



WELCOME TO YOUR NEWSLETTER JANUARY 2010 EDITION



WELCOME

Dear all,

Welcome to the January edition of our newsletter. With the ever growing concerns of business stability in the current financial climate, this issue has been devoted to finance options available to food businesses.

As always, we look forward to receiving your feedback and recommendations for future topics of interest.

Enjoy!

Croydon Food Group

The Croydon Food Group took part at the Croydon Food Business Seminar held by the Croydon Council Food Safety Team on Friday 29th January.

We are pleased to support the Croydon Healthy Catering Award Scheme as this will be a great step towards tackling obesity and encourage food businesses to be responsible for their customers' wellbeing.

Presentations and information from this seminar can be found at www.croydonfoodgroup.com

Members News

CONGRATULATIONS to Collete Emeruwa from Double-Take Cakes for launching her exciting new website. Her website details were incorrectly published in the December newsletter

and further information about her delicious cakes can now be found at www.double-takecakes.com

WELCOME to all our new members. We are pleased to have such a wide range of members who bring innovative and interesting new products. A few of our new members include; Bene Bakers, Delicias – The Cakery, Cafe Panini, Trio Deli and Domali Cafe.

Bene Bakers Ltd can be found at St Georges Walk and offer a wide variety of unique breads, pastries and confectionary. This bakery has a friendly team who is very welcoming and has a great passion for what they do!

Fernando Filho, whose brand is Delicias - The Cakery, produces a range of cakes, including a number of gluten free cakes and some Brazilian specialities such as cheese bread, cheesecake and cornmeal and coconut cake delicious. He sells through a variety of markets including ones at Duke of York Square, Chelsea and St. Katherine's Dock. He will be trying out a new market in Soho, which is due to open on 13th March.

Further details of Delicias - The Cakery can be found at www.deliciasthecakery.com

All queries by members are welcome and can be sent to info@croydonfoodgroup.com or 020 7624 0533.

NOTICEBOARD

ANNOUNCING 5.16 % A.P.R LOANS FROM CROYDON ENTERPRISE

The Croydon Food Group is delighted to inform its members about the availability of highly competitive finance to businesses in this sector.

Loans are available at just 5.16% A.P.R. with no arrangement fees or early termination fees payable! This will be particularly attractive to those businesses who have been frustrated in their search for funding via the normal channels.

Background

Croydon Enterprise is an enterprise growth programme to support businesses in the borough of Croydon which have been frustrated in their dealings with conventional finance providers.

The Croydon Enterprise Loan Fund is a £1 million fund available to finance the needs of businesses within the borough as part of the Finance for Enterprise initiative. The scheme is managed by GLE oneLondon.

The programme aims to provide finance for eligible start up and established businesses in Croydon. Croydon Enterprise and its partners will also offer expert practical support to help businesses get ready to apply for finance.

Eligibility Criteria

Priority will be given to propositions that meet the following eligibility criteria:

- The business must be located in the borough of Croydon
- Priority will be given to applications that are likely to create jobs for local people
- The applicant must have been unsuccessful in obtaining finance from conventional commercial sources
- The business must be recognised as an SME
- Finance should be required to further the purpose of the business and not to directly or indirectly finance any personal expenditure of its owners, nor refinance or repay existing business borrowing or debts
- Applicants must be permanent residents of the UK or have indefinite leave to remain in the UK

Finance Available

Loans are available between £2,001 and £50,000 over periods of between 3 and 5 years.

- **Start-Up Loan**
 - Minimum £2,001, maximum £10,000 where a business has traded up to 12 months
 - Maximum £25,000 where a business has traded for between 12 to 18 months

- Maximum repayment period for businesses trading up to 12 months is 3 years and 5 years if it has traded for over 12 months.

- **Growth Loan**

- Businesses must have been trading successfully for at least 18 months, as evidenced by certifiable accounts
- Minimum £10,000 to maximum £50,000.
- Maximum repayment period 5 years
- A maximum 3 month capital repayment holiday, during which interest must be covered monthly, may by exception be agreed.

Loan Features

- Repayments – must be paid monthly by Direct Debit
- Interest – will be charged at the current European Commission's Hurdle Rate plus 4% (ehr is 1.16% wef 1st January 2010) **therefore the current rate is 5.16%**. The rate will be fixed for the first three years of the loan.
- Security – where the legal entity receiving the finance is a limited company or limited liability partnership, personal guarantees will be required from the beneficial owners. In addition, for loans over £10,000 a debenture from the company will be required and in certain cases equipment purchased with the loan amount may be used as security.

Exclusions

Finance will not be provided for the purchase of residential or commercial property, for businesses trading in sectors

excluded from the aims of the fund, refinancing existing debt or any activity that may bring the scheme into disrepute.

Fees

No facility or arrangement fees are charged.

There are also no penalties for early repayment either partially or in full.

