

Example Rating

Platform: Crowdcube | Stage: Expansion | Industry: Business Services | Location: UK - London
 Date Rated: 04/07/16 | Raise: £150,000 | Equity: 13.5% | Valuation (Pre Money): £961,111



MANAGEMENT



PRODUCT



INVESTMENT

Tax Status: EIS

Financial Overview

Whenever possible, we include a summary of the companies financial projections in a standardised format, showing the most important metrics and how they will evolve as the business grows.

Business Summary

It can be difficult boiling an entire business plan down to a few sentences, but we try!

Here we write a brief introduction to the company - what does it do, what has it achieved so far and why does it want your money?

MANAGEMENT	 77%	SKILLS:		What evidence is there that the management team has the skills to deliver the business plan they have presented in their campaign?
		EXPERIENCE:		We look for proven experience that will support the team in achieving the business plan.
		COMMITMENT:		We assess the time and money the team has invested in the business so far, and judge how much it will hurt them and their reputations if the business fails.
PRODUCT	 61%	MARKET:		We look for evidence that the team really understands the company's addressable market and has assessed how attractive it is.
		PRODUCT:		How far along is product development and are there signs of market traction?
		COMPETITION:		We research the industry the company operates in and assess their competitive advantage.
INVESTMENT	 48%	PROFITABILITY:		We look for projections that are supported with evidence, are logically consistent and can be supported by reference to comparable businesses.
		CASHFLOW:		We check working capital requirements and how much financial headroom the company has left in its projections in case things don't quite go to plan.
		RETURNS:		We use market data, information in the business plan and the financial projections to assess the likelihood of investors a) getting a return and b) getting the returns the business plan implies.

Conclusion

Finally we summarise our thoughts about the business - highlight the particularly interesting areas and bring attention to anything that you might want to investigate further before investing. We only use publicly available information when preparing a rating, but the companies that are raising money will often respond to questions from potential investors.

Related Links

www.crowdrating.co.uk