

South Yorkshire
Investment Fund

09



ANNUAL REPORT **2009**

Investing in Business in South Yorkshire

WELCOME

from the
Chairman

As the country responds to the current economic challenges, few would doubt the wisdom of setting up the South Yorkshire Investment Fund nine years ago.



Since then the Fund has invested £60million (including money with management) in South Yorkshire businesses, helping to create wealth in the region and to safeguard jobs for local people.

The figure is forecast to rise to £65million by the end of 2009, when we expect to come to the end of our investment period.

There then remains the important objective of the realisation of the Fund in order to provide a lasting legacy for South Yorkshire and we expect that figure to be £17 million by 2013.

By investing judiciously we will have provided a permanent financial and economic benefit for the county.

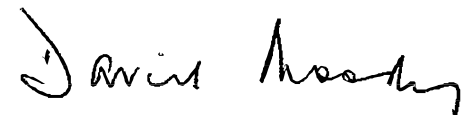
A recent meeting involving Yorkshire Forward, South Yorkshire Investment Fund, intermediaries and the financial sector recognised that, as we emerge from the recession, businesses will struggle increasingly to obtain the finance they need.

As a result the concept of 'gap financing' (offering the loans that banks are unable to provide because of inadequate security and the amounts of equity that are not of interest to venture capitalists) is more relevant than ever.

South Yorkshire Investment Fund's activities will shortly be subsumed by Finance Yorkshire. We are confident that continuity will be achieved, and that the new arrangements will demonstrate the same responsiveness to

local needs and conditions that has been our watchword.

I offer my heartfelt thanks to everyone involved in the Fund over the years, to board members, to staff and to our fund managers. They have every right to be proud of what they have achieved.



David Moody
Chairman
South Yorkshire Investment Fund

“
By investing judiciously
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a permanent financial
and economic benefit
for the county.”

THE SYIF BOARD OF DIRECTORS

Michael Woodhead
was one of the founding
Directors of BWD
Securities PLC, the
financial services Stock
Market listed company.

Tony Parsons
has spent more than
37 years in the banking
profession and was
formerly the Director of
Commercial Banking at
Sheffield's Royal Bank of
Scotland.

Alex J McWhirter
is Head of Enterprise in
the Business Development
Directorate at Yorkshire
Forward where his
responsibilities include
Venture Capital Funds.

REPORT

from the Chief Executive

The last 12 months have been a turbulent time for many businesses across South Yorkshire and the recession is likely to linger on for a significant time.

What has impressed the Fund is the resilience that many businesses have shown and our position is that we remain ready to help businesses, where and when we can.

In the current economic climate it is even more vital for organisations like South Yorkshire Investment Fund to provide gap funding for businesses looking to develop and grow. This process of getting the climate right for business is one of our key goals and with the help of Yorkshire Forward we have maintained the momentum and continuity of funding

The impact of the Fund on the local economy is clear for all to see. We recently announced that investments totaling more than £1.83million were made during the first six months of 2009, between January 1 and June 30, in local companies. A total of 259 businesses were assisted, creating and safeguarding 502 jobs and providing £132.3million worth of additional sales.

Since then the rate of investment and lending has accelerated and by the end of September we expect a total of nearly £83million to have been invested in South Yorkshire.

It is an indication of what can, and is, being achieved from the investments we are making in South Yorkshire business. And as we have mentioned since the start of SYIF eight years ago, the returns from the Fund will be re-invested back into South Yorkshire, providing a legacy for business support way beyond the end of the current Fund.

Currently we expect the Fund, after repaying bank debt and equity investment, to return around £17million. The sustainability of the Fund is the main reason for the change from grant to investment – that now seems to be vindicated.

This brings me on to the latest development

regarding the Regional Successor Fund, 'Finance Yorkshire'. As you will be aware the current Fund is set to come to an end later this year.

SYIF has applied for further interim funding from Yorkshire Forward to help continue business support while Finance Yorkshire is properly established, which is now expected to begin in 2010.

We were delighted to receive an initial £9million from Yorkshire Forward during Autumn 2008 and this is proving vital to keep the momentum going while the changes are made. The latest additional funding will be an extension of this and be crucial to businesses during this difficult time.

