



SME Finance Survey

Ipsos MORI
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Background

SME Finance Survey 2021

In 2012, BIS commissioned a new survey exploring the stages SMEs go through when considering the need to raise external finance (1,500 SMEs interviewed by CATI).

The British Business Bank repeated the survey in 2014 (1,000 SMEs interviewed), 2015 (1,608 SMEs), 2016 (1,535 SMEs), 2017 (2,070 SMEs), 2018 (2,000 SMEs), 2019 (4,003 SMEs) and 2020 (4,125 SMEs).

The 2021 survey is based on 2,804 SME interviews, with fieldwork conducted between 27 September 2021 and 30 December 2021.

Three versions of the questionnaire were used. Some new questions were added, including a section on Environmental, Social, Governance (ESG), but core questions remained the same to enable comparison over time.

SME Finance Survey 2021

Statistically significant changes between the 2020 and 2021 SME Finance surveys (at 95% confidence level) are identified by green arrows (increases) and red arrows (decreases).

Differences between sub-groups of firms by size and sectors in the 2021 survey are identified by green circles (higher) and red circles (lower).

Where figures in charts do not add to 100% this is due to rounding of percentages, exclusion of responses (e.g. 'don't know' and 'refused') or because the question allows more than one response.

Responses of less than 0.5% but greater than 0% are marked with *.



**SME demand
for external
financial support**

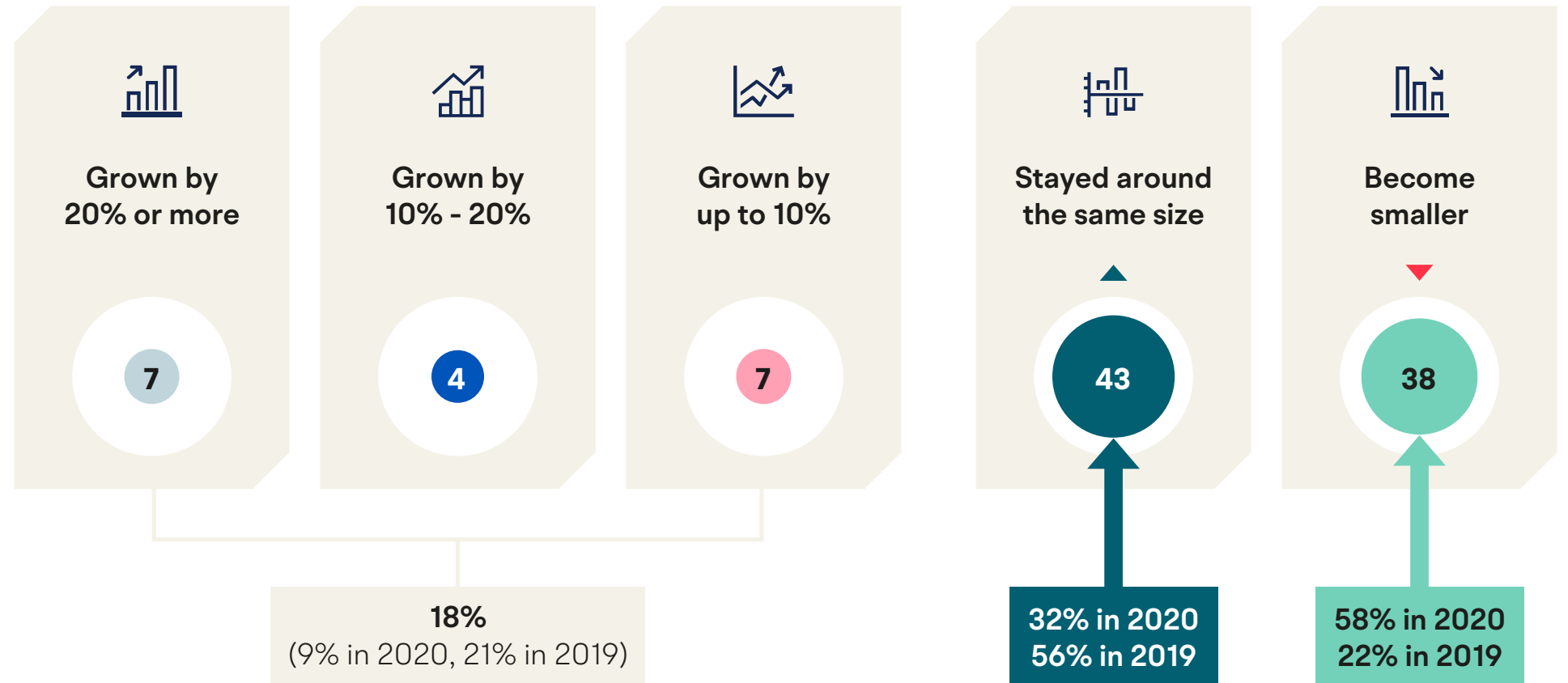
Four in ten SMEs reported they had contracted over the past 12 months, down from 2020

18%

report they have grown in the past 12 months, up from 9% in 2020 but still lower than 2019 (21%).

