



**2021**

# Annual Report



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Introduction by Helen Oldham  
Founding Board Director

# 2021 IN REVIEW

2021 marked a transformational year in the growth journey of NorthInvest and we are so happy to share our results with you all in our annual report.

We built out our capability in the programme delivery, specifically for investment readiness for start-ups, working alongside the Innovation SuperNetwork, Nexus, RTC and Winning Pitch. We will look to further develop our credibility in this space in 2022 to diversify our revenue streams.

We were delighted to be awarded a further £2m from Innovate UK to continue with the Regional Angel Accelerator Investment (RAIA) programme following the success of the pilot.

2021 also saw the birth of the Women Angels of the North angel syndicate and the 1-year anniversary of Fund Her North. Both initiatives made history in being the first of their kind in the North and UK respectively. We're thrilled to be scaling up Fund Her North – a unique collective that is bringing together people from competing organisations to collaborate on addressing a challenge that cannot be overcome by any individual.

As NorthInvest approaches our fifth year of being fully operational, we are preparing to be more active in the scale up funding space as an increasing number of companies return to us for follow-on funding. To facilitate this, we are looking to build out our co-investment capabilities by building on existing relationships with VCs, funds and angel groups across the UK.

All the steps we're taking are to consolidate the North's status as a fantastic starting point for early-stage entrepreneurs. We're confident that the funding we're generating for Northern start-ups proves that the North can be the go-to destination for the technology ecosystem.

NorthInvest has continued this strong momentum into 2022, already closing 4 deals in quick succession. We have big plans for the year ahead and I look forward to sharing our achievements next year.





## A MESSAGE FROM OUR FOUNDER PROFESSOR ADAM BEAUMONT

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“

2021 marked yet another year of uncertainty for entrepreneurs, which only highlights the importance of organisations such as NorthInvest to enable grassroots investment across the Northern Powerhouse. In 2021, we set out with the ambition to further propel more Northern start-ups along their funding journey with an emphasis on supporting those founders that have been traditionally overlooked. In fact, 44 percent of the companies NorthInvest helped to secure funding in 2021 featured a female founder, a landmark achievement for the organisation.

Our ongoing commitment to early stage investing, regular pitch events and conferences has seen us help a further 18 Northern tech and digital start-ups to secure crucial investment, leveraging a total of £9m in funding. None of these accomplishments would be possible without the fantastic strides made by the NorthInvest team to drive this organisation forward. I can't wait to see what is in store for the next chapter in NorthInvest's journey, but it certainly looks to be a positive one as the country recovers from the recent pandemic.”

- Professor Adam Beaumont, Founder of NorthInvest



## OUR ACTIVITY IN 2021

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NorthInvest continued to grow in 2021, facilitating 18 rounds of funding worth £9 million. 44% of the companies which we helped to secure funding featured a female founder or co-founder, which is almost double the national average.

Our influential partner network grew with the additions of Appleyard Lees, Beyond Partners, DRIAD, Nexus and Social Tech Communications.

Jordan Dargue was promoted to the NorthInvest Board to assist with shaping the organisation's strategic direction.

The NorthInvest team also underwent some key changes. James Prickett and Amirah Darr joined to lead on partnerships, events and marketing. Charlene Abena-Jones came onboard to lead on NorthInvest's growing programme delivery offering, while Rory Pickard arrived to support the investment team, on secondment from KPMG.

