

# ZEITGEIST

The quarterly newsletter from the EIS Association

## Welcome to the Spring Edition of ZeitgEISt

Well, that was a non-event! The March 3<sup>rd</sup> Budget passed without a single mention of EIS or SEIS and was primarily concerned with continuing the recovery and support of businesses from the Covid pandemic. There was however some insight into how the Government may transition from fostering recovery to fostering growth within the "Build, Back, Better" document that accompanied the Budget. This document did mention EIS and SEIS, albeit in passing, but this was certainly an acknowledgement that the schemes have a part to play in future plans and are not being ignored.

For a number of reasons, we shouldn't be either surprised or worried the schemes didn't warrant more of a mention.

Firstly, as we are all very aware EIS and SEIS are fully focused on growing and developing businesses so at a time when the Government is more concerned with saving and propping up businesses it's easy to understand why the schemes aren't being talked about.

Secondly, Budget day has been somewhat extended this year by the announcement of a "Tax Day" on 23<sup>rd</sup> March when HM Treasury will release further documents and consultations in relation to specific tax changes and amendments that are being considered. Again, we don't expect anything directly related to EIS and SEIS to be announced here but we may get an indication of direction of travel.

Thirdly, although EIS and SEIS no longer come under auspices of EU State Aid (I can hear our Chairman's cheers from here!) the schemes are in somewhat of a no man's land. Whilst the Trade and Cooperation Agreement (TCA) agreed with the EU has a subsidy regime, the EIS and SEIS schemes aren't classified as subsidies so aren't part of TCA. The UK has announced it will introduce its own subsidy regime and are currently consulting as to the best way of doing this (see ObEISance for more on this below). Add to all this that whilst the UK has repealed all EU State aid regulations from the UK domestic law from 1<sup>st</sup> January 2021, it is necessary to retain them for the purposes of the Protocol on Ireland/Northern Ireland. This keeps Northern Ireland under most EU State Aid restrictions and means any relaxations to EIS and SEIS are unlikely, at least in the short term.

### TALKING POINTS

So now we know for sure. 2020 was the worst year economically for 300 years as the UK economy shrank by 9.9%.

Certainly, many of the small business owners and entrepreneurs that we talk to, and as I am sure many of you do, have found 2020 at best difficult and at worst catastrophic. Small businesses tend to be cashflow dependent and don't always have large reserves of profit to call upon so any downturn in sales can have a significant effect. So far, we haven't seen the number of insolvencies and bankruptcies that we might expect given the situation and there's no doubt the Government's interventions such as CBILS, Bounce Back Loans and Future Fund have propped up small businesses but as these measures start to get wound down, there's no doubt these numbers will rise.

[CLICK HERE FOR THE FULL ARTICLE](#)



### OBEISANCE

**What next after EU State Aid and the interaction of state aid subsidies?**

As a member of the European Union and during the transition period, the United Kingdom was part of the EU regime on restricting trade-distorting subsidies ("State aid"). This meant all risk finance investment schemes (EIS, SEIS and VCT) follow EU state aid limits. These rules govern the state aid which individual member states may give to businesses. State aid rules such as "de minimis" state aid, allows member states to provide small amounts of aid to businesses without notifying the aid to the European Commission. SEIS is de minimis rather than approved State Aid. EIS falls under approved State Aid.

[CLICK HERE FOR THE FULL ARTICLE](#)



### MEMBER PROFILE

Every issue we profile two EISA members and this issue it is West Hill Capital and RLC Ventures. If you wish your company to be profiled in a future issue let us know.

[CLICK HERE FOR THE FULL ARTICLE](#)

### ROUND UP FROM THE COMMITTEES

Once again, our committees round up gives you a valuable insight into the work of each of our 5 committees and hopefully brings you up to speed with the initiatives EISA currently have in progress. My thanks to everyone involved in EISA committees for their hard work and their engagement.

[CLICK HERE FOR THE FULL ARTICLE](#)

So, there we go, a slightly longer intro than normal to incorporate the Budget. I know you are all busy with Tax Year End and I'm enormously hopeful this tax year end reclaims some of the "lost" investment of last year. And a final note of optimism. By the time the next edition of ZeitgEISt comes out, whisper it, but you may be able to read it in the office, or in a coffee shop or even a pub! Here's hoping! Good luck, stay safe and fingers crossed!