An area we look into in this annual report is the success generated from the mentorbank, a much valued source of people who provide business advice and support to companies. The importance of managing the investments in businesses is vital to help make good returns, but to also ensure the businesses can manage and survive any dramatic changes to their operations during the current climate.

In a time where unemployment is at its highest since 1995, many more people are likely to establish a business on their own. This is why our wide-spread partnerships with organisations such as the BiG Business Loan, Donbac Ltd and Key Fund Yorkshire have proven vital to helping sole traders, partnerships or owner-managers, either starting a new business or developing an existing one to find finance support. Again more details of which are on page 10.

SYIF continues to work closely with Yorkshire Forward, Business Link Yorkshire, Partnership Investment Finance (PIF) and the local authorities to ensure access to finance, either through the interim Fund or Finance Yorkshire, is achieved

efficiently and effectively.

Business Link remain a vital stakeholder in the process and we continue to work closely with them. Their new role brings in the critical connection with businesses, but also their

advisors and their banks. The goal of simplifying the financial landscape is improved in this way and this can only be a good thing.

It is vital that businesses in South Yorkshire continue to be supported sufficiently and we are constantly talking to businesses and intermediaries, making them aware that financial support remains available.

Due to the uncertain nature of what will be happening with the current Fund over the coming months, this maybe the last annual report from SYIF. Therefore, I would like to take this opportunity to thank all involved with SYIF and helping to make it such a great success, not just over the last 12 months, but over the last few years.



Tony Goulbourn
Chief Executive
South Yorkshire Investment Fund



Brian Leach

has had a forty year career with Barclays Bank transferring to Yorkshire to take up the role of Doncaster's Business Centre Manager and culminating in his appointment as Head of Corporate Business in South Yorkshire.

John Warner

is a partner of Sheffield-based accountants Barber, Harrison and Platt and specialises in corporate finance, strategic planning and profit improvement.

SEEDCORN FUND

The Seedcorn Fund aims to back early stage technology-based ventures which have the potential to become “beacon companies” for the region.

The fund fills a gap in the local finance market for ventures that are often seen as too risky for mainstream providers or which require more hands-on support from a specialist investor.

Clients will be companies that are based on new and innovative technology with ideas that have strong potential and, once in the market, are capable of rapid growth and returns of many multiples of their original investment.

The fund can provide investment from £50,000 to £500,000 over the lifetime of those companies that show the most commercial potential.

The key performance indicators are as follows:



SYIF I to December 2008

Number of Investments	75
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Value of Investments (£000)	£4,221
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Number of Applications	108
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Number of Approvals	83
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Value of Approvals (£000)	£4,334
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SYIF Interim Fund January 1st to 30th June 2009

Number of Investments	1
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Value of Investments (£000)	£125
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Number of Applications	102
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Number of Approvals	4
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Value of Approvals (£000)	£251
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Xeros to clean up market after investment

An innovative technology company is moving to South Yorkshire to clean up the market with a unique product.

Xeros Ltd, a spin-out business from the University of Leeds, has developed a "virtually waterless" washing machine which will provide a significant benefit in energy and water efficiency without compromising performance.

The patented process saves up to 90per cent of the water compared to conventional laundry systems by using plastic beads alongside detergents to absorb and remove dirt.

More than thirty years of research at the University of Leeds has enabled Xeros to harness the technology which was recently demonstrated at The Clean Show in New Orleans, United States.

Their appearance has led to Xeros agreeing a deal with GreenEarth Cleaning, an environmentally friendly dry-cleaning business, which will sell the machine initially to the commercial washing market across North America.

Bill Westwater, chief executive of Xeros, said: "We have an eye on the consumer market but it will take time. We believe that success with commercial applications could act as a springboard to help us break into that area in the future."



Pictured: Bill Westwater, chief executive of Xeros, with Dr. Steve Jenkins technical director of Xeros and Ashwin Kumaraswamy investment manager at SYIF.

To finance the next stage of the company's development and to extend discussions with commercial partners, Xeros has received funding of £920,000 from a syndicate of investors.