Growth of business turnover or the number of employees in past 12 months (%)

B4 – Base: All SMEs trading 2+ years (n=2,760)



▲ Sig higher than 2020
▼ Sig lower than 2020

Four in ten SMEs expect to grow over the next 12 months compared to 21% in 2020 and 28% in 2019

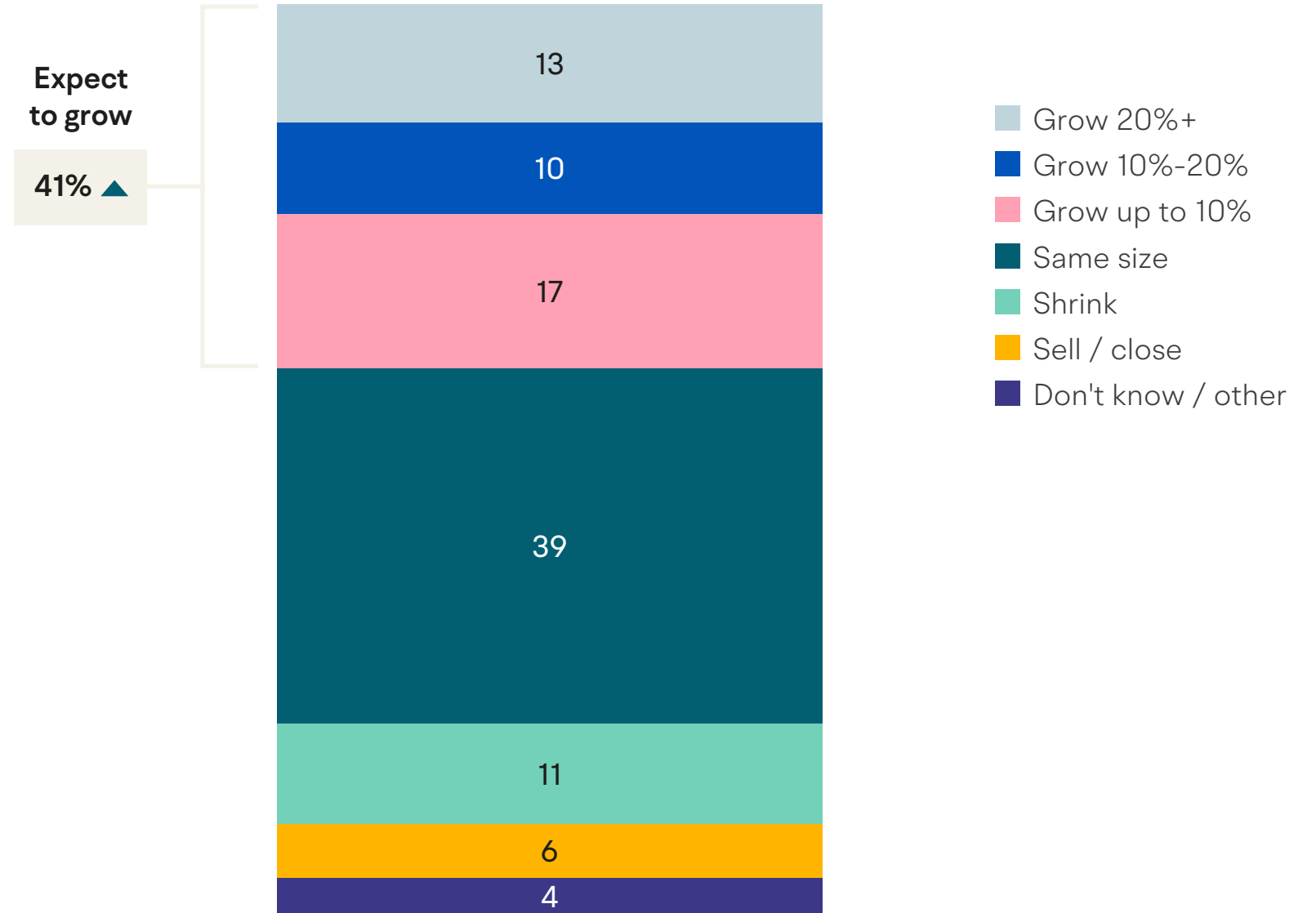
39%

of SMEs expect to stay the same size over the next 12 months. A much lower proportion, 17% overall, expect to shrink (11%), sell or close their business (6%).