# £9m

TOTAL FUNDING RAISED FOR  
NORTHERN START-UPS IN 2021

# 18

DEALS COMPLETED

# 17%

APPLICATIONS FROM  
FEMALE ENTREPRENEURS

# 223

INVESTMENT APPLICATIONS

# 212

ENTREPRENEUR COACHING  
SESSIONS

# 165

ANGEL INVESTORS

# 44%

DEALS FEATURING A FEMALE FOUNDER/CO-FOUNDER



## 2021 KEY STATISTICS

### START-UPS BY REGION

*From the applications submitted to NorthInvest in 2021, Tech for Good remained as the most prominent sector amongst entrepreneurs. We anticipate this being a recurring theme moving forward as more importance is placed around ESG and increasing investor interest in this sector.*

# 21%

NORTH EAST & TEES VALLEY

# 20%

LEEDS CITY REGION

# 15%

GREATER MANCHESTER

# 10%

YORK, NORTH YORKSHIRE  
& EAST RIDING

# 33%

OTHER REGIONS:

Cheshire & Warrington  
Cumbria  
Hull & Humber City Region  
Lancashire  
Liverpool City Region  
Sheffield City Region  
Northern Wales

## IN REVIEW

### 2021 SUPPORT FOR WOMEN ENTREPRENEURS

*As shown in the statistics below, 2021 marked a record-breaking year for NorthInvest in terms of supporting female founders. We also wanted to shine a light on some of the other achievements which we played a role in bringing to fruition.*

**44%**

DEALS FEATURING A FEMALE  
FOUNDER/CO-FOUNDER

**17%**

APPLICATIONS FROM  
FEMALE ENTREPRENEURS

**£2.2m**

INVESTMENT INTO FEMALE  
FOUNDED/CO-FOUNDED  
START-UPS

### 1 YEAR ANNIVERSARY FOR FUND HER NORTH

In October 2021, the female collective Fund Her North celebrated its 1st birthday with the release of some of its key achievements: supporting five female-founded businesses since its launch, facilitating investment worth over £2m; providing 25 entrepreneurs with investor readiness and access to finance support; facilitating 2 NED introductions; and supporting 2 companies with Regional Angel Investment Accelerator (RAIA) funding.

Cornerstone partnerships were agreed with two key organisations in Natwest and UBS, bolstering Fund Her North's potential to break down barriers for women across the North.

### WOMEN ANGELS OF THE NORTH SYNDICATE

As the momentum behind Fund Her North picked up pace, another initiative emerged from within: the Women Angels of the North syndicate. Born out of a desire to give female entrepreneurs equal access to funding to help them to successfully scale their business, the syndicate has already grown to over 30 members in size since its inception in July 2021.

It has made history in two ways: being the first women-only angel syndicate to form in the Northern Powerhouse regions, as well as being the fastest syndicate to complete a round since launching, according to the UKBAA. Two investments have been made so far with a further two due to close in Q1 2022.

The syndicate convened in person for the first time in December for a lunch in Harrogate, sponsored by the British Business Bank, who continue to offer their support in increasing female angel capacity in the North.



## OUR COMMUNITY IN FOCUS: SOUTH YORKSHIRE ANGEL HUB



NorthInvest were successful in securing a partnership with TEAM SY, part of Capital Enterprise, in order to support and stimulate the regional angel capacity across South Yorkshire. The partnership will work to develop the South Yorkshire Angel Hub network and syndicate in the region, as well as managing investing capacity and angel network activities there

To complement this, a programme of support has been created for entrepreneurs to prepare them to grow their business and get ready for investment. TEAM SY will provide the resources and expertise to enhance the provision of business support available to potentially scalable and investable tech businesses in South Yorkshire and to attract ambitious entrepreneurs to set up their tech start-ups in the region.

Fully funded by the European Regional Development Fund (ERDF), Capital Enterprise and Barnsley Council, participation onto the project comes at no cost to founders.

A key element the partnership will be the creation of a South Yorkshire Angel Hub, that will enable NorthInvest to build out angel capacity and further develop the early stage investment landscape and ecosystem by proactively engaging and onboarding the region's investment ecosystem. To mark the launch of the Angel Hub, regional leaders, investors and community members will convene at a Round Table Lunch in March of 2022, sponsored by the British Business Bank. The Roundtable lunch is an opportunity for the ecosystem to come together to collaborate and join discussions on how to support entrepreneurs within the South Yorkshire region.