This includes South Yorkshire Investment Fund's Seedcorn Fund, Rising Stars Growth Fund II, IP Venture Fund and business angels.

Ed French, fund manager at SYIF's Seedcorn Fund, added: "It's washing process, which consumes substantially less water, provides substantial operating efficiencies. We see this as an opportunity to nurture and support a new company that has the potential to be a global brand in the region."

Tony Goulbourn, chief executive of South Yorkshire Investment Fund, says: "We are delighted Xeros are now looking to establish their base in South Yorkshire as this will add to the region's growing reputation for developing technological enterprises.

"Xeros has the potential to become a world-wide brand and is already gaining global recognition. We look forward to working with them over the coming period to support their relocation and growth."

New enterprise making IT green

An innovative Sheffield company has been established to help reduce carbon emissions within the IT industry.



Pictured: Ed French fund manager for SYIF's Seedcorn Fund with Dan Chester from Iceotope.

Iceotope Ltd has developed a way to lower the temperatures of servers within data centres - large warehouses filled with computers that run the internet - and ultimately reduce the amount of CO2 they produce.

South Yorkshire Investment Fund has given its support to the computer cooling company with a £300,000 Seedcorn Fund investment.

The deal is part of a larger investment of £750,000 which includes funding from The RisingStars Growth Fund II.

Local entrepreneur and inventor Peter Hopton, founder and non-executive director of Iceotope, says a normal data centre server produces the same amount of emissions annually as a Range Rover which has been driven for 15,000 kilometres.

Peter said: "It has been my personal mission to reduce CO2 emissions in the IT industry and make servers more energy efficient.

"Harvard University physicist Alex Wissner-Gross calculated that finding something on Google can emit as much CO2 as boiling a kettle. Iceotope is setting its sights on halving the damage and costs of this power.

"Servers often have a life-span of five years, so when they need to be refreshed we can include this new technology. There are thousands of data centres around the world, who host and run websites for millions of people."

Peter added: "The investors saw the potential of the invention. They helped find a team who could take my idea and turn it into reality. They didn't need a complete team and business plan in order to see the potential."

Dan Chester, who has an entrepreneurial background in the semiconductor industry, was brought in to Iceotope to push the project further.

He explains: "We received initial Seedcorn money from SYIF in 2008 so we could do some testing and independently assess the opportunity.

"In a few months we had enough data to show that not only could Iceotope's technology help, it could make a huge impact on energy and capital budgets for data centres."

Ed French, Fund Manager for SYIF's Seedcorn Fund, says: "We were looking for technology that could solve the issue of heat management in data centres when we met Peter.

"The Seedcorn investment has now shown the great potential of the technology and the team behind it. We've now provided funding that can accelerate their work into 2010."

SMALL BUSINESS FUND

South Yorkshire Investment Fund's Small Business Fund provides typically unsecured loans ranging from £15k to £50k for early stage businesses, and from £15k to £150k for established and profitable businesses to businesses in, or prepared to relocate to South Yorkshire.

SYIF business loans are available for a wide range of purposes including working capital, expansion projects, management buy-outs, commercial premises and asset acquisitions.

The Small Business Fund has successfully completed full investment and is on track to deliver the original forecast of legacy monies as well as meeting its' economic outputs.

The key performance indicators are as follows:



SYIF I to December 2008

Number of Investments	366
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Value of Investments (£000)	£18,833
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Number of Applications	813
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Number of Approvals	386
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Value of Approvals (£000)	£19,682
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SYIF Interim Fund January 1st to 30th June 2009

Number of Investments	26
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Value of Investments (£000)	£1,040
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Number of Applications	42
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Number of Approvals	33
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Value of Approvals (£000)	£1,265
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Pictured: Andy Chaffer from SYIF with Robert Daniels managing director at PBS Group.

Doncaster construction company builds turnover increase

A Doncaster construction company is set to see its turnover increase by more than 20 per cent after backing from South Yorkshire Investment Fund.

PBS Group, on Heather Court at Shaw Wood Business Park, has increased its turnover to £1.88 million for the first quarter of 2009.

