



ANNUAL REPORT

2022

A MESSAGE FROM NORTHINVEST FOUNDER

PROFESSOR ADAM BEAUMONT



“As we all grapple with the global economic fallout from the effect of the atrocious war in Ukraine, our startups and entrepreneurs face new hurdles and uncertainties. Yet even in the midst of these challenges, we saw remarkable resilience, creativity, and innovation from the tech community. Our own resolve has also been challenged, but our lean-and-mean structure has allowed us to push forward and deliver our most impactful eighth year. Talking of impact, our overheads are incredibly low - every £67 invested carries only £1 of NorthInvest cost.

We've also been privileged to witness and be inspired by the tenacity and vision of our Northern founders. This has ignited our team to redouble efforts to provide them with the support and resources they need to succeed.

I'm incredibly proud of our team and delighted to announce our progress this year: We've leveraged record levels of funding for Northern entrepreneurs, augmented by the formation of an additional angel hub in South Yorkshire. I was delighted to see this work recognised by the UKBAA, who saw it fit to award us with their Angel Group of the Year award, particularly noting the tireless work of the Northinvest team to support female founders through our 'Fund Her North' initiative.

I'm humbled by our progress in catalysing innovation and economic growth in the North of England in 2022. Seed funding our innovators drives the grassroots growth for a prosperous UK."

2022 IN REVIEW

INTRODUCTION BY HELEN OLDHAM AND JORDAN DARDGUE
BOARD DIRECTORS, NORTHINVEST AND CO FOUNDERS FUND HER NORTH

NorthInvest came of age in 2022 with its first partial exit, and another exit following close behind in early 2023.

Five years since NorthInvest made its first investment connections we were delighted to hear that Octopus had secured a majority stake holding in Guardian Angel.

Since inception NorthInvest set out to democratise angel investing, making it accessible for the most diverse range of investors possible. We are one of the few free to access angel organisations in the UK and have established a series of structured angel education programmes in conjunction with the UKBAA for new, and active angels under the 'Flight Club' and 'Women Angels Education Hub' banners.

Ecosystem and capacity building are at the heart of what we do. So we are also delighted to report that over 50% of the rounds we curated were co-investments alongside funds and institutional investors. We were able to divest over £2m of Innovate UK grant funding in the run up to the official launch of the Future Economies, Responsive Programme and have now been confirmed as an official Innovate UK Edge investor partner.



Our unique model for supporting female founders 'Fund Her North'; a group of women in Northern VCs and investment organisations who've come together to provide easier and more supportive access to finance for northern female founders has now reached 41 funding members.

The organisation has been widely recognised for its pioneering approach and held a very well attended conference to attract more women angels in the summer of 2022. Our 'Women Angels of the North' syndicate now has over 46 members and supported 17 rounds, leveraging over £5.3m of funding since inception in August 2021.

Lastly we are constantly taking soundings from members on how they want to engage with NorthInvest and as a result have laid out an exciting programme of in person and virtual events for 2023.

2022 KEY STATISTICS

INVESTMENT LANDSCAPE

£22m

TOTAL FUNDING RAISED FOR
NORTHERN START-UPS IN 2020

294

ENTREPRENEUR COACHING
SESSIONS

27

DEALS COMPLETED

211

ANGEL INVESTORS

299

INVESTMENT APPLICATIONS

37%

FEMALE ANGEL INVESTORS

67x

AMPLIFIER. FOR EVERY £67
RAISED OUR COST IS £1

KEY UPDATES IN 2022

ANGEL GROUP OF THE YEAR WIN

In July, NorthInvest won the highly coveted Angel Group of the Year accolade at the prestigious UKBAA Angel Investment Awards 2022.

The award recognises and celebrates the most active and impactful angel group in the UK, making not only a significant number of investments but also adding substantial value to support the growth and success of their portfolio. The nominees were judged by a panel of experts from across the investment community and beyond.