Ongoing Support

- Additional support may be available by way of a free mentoring scheme available for a minimum period of six months. This will involve a monthly meeting with a professional mentor who will offer guidance to the business.
- Introductions to other business support agencies as and when appropriate.

For further details about the Croydon Enterprise Loans scheme please contact:

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Loan Fund Manager
Croydon Enterprise Loans
Park House, 5th Floor, 22 Park Street,
Croydon CR0 1YE

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M: 07545 735192

Email: nick.m@gle.co.uk

EVENTS FOR YOUR DIARY

“Hospitality: Cost Reality”

An invitation to find out more: 8.15am to 10.30am, Wednesday 10th February 2010, Jurys Inn Hotel, Wellesley Road, Croydon, CR0 9XY.

Are you a local hotelier, restaurant or bar serving food? Are you trying to cut utility costs whilst delivering a first class service? Are you aware of the need to become greener but not sure where to start? If you can answer “Yes” to any of these questions then we have rustled up a free tasty little workshop catered to suit your business needs!

Research by the Institute of Hospitality and Sustainability experts Envirowise found that more than half of managers surveyed in the hospitality sector felt ‘going green’ would increase their costs. Furthermore, around 40% also said that the current economic climate was an added barrier to change.

In actual fact, hotels, bars and restaurants could save around £250 per employee per year by taking action to reduce waste, water and energy. Improving your environmental performance can directly improve your business’ bottom line, allowing you to re-invest, bringing your guests back again and again.

Envibe, working in partnership with Envirowise, would like to invite you to a tempting breakfast workshop to introduce your business to several no cost, low cost quick wins which can be easily implemented and which will also reduce your carbon footprint! We are also delighted that The Carbon Trust will also

be at hand to discuss the availability of their interest free loans scheme for improving the energy efficiency of businesses.

This is your opportunity to hear more about one to one support which is available to your business, understand how to access funding, listen to hospitality sector case studies, learn practical, realistic top tips and talk openly with industry experts.

More and more businesses are getting environmentally savvy, thereby saving money as well as gaining a competitive edge. This free “taster” workshop will provide an excellent “starter” to such an approach. The workshop is partly funded by the EU under the project “Inspire South London” and places will get booked up quickly! If you are tempted and want to confirm your place RSVP to the Business Hotline on 0208 680 6161 and let us show you how hospitality can become a cost reality!

See you there!

Debbie Clement
ENVIBE Co-ordinator

SOURCES OF FINANCE

Companies finance their business from a variety of sources, balancing the risk inherent in taking on external liabilities with the benefits of funding faster growth. Indeed, some 50% of Small and Medium-sized Enterprises (SMEs) have no external funding – debt or equity – preferring to finance their growth by retention of profits.

This article is aimed at those considering external funding and outlines the main forms available to Croydon Food Businesses:

- Grants
- Loans
- Investment readiness

Grants

Grants often seem attractive and in some circumstances may be available. However, they are never adequate to fully fund business growth and often may have restrictions that may have adverse commercial implications or return of grant under certain circumstances.

Loans

Loans may appear attractive to business owners as they do not dilute existing shareholders by the issue of new equity or require shareholders agreements to be put in place. Generally, loans are only suitable where a business has a projected cash

flow and is able to service the interest payments and consequently pay off the loans.

Investment readiness

Investment readiness is the ability of the business to repay any proposed borrowing or provide a suitable return on any investment. This is gauged by:

- Management capability
- Well-developed products and services
- Regulatory compliance
- Market knowledge
- Personal commitment

Business Angels

Business Angels are high net worth individuals who invest on their own or as part of a syndicate, in high growth businesses. In addition to money, Business Angels often make their own skills, experience and contacts available to the company.

HOW ARE THESE FINANCE OPTIONS AVAILABLE?

Financial support from Croydon Enterprise for local enterprise (Ladder of Finance)

Nearly all new businesses need finance to get them started and often a traditional bank loan is not always an option.

To help local entrepreneurs access the funding they need, Croydon Enterprise has assembled a ladder of finance. This ladder is made up of rungs or funding 'pots', and each has been designed for people at different stages in their enterprise:

- Test Trading Grants
- Finance for Enterprise

Business support from Croydon Economic Development Company (CEDC) for local enterprise

A new initiative 'Finance for Change' business support programme for SMEs in Croydon to achieve 'Investment Readiness'.

Test Trading Grant (TTG)

TTG is available from Croydon Enterprise for those wishing to test the commercial viability of a new product or new service within the market place, prior to making a full commitment to pursuing that line of business.

Applicants may apply for funding for the following or similar purposes:

- Funds to test trade a product or service
- Setting up a market stall for the first time
- Expanding in to new market / diversifying in to a new
- Product range
- Promote a new product or service
- Purchase of equipment or tools to launch a new business
- Produce a prototype

The applicant must be part of LEGI programme either by attending a CE sponsored workshop or have had a business advice session with an approved business advisor/supplier/delivery partner of CE and be based in Croydon (home or business).