The business focuses on the refurbishment of Ministry of Defence properties, social housing, care homes and schools, across the whole of the UK.

PBS Group was assisted with a £50,000 loan from SYIF towards the working capital covering the expansion of the business' operations.

The funding has allowed the company to create partnerships with Henry Boot, The Wates Group and Modern Housing Solutions.

David Tuck, director at PBS Group, said: "The group has now opened up a number of new opportunities and avenues to market as well as becoming national. The major positive impact on the business is engaging in Ministry of Defence work.

"We are able to deliver all elements of building work and the business feels it's unique selling point is that we are able to hand back properties in a timely and cost-effective manner, as well as to 'hit the ground running' at the start of a scheme."

PBS, which is in its 13th year of trading, was introduced to SYIF by Graham Walker from the Royal Bank of Scotland's Commercial Banking team.

Robert Daniels, managing director of the PBS Group, added: "The support from SYIF and the Royal Bank of Scotland is proof of how networking can benefit any business.

"PBS now plans to consolidate its social housing developments in Doncaster and nationally, nurture its relationship with Modern Housing Solutions and focusing on the Ministry of Defence. I have put in place a very strong management team with all the necessary experience to underpin PBS's growth to £12 million by 2012."

Andy Chaffer, SYIF's business director, says: "PBS Group Ltd is a rapidly expanding construction company dedicated to using local people to drive the business forward.

"They encourage apprenticeships enabling young people to gain the skills they require to enjoy a long-lasting career in the construction industry.

"We are therefore pleased to support their expansion with this funding as it will provide more job opportunities in South Yorkshire."

New training course for want to be sparkys

A South Yorkshire company has launched a unique course to help people start a new career as domestic electricians.

The National Electrical Certification and Training Alliance (NECTA) created a 10-week intensive programme to officially train people how to re-wire a home from scratch.

South Yorkshire Investment Fund helped the company expand and develop the 'Starter Sparky' training scheme with a £55,000 investment.

NECTA, which was wholly acquired by Connaught plc in September 2008 and is now called Connaught Compliance Electrical Services, provides City and Guilds accredited training for members of the public to blue-chip companies, to people with a variety of backgrounds, from maintenance staff to contract engineers.

It has spent £120,000 to create two new training workshops at their Bradmarsh Business Park base in Rotherham with each capable of training eight students per course.

Richard Roebuck, financial director at Connaught Compliance Electrical Services, said: "The training programme is aimed at anyone wanting a career as a domestic electrician. It will provide the knowledge, qualifications and practical skills to anyone who needs to provide a professional and safe service.

'Many people in the electrical industry felt that the Government's introduction of the Part P qualification, which was in theory to focus on electrical safety in the home, didn't address the competency requirements in the time allowed for the course or depth of the curriculum.

"In practice, it has been poorly structured with just 50 hours in the classroom and no prior assessment of course candidates. This has led to frustrated tutors and students alike."

With a major client like British Gas on board, Connaught Compliance Electrical Services has developed the new Domestic Electrician Course.

Richard added: "We wanted to offer a more in-depth training programme which will provide not only the Part P certificate, but a number of City and Guilds



Pictured: Grahame Lunt from SYIF with Connaught Compliance Electrical Services Ian Carnall and financial director Richard Roebuck.

recognised qualifications too, which will increase the competence of successful candidates to an acceptable level.

"This will be useful to anyone who has missed the apprenticeship route or is unable to commit to a long term college training course. It offers a starting point for future career development."

Connaught Compliance Electrical Services is one of the country's leading electrical safety specialists and works with major customers such as AXA, BOC, Nestle and BMW.

Richard added: "This is a growing market with more and more insurance companies refusing to insure businesses without the effective management risk plans in place.

"Electrical related fires are one of the highest pay-outs by insurance companies and by having an Electrical Condition Report of the building, enables businesses to meet with the growing health and safety regulations."

Grahame Lunt, SYIF's investment manager, says: "We are pleased to support the company with this second investment and help the organisation expand into the training market.

"It has grown from strength to strength in the last few years and become the leading specialists in electrical safety. Connaught Compliance Electrical Services new training course has been created to use this expertise to tap into a growing need to train more domestic electricians."

