safeguarded: 5 jobs

Economic Impact: £351,000

UN Sustainability Goals:



UtilityWorks was established to help businesses reduce their energy costs and become more environmentally friendly after founder and sales director Craig Gillespie became frustrated with an industry that was fixated on profit.

A £65,000 business loan to allow the company to move into new larger office space and employ an additional four members of staff.

Craig said: ““Securing funding has helped us take a big step towards achieving our ambitious growth plans. As energy prices are extremely volatile, we help businesses by conducting an innovative energy health check, which ensures risk managed purchasing and environmental sustainability to see where improvements can be made to tariffs, energy consumption and carbon emissions.



BCRS in the Community

As a Community Benefit Society ourselves, we like to support local projects and initiatives that are going to benefit the areas we cover. These range from sponsorship of individual challenges to raise money for charity to large-scale events such as 10k road races. Here's a snapshot of what we've supported in the past year.



We are proud to support two grassroots football teams in our local communities. Wyrley Panthers is an under 15s, 11-a-side girls football team based in Great Wyrley, while Worcester City FC's Under-18s and Under-21s youth football teams.



We are proud to have donated over £4,000 to local West Midlands based charities. The £4,000 was split between eight charities, ranging from local foodbanks and cancer hospice care centres to Russell's Hall Hospital in Dudley.



We are proud to have an annual collection for a food bank near to our HQ in Wolverhampton, which we have been doing for the past five years. This helps single people and families struggling to buy food and other essentials.



As a Community Benefit Society, we are delighted to offer a dedicated scheme to support new and start-up co-operatives. In the past year, we have invested in two new Community Benefit Societies, which are a lifeline for many local communities.

Final Thoughts

As you have discovered by reading this report, BCRS Business Loans has had an incredibly successful year and has subsequently had an impressive impact on the businesses in the West Midlands, local communities, and the economy.

The future of BCRS Business Loans looks very bright indeed as we continue with our aim to 'leave no viable business unsupported.'

At the time of writing this report, BCRS has had its strongest ever start to the year as one of the first finance providers to go live with the Coronavirus Business Interruption Loan Scheme (CBILS). This new fund was established to support businesses that were affected by the Coronavirus pandemic.

Now more than ever before businesses require our support and we will continue to remain true to our socially responsible ethos. To limit the effect Coronavirus has on our economy, it is essential that businesses are able to access finance to safeguard existing jobs and create new ones.

We would like to take this opportunity to thank the British Business Bank, Social Investment Scotland and Triodos Bank UK for their unwavering support. Thanks to the successful relationships BCRS has with these funding partners, we are able to support businesses across the West Midlands with the Midlands Engine Investment Fund (MEIF) and the Community Investment Enterprise Facility (CIEF).

Finally, we would like to take this opportunity to thank our customers, introducers, board and staff. You all contribute to the success of BCRS and we greatly appreciate your continued support.

BCRS Business Loans.

We believe in you.





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BCRS Business Loans Limited is a registered society, number 29393R, under the Co-operative and Community Benefit Societies Act 2014. We are authorised and regulated by the Financial Conduct Authority (FCA), Firm Reference Number 722855. For more details, please contact the FCA at register.fca.org.uk or on 0800 111 6768.



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