NORTHINVEST TEAM GROWS

Sanjeev Gordhan, General Partner at Type One Ventures, was appointed to the NorthInvest Board. Giles Moore came in to spearhead the newly formed South Yorkshire Angel Hub. The marketing team expanded with the additions of Kateryna Bobarykina & Megan Turnock. Callum Clark joined the investment team on secondment from our partners KPMG to help with the investment progression.

NEW STRATEGIC PARTNERSHIP

We welcomed a new partner to our community, with Halston B2B, coming on board to offer pro bono PR support to entrepreneurs.



OUR FIRST EXIT GUARDIAN ANGEL

After five years of being operationally active, we were thrilled to see one of our very early angel investments land an exit - our first so far. Octopus Group have secured a majority stakeholding in Guardian Angel.

Guardian Angel is a 'death tech' bereavement company which connects families, friends and funeral directors together. We helped to raise investment in 2019. This is the first of hopefully many major liquidity events for investors in our network!

£492,000

INVESTMENT ROUND IN 2017

2

NORTHINVEST ANGELS INVOLVED

2022 KEY STATISTICS

START-UPS BY REGION & SECTOR

2022 saw an increase in investment applications for Tech for Good start-ups, with almost a quarter of applications submitted by start-ups integrating Tech for Good solutions into their technology or digital solutions. This increase helps us to address our goal of helping 60 sustainable tech businesses to raise investment in the next 5 years.



23%

GREATER MANCHESTER

17%

LEEDS CITY REGION

16%

SHEFFIELD CITY REGION

12%

NORTH EAST AND TEES
VALLEY

32%

OTHER REGIONS:

Cheshire & Warrington

Cumbria

Hull & Humber City Region

Lancashire

Liverpool City Region

Northern Wales

York, North Yorkshire and East Riding

OUR IMPACT:

REGIONAL ANGEL INVESTMENT ACCELERATOR PROGRAMME & RESPONSIVE GRANT PROGRAMME



The Regional Angel Investment Accelerator (RAIA) programme, a partnership between NorthInvest, Innovation SuperNetwork, North East BIC and the UKBAA, proved to fundamentally stimulate angel investment activity across the North. Through our efforts as part of RAIA, NorthInvest helped 10 start-ups submit grant applications and deployed £2,692,000 of grant funding from Innovate UK alongside programme partners the Innovation SuperNetwork. This encouraged angel investment in these successful applicants, with £3m leveraged in match funding from our angel networks.

10

START-UP APPLICATIONS
SUBMITTED

80%

APPLICATION SUCCESS RATE

£336,500

AVERAGE GRANT VALUE

£2,692,000

GRANT FUNDING DISTRIBUTED

£3m

ANGEL INVESTMENT LEVERAGED
IN MATCH FUNDING

“*The RAIA programme has been an inordinate enabler for early stage innovative businesses in the North to be able to access investment to support the research and development of novel based projects. The grant and angel funding deployed through this programme has given businesses the opportunity to accelerate an investment opportunity as well as enable a proposed investment to go further with a significant grant forming part of the investment round. Having a grant of this nature deployed in a business at such an early stage has significantly de-risked the investment for investors and created a unique opportunity for investor syndication. This has created an opportunity to build local capacity of associated angel groups and equity investors.*

The official launch of the new Future Economies, Responsive Programme will enable the continued acceleration of early stage investment opportunities, and further develop the ability to deploy more early stage investment in to businesses across the North.

Jordan Dargue
Board Director, NorthInvest

OUR IMPACT

SUPPORTING FEMALE FOUNDERS



FUND HER NORTH

Fund Her North celebrated its second anniversary at UBS' offices in Manchester, having successfully closed 14 deals leveraging a total of £4.5m for female founded businesses, and reaching 500 members. As part of a busy events schedule, the collective hosted a large-scale entrepreneur conference in partnership with NatWest at Circle Square in Manchester, Accelerating Funding for Women in Business. The conference was a great success and drew in over 170 delegates.

Partnerships with Gordons LLP and BHP Chartered Accountants formed, which has bolstered the support package that can be offered to female founders. Communications agency MC2 also came on board to support with PR.