CAPITAL AND DEVELOPMENT FUNDS

SYIF's Capital and Development Funds provide equity linked investments from £100k to £1m and mezzanine loans from £150k to £1.5m.

As the funds are able to offer a mix of both loan and equity linked investments they are looking to back businesses, management teams and entrepreneurs who are seeking an investment of up to £2.5m.

SYIF's Capital and Development Funds can also invest in much larger transactions alongside other finance providers.

The current investment portfolio contains 31 companies across a range of sectors including creative and digital; food and drink; biomedical; business and professional services and advanced engineering.

The key performance indicators are as follows:



SYIF I to December 2008

	Development Fund	Capital Fund
Number of Investments	44	55
Value of Investments (£000)	£16,101	£10,574
Number of Applications	314	302
Number of Approvals	66	64
Value of Approvals (£000)	£21,082	£17,681

SYIF Interim Fund January 1st to 30th June 2009

	Development Fund	Capital Fund
Number of Investments	2	5
Value of Investments (£000)	£282	£356
Number of Applications	33	20
Number of Approvals	2	7
Value of Approvals (£000)	£702	£1238

Water treatment firm to save businesses thousands

An innovative water treatment company is moving to South Yorkshire to expand and develop its unique product which could see businesses save hundreds of thousands of pounds.

AtraNova has exclusive use of a new patented technology called Ebonex, a titanium sub-oxide material from which the company has developed an electrolysis based system to create a chemical reaction and improve a company's effluent discharge into the sewer.

AtraNova, a spinout from Cambridge technology consultancy, Sagentia Group plc, has been operational for 18 months. Now ready to roll it out commercially, AtraNova is relocating to a site within the Advanced Manufacturing Park, between Rotherham and Sheffield, after receiving a £500,000 equity-based investment from South Yorkshire Investment Fund.

AtraNova is working with businesses from the food, beverage, chemical and textiles industries which pay around £250,000-£300,000 a year to water companies for the treatment of their waste water. The aim of the Ebonex technology is to reduce this bill by between 50 and 80 per cent.

A number of companies around the country already have the equipment installed and operational and AtraNova aims to have a dozen in operation by the end of 2009.

AtraNova provides the equipment on a no charge basis but enters an agreement to take 50 per cent of the savings the company makes.

Martin Frost, chairman of AtraNova, said: "Installing the product in this way



Pictured: Chris Fitzsimmons from SYIF, Philippa Hedley from the Advanced Manufacturing Park, Anuj Joshi from Strategic Sites, Alex Simpson chief executive of AtraNova and Paul Wilkins technical manager at AtraNova.

is a statement of our belief and confidence in it. We believe in the technology and the market and know we have the potential to save a significant amount of money for many cash constrained businesses.

"As with all new technology, this approach provides us with a chance to show the customer how our product will work and the commercial benefits it offers their business at no cost to them."

Martin added: "The money from SYIF will enable us to increase staff numbers to manage the equipment, the installation and provide support to customers. It will also help AtraNova create new business opportunities from an important manufacturing base."

Chris Fitzsimmons, investment manager at South Yorkshire Investment Fund, says: "This is a significant investment in AtraNova by SYIF because we have seen the vast potential of the company and its product."

"Not only will they help reduce costs for businesses, which during the current climate will be essential, but it will also be of benefit to the environment by reducing the level of contamination in waste water which ends up in the river system."

"AtraNova will also enable businesses to expand their operations further without fear of increasing the amount of waste produced."

BLP UK future secured after management buy-out

The future of UK's largest manufacturer of furniture components for the kitchen, bedroom and bathroom markets has been secured following a management buyout (MBO).

Bridie Warner-Adsetts and Andrew Thorpe completed the MBO of Kirk Sandall-based BLP UK Limited.

South Yorkshire Investment Fund provided the equity funding for the deal along with asset-backed lending from Centric Commercial Finance, while Invest in Doncaster was instrumental in securing support from Doncaster Metropolitan Borough Council for the buyout.

