

We channel funding from Europe and the UK, through appointed fund managers to sustainable and ambitious London businesses. Returns generated from the funds go straight back into the London ecosystem, making investment available to the next generation.

We recognise the significant role SMEs play in London's economy, not least being the creation of jobs and prosperity. But we also recognise the hurdles that business founders and management teams have to clear before securing growth capital. With many SMEs still struggling to access finance, we bridge the London funding gap and enable real opportunities for sustainable growth.

The London Co-investment Fund launches competitive process to expand the number of co-investment partners

April 2017



The London Co-investment Fund (“LCIF”) is pleased to announce that it has launched the process to select up to three additional co-investment partners to the fund.

The LCIF co-invests alongside competitively selected investors in early stage Digital, Science and Technology businesses based in London that are ready to accelerate growth and create jobs in London.

Typically the businesses we seek to support will be emerging from accelerators, incubators and support programmes and seeking to raise between £250,000 and £1.5m. According to the latest evidence, this is the largest present gap in the market for investment.

Since its launch in early December the LCIF has invested £1.5m in 11 London-based, high-growth, early stage technology companies. LCIF investment has helped raise an aggregate of over £8m in total investment commitments. We are now seeking to broaden the reach of the LCIF across the target sectors through additional co-investment partners.

The LCIF aims to incentivise and enable:

- Venture capital funds to invest in smaller funding rounds at an earlier stage of the business growth path than their business models presently allow; and
- Business angels and other early stage investors to invest together in larger funding rounds in businesses with demonstrable growth potential

The co-investment partners will be selected on the basis of their knowledge of, focus on, and track record of investing in the three sectors.

The London Co-investment Fund operates as a “side-car” fund. Each co-investment partner is allocated a “pool” of between £1–5m of LCIF’s money that can be drawn upon to co-invest alongside their own money in a number of eligible London-based businesses selected by them. The decision on whom to invest in and on what terms is the sole responsibility of the selected co-investment partners. LCIF pays a small fee to cover the partners’ cost of carrying out due diligence, and subject to eligibility checks and legal due diligence, LCIF then directly invests the agreed amount in the selected business’ seed round.

LCIF will be looking for co-investment partners who can demonstrate the resources and commitment to invest **significantly** more than LCIF in both total, and on a per deal basis.

The London Co-Investment Fund is led and managed by Funding London (formerly known as SME Wholesale Finance (London) Limited).

This initiative is a partnership with Capital Enterprise (the membership body for universities, accelerators and incubators that support entrepreneurs in London) whose role is to lead on the promotion of LCIF and to develop and then run a pipeline of investment-ready tech businesses that are referred to the LCIF’s co-investment partners.

The **mytenders link** for the opportunity is; <https://lnkd.in/dxR52RN>
Bidders will then need to select **‘Record**

your interest now’ in order to access the tender documentation. Deadline for submission is **12noon 3 May 2017**.

Maggie Rodriguez-Piza, Chief Executive of Funding London said “We are very encouraged by the quality of investment propositions that we are seeing from our co-investment partners in terms of, both, innovation and excellent management teams. We look forward to expanding the circle of co-investment partners thereby enabling our fund to reach an even wider range of businesses.”

John Spindler, CEO of Capital Enterprise said, “The London Co-Investment Fund is aiming to have a good balance of experienced seed co investors able to invest in the wide range of great early stage tech companies being produced by London. It would be great to see applications from investors that specialise in early stage science and hardware businesses and in hot sectors in London such as Fin Tech and Mad Tech.”



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