WOMEN ANGELS OF THE NORTH SYNDICATE

The women-only syndicate, launched at the end of 2021 has gone from strength to strength with over 46 members and supporting 17 rounds of funding, leveraging £5.3m.



As part of its busy year, it hosted the Women Angels of the North Investor Conference in Harrogate in June to great acclaim, which was then followed up with the launch of the Women Angels Education Hub. Aimed at women who are looking to find out more about angel investing, or who are wanting to learn more following some initial involvement, it is a full 12 hour education programme in conjunction with the UK Business Angels Association (UKBAA) and part of the national 'Women Backing Women' campaign.

2022 SUPPORT FOR WOMEN ENTREPRENEURS

37%

FEMALE ANGEL INVESTORS
NEW NORTHINVEST MEMBERS

20%

APPLICATIONS FROM FEMALE
ENTREPRENEURS

£781k

INVESTMENT INTO FEMALE
FOUNDED/CO-FOUNDED START-UPS

START-UP CASE STUDIES

AGILE LIFE SCIENCES



£200,000
ANGEL INVESTMENT
LEVERAGED

£200,000
GRANT FUNDING VIA
RAIA PROGRAMME

Menopause affects 51% of the population and in the UK alone 13 million women are impacted. Currently menopause specialists provide treatment plans based on an educated guess and feedback is anecdotal.

Warrington based firm Agile Life Sciences, has created a technology that can track menopause by detecting changes to the bacteria in the vaginal microbiome from a simple non-invasive urine sample. This simple test can be used to sequence and identify where a woman is on her menopause journey..

“The investment and grant funding has been transformational for Agile Life Sciences, allowing us to invest in critical capital equipment, take on additional experienced laboratory and sales & marketing staff and also commence a pilot study of 1,000 women. We feel so thankful to the angel networks that have helped us to secure this money.”

Founder and Joint CEO of Agile Life Sciences, Jan Rogers

FUUSE

As the government sets fixed timetables for cutting emissions from transport, Miralis Data's electric vehicle charge point management system Fuuse helps companies to decarbonise, not only simply charging vehicles but helping to optimise electricity usage and keep costs down.

NorthInvest, alongside partners the Innovation SuperNetwork presented this opportunity at a joint pitch event, in which the network of angel investors responded enthusiastically.

The Lancaster-based company raised just over £1.7m in February 2022 from a mixture of angel investors and Edinburgh-based Par Equity.



£1.7m
INVESTMENT ROUND
30
NEW JOBS CREATED

“Fuuse is one of the leading, hardware-agnostic, end-to-end platforms for managing EV assets and is a critical building block in our collective aspirations for clean energy.”

NorthInvest alerted us to this opportunity and we're delighted to have co-invested with members of their network as we build a longstanding relationship supporting the tech ecosystem across the north of England.

Andrew Noble, Partner, Par Equity

START-UP CASE STUDIES DRONE AG

Drone Ag enables farmers to leverage the power of drones through automation and AI, providing crop analysis in a fraction of the time of field walking or other drone systems. Drone Ag established its business delivering aerial crop scouting, spraying, and mapping using drones and smart data-analytics. The business has developed a drone-based solution to soil sampling.

The company secured a mix of innovation funding with help from NorthInvest and partners the Innovation SuperNetwork, securing a total of £350,000 funding from a mixture of angel money, grant funding from Innovate UK via the RAIA Programme as well as a North of Tyne Innovation Recovery Grant.

FOURJAW

FourJaws manufacturing analytics platform gives manufacturers real-time visibility of their shop floors, so they can make informed decisions that will reduce downtime, boost productivity and drive OEE, thus making the world of machine monitoring more affordable and accessible.

Following an initial pre-seed investment round which NorthInvest supported back in March 2021, the company successfully raised a total of £1.3m from investors from the NorthInvest network and across the UK. The company was also able to secure a £375k in matched non-dilutive grant funding from Innovate UK as part of the RAIA Programme.



