

Assessment Period 1 (July 1st, 2019 – September 30th, 2019)

Fluidly Limited - £5M Grant

Fluidly helps business owners sleep better by providing control, certainty and confidence around cashflow. Fluidly dynamically forecasts cashflow, giving businesses visibility of their financial future and how to optimise it. As of Q3 2019, we have already connected 28,000 SMEs.

Our ambition is to unlock financial data using AI, building an intelligence layer that powers the entire ecosystem, from businesses to accountants to finance providers. Fluidly is uniquely placed to transform the market and enable choice, competition, and innovation.

BCR funding would accelerate our ambition. Our Actions Hub will deliver tools, insights and recommendations for SMEs to make timely, informed financial decisions. And our AI-driven financial marketplace will drive financial choice.

Fluidly works for everyone. Our technology works across all sectors and adds powerful capability, regardless of who you bank with. We help businesses improve financial outcomes without having to switch from existing financial providers, so our scaling opportunities are huge.

BCR funding will enable Fluidly to accelerate commercialisation of innovative technology, increase choice and encourage competition with these commitments:

COMMITMENT 1. MEANINGFUL MARKET PENETRATION, BANK AGNOSTIC TECHNOLOGY

We will accelerate our growth, aiming to connect 400,000 SMEs by September 2022. Our frictionless and accessible technology has huge scaling potential. We look to achieve a 7% market penetration by delivering new financial intelligence capabilities for a breadth of SMEs, agnostic of bank provider. This will drive choice and competition in lending and savings, even if a business does not switch current accounts.

Update:

We are on track to deliver this commitment.

COMMITMENT 2. MULTIPLIER EFFECT FOR MARKET TRANSFORMATION

We will leverage funding to multiply the returns across the market and match BCR funding with £5M as co-investment. Our multiplier effect goes beyond money. We will impact the wider ecosystem by bringing together accounting software vendors, accounting firms and financial providers; compounding the distribution and returns beyond the capability of any one firm. We will deliver a data network effect - personalising algorithms and offering benchmarking that only a whole-of-market approach can deliver. Every pound of funding will be multiplied, delivering excellent value for money.

Update:

We are on track to deliver this commitment.

COMMITMENT 3. ACTIONS HUB FOR INTELLIGENT CASHFLOW MANAGEMENT

We will launch the Fluidly Actions Hub within 12 months of receiving funding. The Actions Hub will provide a single view of finances to build stronger, more resilient businesses. This includes:

1. Insights and benchmarking against similar SMEs (e.g. sector and growth stage) to highlight opportunities for improvement.

2. Personalised recommendations to support smart decision making. Actions will range from identifying opportunities to preventing potential threats - to promote growth and survival.

Update:

No update for this commitment in this Assessment Period.

COMMITMENT 4. INTELLIGENT FINANCIAL MARKETPLACE

By October 2020, we will launch an AI-driven financial marketplace that drives choice by matching needs to traditional and alternative finance providers. By combining historical financial data (the basis of most credit decisions) with AI-driven future insights, Fluidly helps predict and pre-empt needs. This unique AI-equipped platform will allow businesses to make timely, informed decisions about financial products.

We will work with lenders to build new predictive datasets that support risk assessment to target delivery of a lower cost of capital. We will also reduce market friction by facilitating API-driven decisioning.

67% of SMEs do not borrow. We want to help SMEs with returns on cash. Whether highlighting options to invest in growth, save money or get better interest rates on balances, we want to help SMEs identify the right products, whether from an incumbent or a challenger.

Update:

We are on track to deliver this commitment. As of Q3 2019, we are in conversation with eight lenders.

COMMITMENT 5. IMPROVED FINANCIAL SUPPORT FOR BUSINESSES

Fluidly commits to work alongside professional bodies such as the ICAEW, to deliver over 20,000 hours of CPD-certified training by September 2022. This will equip thousands of accountants to deliver modern cashflow advice to SMEs, filling the void created by the reduction in traditional bank Relationship Managers.

We look to offer support through direct collaboration, partnering with 10,000 SME accountancy firms and at least five FinTech companies, to foster better business outcomes, greater choice in the market and overall competition across the SME ecosystem.

Update:

We are on track to deliver this commitment. Our training is CPD certified and as of Q3 2019, we are now working with over 300 partners, and are ready to start delivering training.

COMMITMENT 6. UNLOCKING AI FOR EVERY BUSINESS

We commit to helping SMEs benefit from the transformational potential of AI. Fluidly's patent-pending, UK-built technology has received industry and government recognition.

The challenges of implementing AI, such as cost, integration complexity and lack of internal expertise, remain barriers, even for established enterprises. Fluidly commits to making AI readily accessible for smaller businesses, while developing responsible AI systems that produce fair, unbiased results. We commit to protecting client, personal, and partners' commercially sensitive data to industry-leading data security and privacy standards, as well as meeting GDPR requirements.

Update:

No update for this commitment in this Assessment Period.

COMMITMENT 7. UNLOCKING FINANCIAL DATA TO IMPACT THE ENTIRE ECOSYSTEM

Fluidly is building proprietary datasets to assess risk, that will drive innovation in credit products particularly for underserved businesses. We commit to identifying behavioural patterns in our data to predict risk, and work with at least two lenders to co-create new products that reduce cost of capital for SMEs (58% of SMEs cannot currently get funding at APRs below 8%).

We will also create access to at least 25 partners across the ecosystem, including alternative finance providers, general ledgers, accounting firms and other FinTechs. The alternative finance providers will drive competition by challenging the traditional banks' stronghold over less accessible credit. By partnering with other FinTechs, we will further commercialise their technology across the market alongside our own, creating multiplier effects in the ecosystem.

Update:

We are on track to deliver this commitment.

COMMITMENT 8. DIVERSITY AND INCLUSION

Fluidly is committed to creating a diverse and inclusive culture that serves a cross-section of small businesses. Fluidly has demonstrated strong progress in gender diversity including 40% female leadership.

We look to support businesses in all sectors, regions and growth stages. Around 70% of businesses connected to Fluidly today are outside London. We commit to opening a Regional Hub in Newcastle, with at least 15 employees hired by December 2021.

We will provide Enterprise Nation with 1000 free licenses to distribute to its diverse membership.

Update:

We are on track to deliver this commitment.

COMMITMENT 9. TRANSPARENCY ON PROGRESS

We will give full transparency on the allotment of funding towards our goals. We will provide BCR with access to dashboards tracking progress of commitment KPIs. In addition, we will publish an annual benchmarking report showcasing SME industry trends. This public report will also feature cashflow insights, focusing on financial decisions that have contributed to the growth of Fluidly's connected businesses.

Our board has committed to the delivery of this initiative and we have the funding plan, project management and governance for success.

Update:

We are on track to deliver this commitment.

SUMMARY

Through our commitments, we will drive choice for businesses and increase competition. We will multiply the impact of a grant through £5M in matched funding and established distribution partners. With our patent-pending technology layer, track record of delivery and close relationships across the ecosystem, we are confident we can democratise AI technology for ordinary businesses to deliver peace of mind and better financial outcomes.