To know more e-mail gsquelch@croydonbusiness.com or call Gemma Squelch, Client Relationship Co-ordinator on 020 8680 6161.

Finance for Enterprise

Loan Fund

If you are a Croydon-based business, a sole trader or a limited company and find it hard to get loans from mainstream sources, this £1m loan fund could be for you.

With loans ranging from £2,001- £50,000, applicants will need to be serious about making a success of their business.

Eligibility is determined as follows:

- Businesses between 1-12months old are eligible for up to £10,000
- Businesses between 12-18months can apply for between £10,000-£25,000
- More established businesses can apply for up to £50,000

Further details are to be found in this January Newsletter.

For information about Croydon Business Loan Fund contact Keith Miller, Senior Loan Fund Manager on 0208 090 9184 or keith.m@gle.co.uk

Finance for Change

Key aims and objectives of Finance for Change are to provide tailored business support:

- To raise the awareness of all the finance options available to SMEs to increase their business growth
- To assist SMEs in refinancing, wherever necessary, due to the 'credit crunch'
- To target SMEs in key growth sectors who are finding it difficult to access finance and investment in the current economic climate, as well as those who have traditionally found it difficult to access finance.

The Finance for Change programme aims to support approximately 900 SMEs by July 2012, focusing on SMEs based in Croydon who need intensive flexible support to increase the likelihood of them gaining 'investment finance'. This support amongst other things will include master classes, workshops, individual business advice, coaching and mentoring.

For further information, please contact the business hotline on 0208 680 6161 or e-mail kfiagbe@croydonbusiness.com

MEMBERS PROFILE



Nathaniel Maxwell is an active and popular member of the Croydon Food Group.

After 20 years working as a Local Government Officer and Consultant on legislation and welfare benefits, Nathaniel opened FB Bakery. Initially this shop only sold speciality frozen foods, but over the years it has evolved into a haven for freshly prepared Jamaican patties. This shop does not only specialise in West Indian foods, but is also a “World Food Shop” as Nathaniel is keen on educating the public on different food and cultures.

Nathaniel is a people’s person and enjoys interacting with the public on a daily basis. He is friendly and fun loving which has resulted in him creating a strong and loyal customer base.

Nathaniel feels that the Croydon Food Group has helped give his business gain exposure by providing opportunities to partake in high profile events. These events have led him to create a close relationship with other local businesses, thereby encouraging local trade. Furthermore, Nathaniel believes the hands on approach of the Croydon Food Group has equipped him with sufficient knowledge and information about regulatory requirements of food businesses and has provided the best possible service for his customers.

Nathaniel hopes to expand his business by creating a franchise of FB Bakery in the near future and is keen to expand his current client base for his all famous “Jamaican Patties”. He enjoys people appreciating good food and he aims to spread this brilliant product throughout the market so it is readily available.

We wish him the best of luck!

CROYDON FOOD GROUP MEMBERS LIST

COMPANY NAME			
1	A Torre	24	Crown Bakery
2	Albert's Table	25	Domali Cafe
3	Armadillo Training	26	Dos Santos Foods Ltd
4	Aroma Cafe	27	Double – Take Cakes
5	Ash Bala	28	Europa Fried Chicken
6	Atlantico Ltd	29	Local Express Pizza & Chicken
7	Baan Thai	30	FB Bakery
8	Bake me a cake	31	Fish & Grill
9	Bagattis	32	Flavaz First
10	Bene Bakers Ltd	33	Flavours of Norbury
11	Big snapper	34	Food 4 Chefs
12	Blue Jay Café	35	Foods For Life Nutrition
13	Boomfield	36	Freelance Journalist
14	Buenos Aires	37	Good Food Matters
15	Buffalo Catering	38	Halal School Foods
16	Cafe Panini	39	Health is your wealth
17	Carmen's Rose Restaurant	40	Inspired Creations
18	Carr Foods Ltd	41	Kato Enterprises Ltd
19	Casablanca Café	42	La Baguette
20	Check Point	43	La Fille Bantu
21	CoCo Mama Food Supplies Ltd	44	Le Cassoulet
22	Community Music Skills	45	Los Toreros
23	Crazy Chicken	46	Mary Jane's Popcorn
47	My Little Wrapper London		
48	New Wok's Cooking		
49	Norma's Cakes		
50	Oliver's Kitchen		
51	Pat a Cake		
52	Paul Wayne Gregory Ltd		
53	Peppertons		
54	Perry's Bakery		
55	Rameses		
56	Roti Masters		
57	Santok Maa's Bhel Poori House		
58	Snacktape		
59	Sonu Halaal Foods		
60	Sucre Sale		
61	Tarts and Tease		
62	The Glamorgan Gastro Pub		
63	The Green Dragon Pub		
64	The Mediterranea		
65	The Rubicon Restaurant Co		
66	The Orchard Pub		
67	Trini Roti		
68	Unc Snacks		
69	Zaal		

* Members contact details available on request

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