Codat Limited – Public Commitments

£5 Million Grant

In the next few years, we believe there will be a dramatic acceleration to the industry-wide shift from siloed data within small businesses to a connected ecosystem of unified financial data sources. To put it very simply, in five years' time it will be outdated to share financial data between small businesses and large providers via Excel or PDF – standardised, automated data integrations will be the norm.

Codat is a universal API for small business financial data. Accordingly, it is committed to offering SMEs in the UK the benefit of financial services which best serve their needs, directly communicating with the systems of record they use within their own businesses, while dramatically reducing the operational costs for financial services providers.

This change in data infrastructure, powered by Codat and funded by the CIF, will allow a broad array of financial services providers to build new products which are a manifest improvement on the suite currently available to UK SMEs.

With the CIF grant and £11.16m in internal co-investment, Codat's public commitments are:

Commitment 1

To accelerate the development for two of Codat's existing product modules:

- Achieve push and pull capability of all available data types for currently supported accounting packages in Codat Core, and 5 further accounting packages used by UK SMEs which are not currently supported (within 12 months of award). Codat Core is a single, developer-friendly API allowing providers of SME financial services to exchange data with their SME customers' accounting packages. Codat Core handles end user authorisation/authentication, standardisation of data into a single format, and synchronisation of data on an ongoing basis.
- Addition of 3 major e-commerce platforms as data sources in Codat Commerce Sync (within 18 months of award). Codat Commerce Sync is a module for POS and eCommerce solution providers to sync their SME customer's sales and payment data to their accounting software.

Commitment 2

To implement a new Codat FinTech Access Programme, enabling 12 FinTech providers at a time to develop new SME products (including banking, lending, payments, insurance and other financial services) from initial concept to Minimum Viable Product using the Codat Core platform for six months, with full support, free of charge (initiated immediately, first cohort of 12 in the programme within 6 months of award).

Commitment 3

To implement a new Codat Enablement Programme, enabling 12 UK non-Tier 1 SME lenders at a time to conduct testing and refinement of new SME products using the Codat Core platform, with full technical and client enablement support, free of charge (initiated immediately, first cohort of 12 in the programme within 9 months of award).

Commitment 4

To enable, through commitments 1-3, no fewer than 20 new SME lending products or services which use real-time accounting integrations to improve user experience and reduce funding time for UK SMEs to reach the market within 36 months. To include no fewer than:

- 5 non-Tier 1 UK banks
- 15 UK non-bank alternative lenders

Commitment 5

To enable, through commitments 1-3, no fewer than 10 non-lending SME FinTech products and services use real-time accounting integrations to improve SME user experiences to reach the market within 36 months. To include no fewer than:

- 2x SME insurance providers
- 2x FX Solution providers
- 3x EPOS or Payment providers
- 3x cash flow forecasting or business management software providers.

Commitment 6

To develop and launch an SME facing consent management portal for SMEs to view and control data sharing permissions linked to their accounting platform (within 18 months of award).

Commitment 7

To enable a minimum of 100,000 UK SMEs to benefit from new integrated products and services developed on the Codat platform (within 36 months of award).