

Start-up loans - a government backed initiative

<http://www.startuploans.co.uk/how-it-works>

A bit about start-up loans:

Start-up Loans are available to businesses yet to launch or those that have been trading for up to 12 months, although in certain circumstances this may be extended to 24 months. The scheme provides free businesses planning prior to taking any monies ensuring applicants are in the best possible position to receive funding. Once an individual receives their repayable loan they will also be given access to an expert mentor, free training course and business offers.

A Start Up Loan is a personal loan for business purposes, it aims to help individuals starting a new venture which is either still in the planning stages or has been trading for up to 12 months, although in certain circumstances this may be extended to 24 months. Anyone aged over 18 at the time of [registration](#) and living in the UK, is eligible to apply for a loan. You must have an acceptable business idea and want to use the loan monies to support this venture.

You may have already started your business, but you cannot have been trading for more than 12 months. You must have the legal right to remain in the UK for the duration of your loan term and the right to be self-employed.

Every loan application is considered according to the needs of your business, with an average loan size of around £6,000. The final loan size will be determined by your business plan. Only one Start Up Loan can be granted per person, however more than one person in a company can be eligible for a loan.

You are required to pay back the loan within 1-5 years; however the exact term of the loan will be agreed with your [Delivery Partner](#) as part of your application process.

The Start up Loan is not a grant. A grant is a non-repayable fund provided by an individual or an organisation for a particular purpose, often awarded to non-profit entities as well as business. However, a Start Up Loan must be repaid in full with a **6% annual interest**.

The Loan Stars – Case studies in brief:

Start Up Loans has identified five “ones to watch” – young entrepreneurs who don’t yet feature on the ‘[Rags to Rich List](#)’ but are predicted to do so, thanks to their creativity, drive, ambition and determination.

Josh Valman – RPD International

Josh Valman, 19, secured a £2,500 loan to develop his business Miproto, a web based product design, development and prototyping platform. Josh raised an additional £150,000 in October 2013 to further propel his business after trading for one year. He has adapted his business to more of a B2B model, and has also launched a new venture [RPD International](#).

The teenager is the boss of RPD International, which allows companies of all sizes to pay a fixed retainer to access a flexible supply chain, comprised of designers, engineers and distributors. Josh now employs 46 staff and will turn over seven figures this financial year.

Simon Finch – Finch Installations

Simon Finch was granted a £9,000 Start Up Loan to start his shop fitting business, **Finch Installations**. After 11 years in the construction industry, Simon made the decision to set up his own venture after the company he was working for lost a number of major contracts. He applied for a loan through Delivery Partner SWIG, and Finch Installations have excelled all of the financial forecasts that Simon drew up initially, working on fittings for high-profile clients including Asda, Tesco, J Sainsbury's, PC, World, Curry's, John Lewis, and Marks and Spencer.

Emma Watkinson – SilkFred

26 year old Emma from London started her business SilkFred with the help of a £10,000 Start-up Loan. **SilkFred** is a luxury retail platform for independent brands and emerging designers, and has created features to curate and edit each user's shopping experience with the possibility of sharing their finds across their favourite social media platforms. She has since secured £180,000 in second stage funding and is hoping to make SilkFred an international company in the near future.

Max Birner and Sam Amrani – TAMOCO

Business partners Sam and Max combined their expertise and established **TAMOCO** in October 2012. In need of funding to develop the core business platform, they came across Start Up Loans and decided to apply. They were assigned a mentor, Robert Luke, who provided assistance from the outset and whom they continue to work closely with. TAMOCO has got off to an extremely impressive start since its launch. Sam and Max have secured deals with a range of high profile corporates included Coca Cola and Hilton. They have also recruited 11 employees since launching.

Ben Gamble and Alex Foster – Race Yourself

Alex and Ben secured a joint Start-up Loan of £15,000 through Delivery Partner Start-Up Direct to take their concept for **Race Yourself** to the next level. Ben has designed the camera-corrected projection technology that the platform relies upon, while Alex is an engineering master's graduate with experience in corporate finance and venture capital – Race Yourself is his fourth start up but the first he has taken full-time. Race your self's mission is to become the first and best virtual exercise games company. The duo has now raised £1.5 million in Silicon Valley to develop the app even further.