£200k

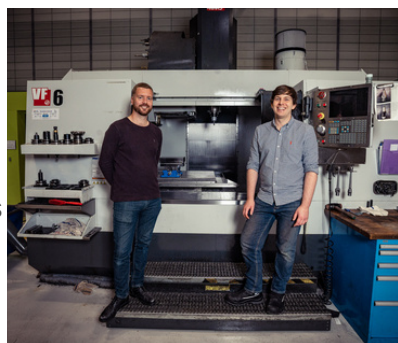
ANGEL INVESTMENT

£150k

GRANT FUNDING
LEVERAGED

“The mix of RAIA & grant funding along with the investment we received helped us to scale our project quickly, and bring our commercial offer to market. We went from conceptualising 'Skippy Scout' in 2018 to having a fully built product within a year. The money was needed to fund that software development, product development and to employ in-house people.”

Jack Wangham, Founder & CEO, Drone Ag



£1.35m

ANGEL INVESTMENT

£375k

GRANT FUNDING
LEVERAGED

16

NEW JOBS CREATED

“FourJaw's vision is to maximise manufacturing productivity across the globe and NorthInvest backed us from the very start. They gave us help and support in the early days and have also had a crucial role to play in both of our first two investment rounds. Their pitching sessions are filled with high quality start-ups and investors, and I strongly believe they contribute enormously to the start-up ecosystem in The North.”

Chris Iveson, Founder & CEO, FourJaw

OUR COMMUNITY

EVENT HIGHLIGHTS

SUSTAINABLE NORTH

In the second half of the year, NorthInvest launched Sustainable North, a new initiative focusing on promoting the start-ups and growth of sustainable tech businesses across the North of England.

The launch event for this initiative was held on the 21st September at BJSS' offices in Leeds. More than 100 people (including investors, entrepreneurs and key figures in the sustainability sector) came along to discuss how we can make the North the perfect launchpad for growing sustainable tech businesses. As part of this, we made the 'Sustainable 60' pledge - a commitment to supporting the growth of and investment into 60 sustainable tech businesses across the North of England over the next 5 years.



NORTHINVEST & TEAM SY THE SOUTH YORKSHIRE INVESTOR LOUNGE

Last year, NorthInvest and TEAM SY, a part of Capital Enterprise, launched the South Yorkshire Angel Hub to build angel capacity and further develop the early stage investment landscape and ecosystem. In November, all of the work proactively engaging and onboarding the region's investment ecosystem culminated in The South Yorkshire Investor Lounge, which brought together angel investors, funds, sector specialists and entrepreneurs under one roof to celebrate and showcase the potential for further growth in the region.

The event featured presentations from regional specialists, as well as a presentation from Ashley Tate from Mina about his journey and fund-raising rounds. Ten of the best South Yorkshire startups also pitched on the night, covering a wide range of tech sectors including sustainability, media, immersive tech, data, AI, IoT, medtech, e-commerce and tech for good.

OUR COMMUNITY

ANGEL INVESTORS

A key strand of NorthInvest's angel activity in the last 12 months has been to work alongside other angel networks to create a connected eco-system of support and help more entrepreneurs access investment. This has been evidenced in our work with the Women Angels of the North Syndicate, as well as the Newcastle Angel Hub and the newly formed South Yorkshire Angel Hub. We have plans to set up more regional angel hubs in the future.

SOUTH YORKSHIRE ANGEL HUB (SYAH)

Started in 2022 in collaboration with TeamSY to boost investment and entrepreneurial growth across South Yorkshire, the SYAH has helped to develop an active angel & investor network, able to fund and support the strong, consistent and credible pipeline of startups being created out of the TeamSY programmes and accelerators. There are currently over 30 angels in the SYAH and we have the pipeline, and goal to support doubling this figure in 2023. In 2022, 34 startups were supported by the SYAH, 4 received fundings, 50% were female founders and these startups created over 60 new jobs with the investment.

COLLABORATION WITH ESTBAN

In early April a small group of NorthInvest angels travelled to London to meet EstBAN, the national angel network of Estonia. The country, with a population the size of the wider Leeds region, has an angel contribution (as a percentage of GDP) that is one of the highest in the world.