As part of the programme NorthInvest team member Charlene Abena-Jones will lead on the project, reporting to Board Director Jordan Dargue. Charlene will be responsible for growing the angel capacity and supporting SMEs in locating funding from regional angels.

“Through combining NorthInvest's expertise in activating angel networks and Capital Enterprise's affinity for connecting & energising entrepreneur ecosystems, the pool of innovation investment and funding available to South Yorkshire's SMEs will grow exponentially. This will be aided by the programme of support has been created for entrepreneurs by TEAM SY to prepare them to grow their business and be ready for investment.

*By delivering a dense and intense programme of acceleration in the region, the joint project will aim to generate the critical mass of activities necessary to raise lasting interest from both businesses and investors and embed a culture of acceleration and investment into the business support ecosystem.”*



**Darren Balcombe**  
Deputy CEO, Capital Enterprise



## OUR COMMUNITY EVENTS

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*As our reach across the North of England continued to extend in 2021, the emergence of the 'new normal' in virtual events enabled us to keep serving our growing audience. Over the course of the year we hosted or assisted on over 40 virtual events with 1486 attendees showing up online.*

### FLIGHT CLUB

Following the success of Angel Investor workshops hosted in 2020, NorthInvest launched Flight Club, an educational resource with the purpose of helping prospective business angels to 'spread their wings and take flight', becoming a more confident and educated angel investor. The Flight Club series is run in partnership with the Newcastle Angel Hub and UKBAA. Four workshops were run in 2021, attracting 110 attendees, with the programme continuing into 2022.

### NORTHERN START-UP SHOWCASE AND INVESTMENT FORUM

NorthInvest hosted its first large scale event of 2021 on 16 March as part of the West Yorkshire Innovation Festival. Our "Northern Start-up Showcase and Investment Forum" attracted over 100 attendees in the Digital Leaders virtual conference room. The event discussed the market opportunities and challenges in FinTech, MedTech and Tech for Good, followed by a 'quickfire' pitch event featuring companies from these sectors. Tred, the showcased Tech for Good start-up, successfully raised money with NorthInvest in June.

Dragon's Den 'Dragon' Sara Davies MBE also joined for an interview by Mark Casci, Business Editor of the Yorkshire Post, speaking about her journey as both an entrepreneur and investor.

### NORTHERN START-UP BOOTCAMPS

In May and November of 2021, NorthInvest hosted two "Start-up Bootcamps" to inspire and educate early-stage founders, helping them grow their business and become investment-ready. Each of these Bootcamps consisted of workshops carried out by NorthInvest's specialist partner network, covering everything from the essentials of marketing to how to protect your business from fraud. Guest speakers have so far included NorthInvest & aql founder Professor Adam Beaumont and Matthew Scullion, CEO of Matillion, one of the North's latest tech unicorns. For both Bootcamps we worked with the Secret Event Service to maximise the attendee experience.



Matthew Scullion



Prof Adam Beaumont



Sara Davies MBE

## OUR COMMUNITY PARTNERSHIPS

*NorthInvest continued to work alongside strategic partners to offer value to its entrepreneur and angel investor communities, from deal support to bespoke innovation programmes. To enhance this offering, additional, agreements were struck with five more firms in 2021, including an official agreement with long-term collaborators Nexus.*

Appleyard Lees<sup>®</sup>

 **DRIAD**  
INNOVATION ENABLERS

 **beyond**  
PARTNERS

**NEXUS**  
UNIVERSITY OF LEEDS

**Social**  
Integrated Agency

### NEW PARTNERS

2021 saw the addition of Appleyard Lees, Beyond Partners, Driad, Nexus and Social Tech Communications to the NorthInvest partner network.

### PARTNERSHIP RENEWALS

As well as welcoming in new influential partners to our network, we solidified our relationships with three of our longest standing partners: Arup, Azets (formerly Garbutt & Elliott) as well as legal specialists Gordons LLP following successful three-year relationships with each.

