

# Sprk Capital announces a £20m funding facility with British Business Investments and £2.8m equity raise

## Increasing our capacity

Sprk Capital Limited (“Sprk”) today announces an initial £20m funding facility with British Business Investments, with the potential to increase capacity of the facility in the future. The facility will provide capital to smaller businesses in the UK engaged in innovation.

Sprk also announces the successful closing of a £2.8m equity placement to enable the company to invest in further growth, technology and support more businesses in the UK innovation sector. The £2.8m was placed at a premium to its seed round in 2021.

British Business Investments, a wholly-owned commercial subsidiary of the British Business Bank, aims to improve access to alternative finance for smaller businesses across the whole of the UK, while supporting the UK’s transition to a net zero economy. Since it was established in 2014, British Business Investments has committed more than £3.8 billion to providers of finance to UK smaller businesses.

Sprk Capital is a leading specialty lender to companies engaged in the innovation sector. Through the provision of advanced funding of UK R&D and Innovation Grants, Sprk provides non-dilutive cashflow solutions to smaller businesses, enabling them to invest with confidence in their innovation projects. R&D advance funding, also known as an R&D tax credit loan, is a simple way for businesses to access their R&D tax credits at any point in the financial year. Grant advance funding, also known as innovation grant funding, is a simple way for businesses to finance their grant awards ahead of incurring expenditures.

Currently, innovation incentives such as tax credits and grants account for £16bn of funding to smaller businesses in the UK. Since it launched in 2021 Sprk has provided funding to innovation projects totalling over £150m. Although it has a sector agnostic lending strategy, 80% of its lending to date broadly represents the UK innovation market, with lending focused on the manufacturing, IT & communication, and the professional scientific and technical sectors.

Sprk is the first lender focused on the innovation lending sector to receive funding from British Business Investments.

[Continues overleaf →](#)

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We’re local and always keen to connect and discuss how we can help you meet the needs of your business.

[sprkcapital.co.uk](https://sprkcapital.co.uk)



Earlier this year, the British Business Bank and Innovate UK signed a memorandum of understanding to help create new pathways for business investment and promote growth through innovation. The collaboration will see the two organisations working more closely together to co-create new opportunities to promote investment and to support UK businesses through better tailored offerings.

Adam Kelly, Managing Director, British Business Investments said: "This £20m funding facility will enable Sprk to back UK smaller businesses in the innovation sector, providing them with cashflow solutions at critical points in their journey. We look forward to working with Sprk to help innovative smaller businesses across the UK to access the capital they need to scale up and become successful, high growth companies."

Dominick Peasley, Chief Executive Officer, Sprk Capital, said: "Today's announcement demonstrates the commitment of British Business Investments to provide funding to SMEs that are critical to advancing UK-led innovation. The funding provided also enables us to work even closer with UK Research & Innovation through Innovate UK to provide additional capital to grant projects, accelerating UK-led innovation further."

Scott O'Brien, Chief Investment Officer, Innovate UK, said: "We recognise the liquidity challenges that can face cutting-edge businesses bringing new technologies to market. Together, the British Business Bank and Innovate UK support the end to end pathways through which innovative UK businesses start, scale and succeed. This new funding facility with Sprk supports those pathways, alongside our world-class portfolio of products and services designed to support businesses in bringing the best ideas to market and driving economic growth.'

The initial £20m has the potential to help fund hundreds of SMEs to achieve their goals of advancing technology and research in the UK into some of the most complex issues that are faced around net zero, AI and sustainability."

Chris Collings, Relationship Director at Triple Point, who helped to enable the new facility said: "We're proud to have played a role in enabling this funding through the restructuring of existing facilities and supporting the commencement of the relationship with British Business Investments."

Our ongoing commitment to SPRK in this crucial lending market reflects our dedication to the innovation and growth driving SMEs across the UK. The new partnership with British Business Investments creates further opportunity to expand on these activities, and we look forward to working alongside the team as this initiative develops."

Ends.

## Further information:

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**Announcement**  
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## About British Business Investments

British Business Investments Limited is a wholly owned commercial subsidiary of British Business Bank plc, the UK government's economic development bank. British Business Investments aims to earn a commercial return by investing – through finance providers – in smaller businesses and small mid-caps, pursuing investments on a fully commercial basis without receiving any economic advantage from the government. Find out more at [bbinv.co.uk](http://bbinv.co.uk).

The Bank and its subsidiary entities are not banking institutions and do not operate as such. They are not authorised or regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). A complete legal structure chart for British Business Bank plc and its subsidiaries can be found on the British Business Bank plc website.

The transaction described above does not constitute or imply any endorsement, warranty or recommendation by the UK government, the British Business Bank plc or its subsidiaries or any other party in respect of Sprk Capital or its products or services.

## About Sprk Capital Limited

Sprk Capital Limited is a leading specialist lender to companies in the innovation sector. Since 2021, Sprk has provided hundreds of advances to SMEs contributing to over £150m of research and development spending.

Sprk provides SMEs engaged in UK-led innovation the ability to release capital from their eligible R&D and Grant spend using its proprietary online platform, ensuring credit decisions are made swiftly with certainty of funding. SPRK's unique proposition is designed to optimise cashflow for borrowers through a non-dilutionary source of capital with market leading founder-friendly terms.

Sprk's investment in technology combined with institutional funding enables it to remain at the forefront of UK-led innovation finance.

Find out more at [www.sprkcapital.co.uk](http://www.sprkcapital.co.uk)

Sprk Capital Limited (company registered number 12248853) is registered with the Financial Conduct Authority (FRN 976506).

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