Bridie Warner-Adsetts, managing director of the newly named BLP Furniture Components Limited, said: "This deal is an important one for the region and also for UK manufacturing generally as it secures a longstanding and well-regarded business, employing more than 100 skilled workers in Doncaster."

"Through our continuing focus on manufacturing excellence, service, quality and design, we are confident that the business will flourish under its new ownership."

"It is testament to the goodwill of our customers, suppliers and employees that the business has traded through administration to a successful outcome with little or no disruption to customers."

David Fletcher, former chairman and chief executive of Sheffield Forgemasters,



Pictured: Matt Ainsworth (DLA Piper), David Forrest (Ingram Forrest Corporate Finance), David Fletcher, Bridie Warner-Adsetts, Andrew Thorpe (BLP Furniture Components), Ian Waterfield (SYIF) and John Longstaff (Ingram Forrest Corporate Finance).

joins the board as non-executive chairman.

Ian Waterfield, SYIF investment manager, added: "We are delighted to have backed an excellent management team and an important South Yorkshire business in a deal which retains significant employment in the region."

Andrew Thorpe, finance director at BLP UK, says: "In a difficult funding environment, it was encouraging that our funders saw the obvious potential within the business. SYIF has been very supportive and responded quickly to complete the MBO within a short timescale."

"We look forward to working with them and with David Fletcher into the future."

Lead advisors on the MBO were David Forrest and John Longstaff of Ingram Forrest Corporate Finance.

An all Yorkshire team of advisors included James Bullock and Emma Garth of Irwin Mitchell in Sheffield, who provided legal advice to SYIF and Duncan Mosley, Matt Ainsworth and Mike Swift from the Sheffield office of DLA Piper, who provided advised the management team.

MENTORBANK



Pictured: Edward Naylor and David Fletcher.

South Yorkshire Investment Fund's successful Mentorbank has achieved its objective to support businesses and help them achieve profitability with sustainable growth. This has been critical to strengthening management teams across the region.

The subsidies for the scheme has now come to an end, but SYIF continue to offer and use a substantial database of highly experienced mentors, which businesses and advisors can tap into and utilize at a cost.

Businesses receiving a loan or investment from SYIF have reported gross additional sales of more than half a billion pounds and the mentors/non-executive directors (NED's) working with these businesses have obviously made a significant contribution to this figure.

The Money with Management programme was a new innovation, but built on good practice from elsewhere. It contained incentives to business to take on mentors and non-executives to strengthen their management.

At the same time the programme provided rebates on the loans, as an added incentive to maintain strong management and to make the loan product competitive – these have now made the market and we believe they have helped make the transition from grant to loans.

Any return from the Fund, which is generated from combining both financial and mentoring support to businesses, will be re-invested into South Yorkshire companies to benefit the region over the long-term.

This element of sustainability is the one of the shift changes made in the market of government assisted support for business. This helps the region's businesses to become more confident in the way they face the challenges of the market.

There are also likely to be benefits to SYIF arising

from lower failure rates where some businesses would not have been able to repay the loan without the support of the mentor.

An example of Mentorbank includes the appointment of David Fletcher as non-executive chairman at Naylor Industries in Barnsley, Naylor, which develops specialised clay pipes, received a £1.15m equity linked investment to help the company expand its operations and increase its product range.

David was appointed following a further investment in December 2008, to advise the company on how best to deal with issues arising from its sudden growth and on general issues in the sector.

David, who has a vast amount of experience in both manufacturing as well as the finance industry, said: "I work with Naylor's approximately five days a month, but instead of just sitting on the board and attending meetings, I like to get involved in the day-to-day decisions of the business.

"Mentors or NEDs have a good wealth of knowledge and understand business. Often many companies try to do too much at once and the benefit of being an outsider enables me to identify what they need to focus on to best meet their needs.

"Whether a company has enjoyed massive growth in a short period of time, been involved in a management buy-out or helping to deal with the recession, all are key areas a mentor or NED can help with."

At the end of 2008 a survey of companies, who had gained support from the Mentorbank, found that

half the businesses would now take a mentor at full market rate following their experience. This rose to two thirds of those benefiting from the larger equity linked investments, while nine out of ten would take a mentor again on similar terms.