### HOW WE WORKED TOGETHER - DEALS

In 2021 we once again held another edition of our exclusive pitch events for the clients of Azets (formerly Garbutt + Elliott). Press on Vinyl, a vinyl pressing company based in Teesside, successfully pitched at the pitch event in March, raising £475,000 in equity investment

### CONNECTING OUR PARTNER NETWORK

Our priority in 2022 is to expand on the connections between partners through the encouragement of peer-to-peer relationships. We have been creating a collaborative network of established corporate partners to then integrate these larger institutions with smaller players and startups in the local digital economy. Together, this network can build a business community that shares expertise to accelerate economic growth in the North of England.



## INVESTOR READINESS PROGRAMME DELIVERY

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*Entrepreneurs have always been at the heart of NorthInvest's mission. In 2021 we consolidated our support package to early-stage founders through an increased commitment to strengthening our programme delivery capacity, putting in 360 hours of delivery support. This has already shown signs of bearing fruit with four companies participating in these programmes going on to successfully raise funding.*

### GROW@LEEDS

The Grow@Leeds Programme, delivered in collaboration with Nexus, is designed for high growth potential start-ups that are looking to accelerate the business and scale internationally using Leeds as their launchpad. Participating companies have been welcomed into a physical co-working community at Nexus to encourage collaborative innovation, connecting them with research, innovation and investment advice, wraparound professional services support. We have created a programme of workshops to address key topics for scaling companies such as sales strategy, branding, international expansion, pricing. This has been underpinned by the additional expertise of industry experts KPMG, HSBC and many more.

### HARROGATE CO-LAB

We were invited by Harrogate Borough Council to carry out a series of 4 bespoke finance and pitch deck preparation workshops at the newly launched Harrogate Co-Lab incubator for residents and businesses based in the Harrogate district. The programme is scheduled to take place in 2022.

### MEET THE FUNDERS

NorthInvest worked with Winning Pitch on the Meet the Funders programme, designed to support early-stage SMEs to understand the full and diverse range of finance options available within the market that best support their growth plans. Following extensive investor readiness coaching, each cohort was given the opportunity to pitch their refined proposition to a group of angel, venture capital and corporate investors curated by NorthInvest. Two start-ups that participated in the programme, BioStress Lab and Clara Office Management, were successful in completing rounds of funding which closed out in Q1 2022.

### PITCHFEST

2021 saw the continuation of PitchFest, delivered by Innovate UKRI Edge and hosted by NorthInvest with RTC North. The event involved 6 start-ups pitching their ideas to 35 investor attendees. We participated in the programme offering a real-world perspective and were part of the final judging panel, as well as creating a bespoke pitch event for the winning companies that resulted in significant investor interest. Over the course of the programme we provided an average of 7 hours support per start-up during the programme with a total of 14 direct introductions being made to private investors and VC funds. One start-up is currently closing out its round via an introduction from NorthInvest, while another was introduced to a NED and received investor interest without taking any funds.



# START-UP CASE STUDY

## DIODE

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With the UK only having 8 years to phase out petrol and diesel vehicles, Diode's mission to remove barriers to electric vehicle adoption is a timely intervention in the fight against the global climate crisis.

The company's innovative software helps businesses, employees and consumers make the switch to electric vehicles much easier by evaluating their electric vehicle suitability, identifying the right level of charging infrastructure required and then raising quotes with suppliers to install the infrastructure. Their 'one stop shop' platform helps to create a more sustainable future for all.

Diode's proposition was presented to investors from the NorthInvest and Newcastle Angel Hub networks at a virtual pitch event in March, resulting in £55,000 investment committed from two angels. Funding from the round has enabled Diode to take their disruptive platform to market, refine the user experience and gear up for rapid international growth.

This investment round was led by Haatch Ventures, offering a prime example of NorthInvest's commitment to co-investing alongside larger firms in order to amplify its impact in the North.