The invitation came via our own Prof Adam Beaumont, who is the Honorary Consul to Estonia, and the Estonian Ambassador to the UK, Viljar Lubi. We hope to build a longer term relationship with our angel friends in Estonia and are hatching plans for a visit to Tallinn in the future.

ANGEL WALK

Amidst all the hard work that is being done by the team in developing our angel network, collaborating with others and establishing new ones, it's important to ensure that we're still meeting up and having fun! As such, we took our angels on a walk around Bolton Abbey in Yorkshire, followed by a well earned lunch at the Devonshire Arms. It was a fantastic way to sample the beautiful scenery and world-renowned Yorkshire sun.



PROGRAMME DELIVERY

HOW WE'VE WORKED TOGETHER

HARROGATE CO-LAB

NorthInvest were invited by Harrogate Borough Council & Harrogate Co-Lab 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 of support enabled companies to learn more about investor readiness as well as access the tools and support needed to prepare their businesses to access finance. These one to many based workshops covered understanding the finance and funding landscape, accessing funding and grants, what investors look for, preparing financial forecasts and legal structures through to creating a business elevator pitch and preparing an investor pitch deck.

CREATIVE NORTH

Northinvest were invited by Creative North to carry out an 'Investor Mindset' programme which focused on the delivery of a series of bespoke workshops, and one to one coaching sessions to enable businesses who operate in the creative sectors to fully understand how investment and deploying capital in to a business can support further business growth. In addition to this, the programme also included an education programme featured around investment readiness including finance and pitch deck preparation workshops. The programme of support enabled companies to learn more about investor readiness as well as access the tools and support needed to prepare their businesses to access finance. This programme was delivered in one to many based workshops as well as one to one coaching sessions with a pitch panel event at the end which enabled to companies to meet investors and receive additional valuable feedback and guidance on introducing their opportunities to investors.



OUR PARTNERS

HOW WE'VE WORKED TOGETHER

INVESTOR WORKSHOPS & EVENTS

NorthInvest continued to give its partner network visibility through its events schedule. In February, we put on an 'Ask me Anything' Investor Workshop Hosted by Amy Pierechod, Partner at Gordons and their Head of Start-ups and Emerging Companies. This workshop aimed to help first-time investors navigate the legal process and invest with confidence.

In June, NorthInvest hosted the third edition of its popular entrepreneur bootcamp series, with this one having a focus on ESG. A collection of workshops and presentations were put on by our partner network and VCs, including "An introduction to ESG" from HSBC and KPMG, a workshop from Azets centred around "How ESG can strengthen your employer brand", and "How to communicate what you're doing through an ESG lens" from Social Tech Communications.

ARUP START-UP SHOWCASES

In 2022, we renewed our partnership with innovation specialists Arup after 3 years of working together. To mark this milestone, we collaborated on a series of three 'showcase' events at Arup's offices in Leeds, Manchester and Liverpool. At these events, 7 companies from the network presented a diverse range of new-to-market solutions aiming to address societal challenges in the built environment, such as climate change and resilience.

The start-ups which presented their ideas included O-Wind, who have created the world's first omnidirectional wind turbine which can harness the power of chaotic urban winds, as well as Heatio, a SaaS company that provides precise insights into home energy use to recommend improvements and forecast savings, energy use and carbon emissions.



“Arup is an employee owned firm with around 1500 staff in eight offices across the North. We are committed to working with NorthInvest to support innovators and entrepreneurs in developing and growing businesses to boost the North's economy and to tackle some of the big challenges we face as a society, such as climate change, health and well-being, and social inclusion.
- Tom Bridges, UK Government and Innovation Leader, Leeds Office Leader, and Director.

THANK YOU



2022 would not have been such a successful year for NorthInvest without the help of our partners and supporters.

We would like to say a huge thank you to our partners and our supporters for helping us continue to build communities and accelerate growth in the North by supporting the future generation of tech innovators.

OUR PARTNERS



OUR SUPPORTERS