For the business, there are clear pluses in terms of bottom-line economic benefits, but also in softer issues, such as staff development and management capacity.

More than four in ten businesses identified that they had benefited from the mentor or NED's role in developing their staff as well as support they had not anticipated at the outset.

The survey also showed the mentor or NED is most effective when they are providing a strategic view of the business. This has been the greatest value to businesses, regardless of the business' prior expectations and illustrates that mentors and NED's should not be confined to providing financial advice.

Finally, Mentorbank has provided an important stimulus to the regions intermediaries. It has worked with the grain of private sector support and has encouraged the increased take up of professional advice and guidance.

SYIF believes this is part of the extra benefits of Mentorbank, strengthening businesses and protecting the region's investment in them.

The Mentorbank has always been an integral feature of the SYIF approach to developing businesses and attaching the mentor or NED input to the loan or equity linked investment has helped to make the best use of the finance available.

Interest rebates

In the last 12 months, SYIF has lowered its interest rates on small business loans, following reductions in the Bank of England base rate. The new rates have been set in line with European State Aids which limit the minimum net rates which SYIF can charge.

The changes demonstrate SYIF's responsibility to meet the needs of local businesses, but also helpfully demonstrates the move towards a more commercial market for finance in the region.

Microloans and Social Enterprise

SYIF continues to work with the Sheffield City Council on the BiG: Make it your Business initiative, which aims to get more Sheffield people to start and succeed in self employment and in business.

The BiG Business Loan Fund provide loans from £1,000 to £5,000 for new start businesses and up to £15,000 for businesses that have completed six months of trading.

BiG Business Loans are available to sole traders, partnerships or owner-managers, either starting a new business or developing an existing one.

In addition SYIF are still in partnership with Donbac Ltd, a Doncaster based small loan fund and Key Fund Yorkshire, a specialist

investor in social enterprises. Both have a number of years experience in lending to small and medium sized enterprises.

At the end of 2008, Finance South Yorkshire, which manages the South Yorkshire Investment Fund's Small Business Fund, joined the Community Development Finance Association (CDFA).

By joining CDFA, Finance South Yorkshire will have better access to small enterprises through networking events and seminars, designed to put businesses from the region in touch with investment opportunities. The CDFA is the UK trade association for financial institutions that provide capital and support to enable individuals or organisations to develop and create wealth in disadvantaged communities or under-served markets.

Value of approvals and investments

Results to 31 December 2008 Results 1st Jan 2009 to 30 June 2009

Investments

Small Business Fund	£18,833,000	£1,040,000
Capital Fund	£10,573,000	£356,000
Development Fund	£16,100,000	£282,000
Seedcorn Fund	£4,221,000	£125,000
Total of investments	£49,727,000	£1,803,000

Output Measures to 31 June 2009

Jobs created	2,350
Jobs safeguarded	6,281
Number of SMEs assisted	2,416
Mentor days supported	9,129

(figure to end of September 2008)

Gross additional sales generated after investment	£582,721,000
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The above figures are based on evidenced outputs from Money with Management and include results from The Key Fund and Capital Network/YABA.

Financial Highlights

Year ended March	2009 (£000's)	2008 (£000's)
Income		
Grants and contributions	1,621	2,444
Fees and other income	352	343
Investment income	173	445
	<u>2,146</u>	<u>3,232</u>
Surplus before taxation	(134)	139
Taxation	-	-
Retained surplus	(134)	139
Average number of employees (includes FSY 6 recharged)	16	18
At year end Net assets employed		
Fixed assets	36	46
Debtors	2,083	2,294
Investments and deposits	6,504	3,861
Cash at bank	1,356	2,265
Liabilities	(8,910)	(7,263)
	<u>1,069</u>	<u>1,203</u>