“*The commute to work is a huge contributor of carbon emissions and urgent change is required. However, going green doesn't have to be expensive and painful - Diode makes the process of moving in that direction much easier for businesses everywhere.*

*Not only this, but Jon and the team possess the perfect combination of knowledge and skills to carry Diode towards further growth.”*

Mark Woodward, NorthInvest Angel Investor



**Diode's co-founding team**

Left to right: Dan Eyre (CMO), Jon Horsfield (CEO), Tristan Dodson (CTO)



## START-UP CASE STUDY

### ATELERIX

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Atelerix's technology provides an innovative solution for storing and transporting cells and tissues at room temperature. This revolutionary method extends the shelf life of cells without the need to freeze them, meaning they safely reach pharmaceutical companies, cell therapy providers and research institutions. This removes the risks of high costs or a compromised cell quality that are often associated with cryopreservation.

Atelerix received a £150,000 grant from Innovate UK through the Regional Angel Investment Accelerator (RAIA) programme, which enabled the company to leverage a further £275,574 of investment from angel investors across the UK. Innovate UK has a proven expertise in assessing innovation, so the validation of the science behind Atelerix's technology was a key driver in de-risking the opportunity for investors.

The newly formed Women Angels of the North syndicate also invested £15,000 into the project, marking the angel group's second investment to date.

“We were thrilled to have had Atelerix's project independently validated by Innovate UK and consequently receive a RAIA grant. This in turn allowed us to leverage more investment from business angels, including the Women Angels of the North syndicate.

*Securing this investment will enable us to start to generate revenue and grow the business and I look forward to working with the new angels we have on board our journey.”*

Debra Leeves, Executive  
Chair of Atelerix



## IN REVIEW

# REGIONAL ANGEL INVESTMENT ACCELERATOR PROGRAMME

Following the success of the Regional Angel Investment Accelerator (RAIA) pilot programme in 2019 and 2020, the consortium consisting of NorthInvest, Innovation SuperNetwork, North East BIC and the UKBAA secured an additional £2m from InnovateUK to drive additional angel investment into innovative Northern SMEs.

Since the arrival of the funding extension in August, NorthInvest and programme partners the Innovation SuperNetwork have helped 13 start-ups to submit grant applications, deploying £936,500 of grant funding from Innovate UK. This grant funding has then leveraged £586,000 of matched funding from angel investors, totalling over £1.5m funds raised for Northern start-ups.

**13**

START-UP APPLICATIONS  
SUBMITTED

**6**

SUCCESSFUL APPLICATIONS  
\*4 START-UPS AWAITING OUTCOME

**£144,500**

AVERAGE GRANT VALUE (MAX  
£150,000)

**£936,000**

GRANT FUNDING DISTRIBUTED

**£586,000**

ANGEL INVESTMENT LEVERAGED  
IN MATCH FUNDING



*We are delighted to be able to deliver the Regional Angel Investment Accelerator in the North of England to stimulate and grow the angel community. The importance of investing in the broad base of entrepreneurship across the North is a key tenet of achieving a true depth and strength to the Northern Powerhouse. This programme supports technology businesses at the forefront of innovation and is a great catalyst for driving more regional private angel investment.*

*Initiatives, such as this not only open up so much opportunity to both entrepreneurs and those who are interested in investing in businesses with R&D projects but can also bring together public and private funds in an agile manner, making the North a great place to do business and invest."*



**Jordan Dargue**  
Board Director, NorthInvest  
Head of Access to Finance,  
Innovation SuperNetwork



## THANK YOU

2021 would not have been such a successful year for NorthInvest without the help of our partners and supporters.

We would like to thank them for helping us continue to build communities and accelerate growth within the North by mentoring the future generation of tech innovators.



Left to right: Charlene Abena-Jones, Amirah Darr, Jordan Dargue, Helen Oldham, James Prickett

## OUR PARTNERS



## OUR SUPPORTERS