Regards,

*Mark Brownridge*

Mark Brownridge  
Director General, EISA

## MEMBER EVENTS & NEWS

EISA Awards 2021 - We are pleased to announce the EISA Awards are NOW OPEN! The deadline for submission is 28<sup>th</sup> May 2021 and fingers crossed we will be back at the Cholmondeley Room, House of Lords on Thursday 1<sup>st</sup> July 2021 - 7 to 9.30pm. Open to members only. Full Corporate Members receive - one place per company member and Corporate EISA Delegate Members receive a complimentary ticket. Additional tickets are £100. To reserve your place please contact [mary.rodgers@eisa.org.uk](mailto:mary.rodgers@eisa.org.uk).

To submit an entry and find out more, [CLICK HERE](#).

If you would like to sponsor an Award please contact either Mary at [mary.rodgers@eisa.org.uk](mailto:mary.rodgers@eisa.org.uk) or Mark at [mark@eisa.org.uk](mailto:mark@eisa.org.uk).

EISA's new fund matching platform, **Welcome to Curated Capital - Where Smart Ideas and Money Meet**, is now live! Please sign up now as a "New Investor" to start to receive focused, targeted deal flow. Once registered, you will receive researched deal flow based specifically on your personal criteria - your inbox won't be flooded and you will open a new source of deal flow. It is free and light touch so we would really encourage you to sign up and give it a go.

Financial Planner Webinars - in the week commencing 26<sup>th</sup> April, EISA will again be hosting webinars **aimed specifically at Financial Planners and regulated advisers**. These grow on the webinar series we hosted back in September and January and will consist of 3, one hour webinars on consecutive days each with a different topic including carry back and opportunities still available. 2 further topics are to be decided. We are seeking sponsors to take part in the panel sessions so if you wish to be involved, please email me at [mark@eisa.org.uk](mailto:mark@eisa.org.uk).

To register [CLICK HERE](#).

Fund Manager interviews - as a new feature on the EISA website, we will be filming interviews with fund managers to hear the story of their fund. These will be hosted on the EISA website and made available to website visitors. We will also promote via social media. Please note these are thought leadership pieces as opposed to a product push so will focus on a particular issue, strategy or philosophy that you hold. Topics would need to be agreed in advance. If you wish to film an interview at no cost, please email Mark at [mark@eisa.org.uk](mailto:mark@eisa.org.uk).

EISA have teamed up with WeWork Growth Campus to offer all EISA members and your investee companies more flexible working space options. The **Labs** team at WeWork who have **launched a new £15M pledge** to help start-ups bounce back from the pandemic, translating in partial space sponsorship for start-ups and scaleups across the UK and with a main startup hub called the WeWork Growth Campus in London **Aldwych House**. This startup hub will provide a home for all ecosystem players under one roof, and welcomes start-ups, scale-ups, VCs, accelerators, and forward-thinking corporates. Members get complimentary access to all WeWork buildings for free until June, and you can lock the subsidy in for a future start date. As an EISA member, you're pre-approved for eligibility and get priority subsidy access. If this is of interest, [sign up here](#) and the team will get in touch. [You can read full details about the programme here](#), or in the recent news (**Startups Magazine**).

EISA are pleased to introduce a new initiative - Introduce a new member to EISA and we will give you a reduction on your next membership payment of £250 off for each new member introduced.

EISA have now launched a LinkedIn Group specifically and exclusively for EISA members. You can join here <https://www.linkedin.com/groups/9032543> (just click Request to join). The group will be a forum for asking questions to both EISA and other members so if you aren't sure on something EIS/SEIS, just ask the Group or if you just want to reconnect with EISA members you haven't seen for a while due to lockdown this is the place to do so. We have a great EIS/SEIS community so let's support each other during these difficult times.

## Your Branded Guide on EIS & SEIS (Special Reduced Prices Extended Until 31<sup>st</sup> March 2021)

The EISA is pleased to work with Professional Cloud Publishing to produce a guide on SEIS and EIS, that can be branded with your business details. We are pleased to confirm that this has been well received to date and is regularly refreshed.

### Why purchase the EIS / SEIS Guide?

There are many reasons of purchasing the Guide, including the following:

- A user friendly guide on EIS & SEIS - designed to be client facing.
- Expert Content - Produced by Professional Cloud Publishing in association with the EISA.
- Personalise the front and back cover with your business details and your brand.
- The opportunity to also personalise the inside front cover and inside back cover.
  - A simple order and personalisation process.
  - Additional branding options are now available.
- Available as either a PDF or as a PDF with printed copies.
  - Excellent value
- A valuable tool to help you use EIS and SEIS with your clients.

To find out more or to place an order, please [CLICK HERE](#).

**If you have any event you would like promoted here, please let us know so we can include it in the next issue.**

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**PLEASE CONTACT US IF WE CAN BE OF ANY ASSISTANCE.**

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