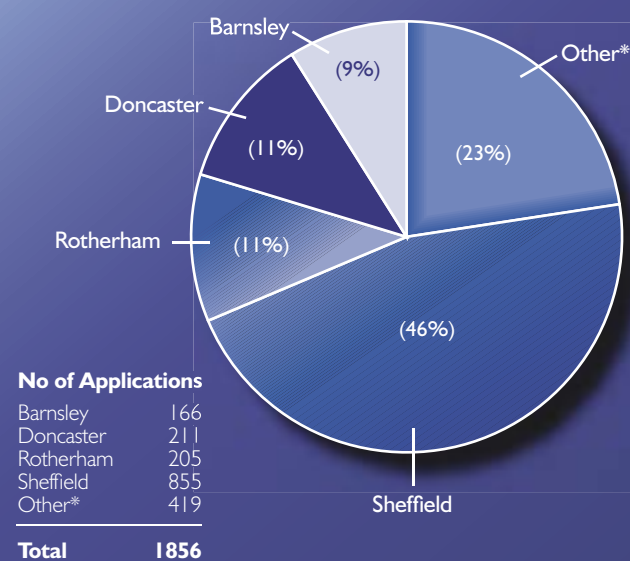
Reserves

Retained surplus	1,069	1,203
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These summary financial statements are a summary of information contained in the South Yorkshire Investment Fund Limited Annual Report and Financial Statements for the year ended 31 March 2009. They are prepared to give partners and stakeholders a summary of the progress being made by South Yorkshire Investment Fund Limited. They do not contain sufficient information to allow as full an understanding of the results and state of affairs of the South Yorkshire Investment Fund Limited business as would be provided by the full audited Annual Report and Financial Statements. A copy of the full Annual Report and Financial Statements for the year ended 31 March 2009, which contains an unqualified Auditors opinion, is available on request from the Company Secretary at the registered office of South Yorkshire Investment Fund Ltd.

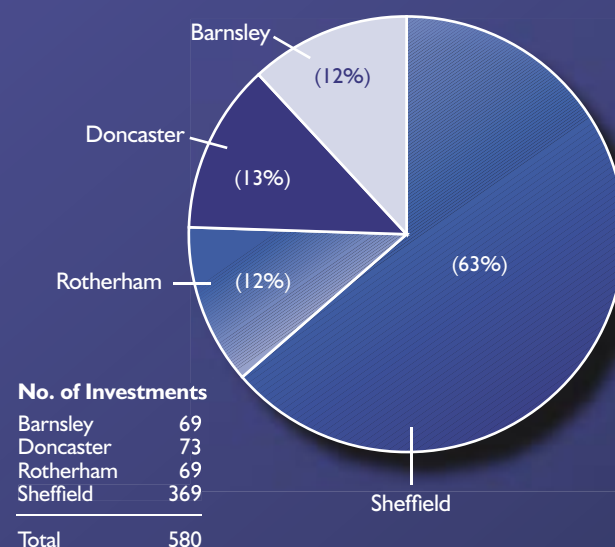
Location statistics - all funds (SYIF I and interim) summary

Number of Applications

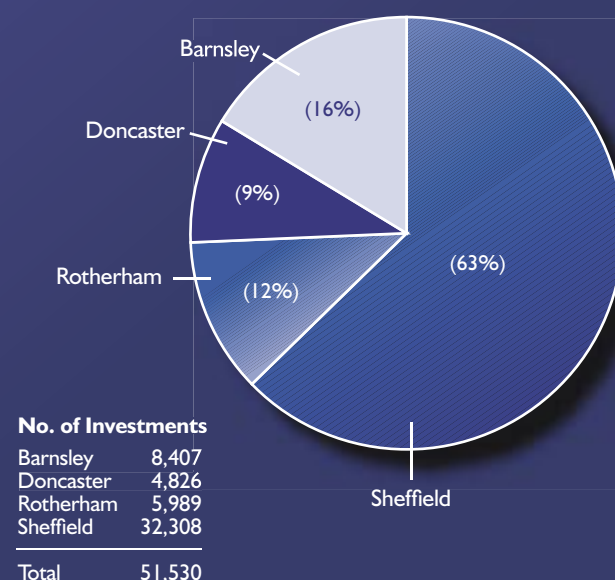


* Location to be decided at date of application

Number of Investments



Value of Investments



South Yorkshire Investment Fund



09

South Yorkshire Investment Fund

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