Businesses with no employees are less likely to expect to grow (38%) than businesses with employees (50%).

Growth of business turnover or in the number of employees in the next 12 months (%)

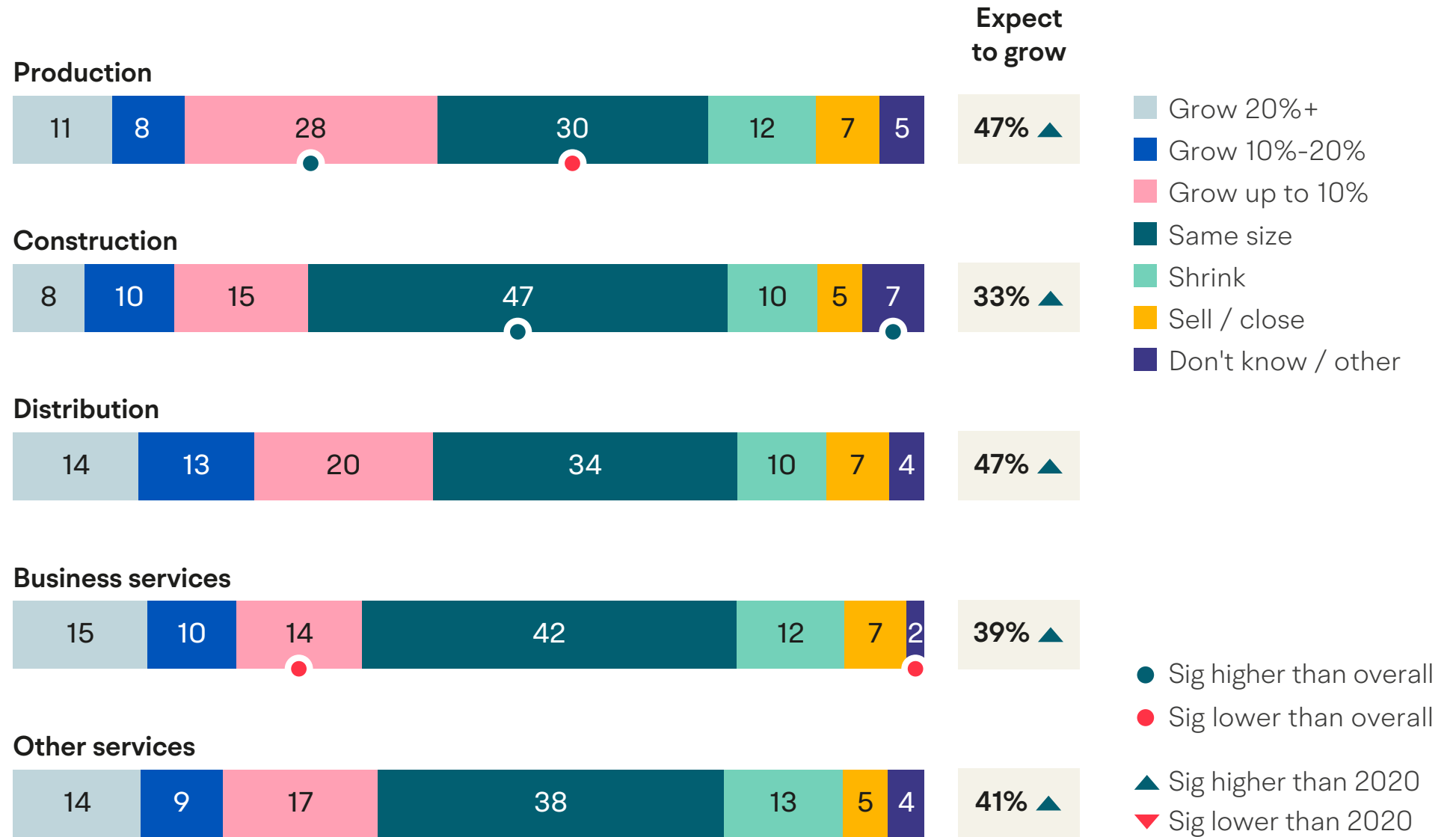
B6 – Base: All SMEs (n=2,804)



Firms in Production (47%) and Distribution (47%) were most likely to anticipate growth in the next 12 months

Growth of business turnover or in the number of employees in the next 12 months (%)

B6 – Base: Production (n=415), Construction (n=300), Distribution (n=393), Business Services (n=919), Other Services (n=777).



Three in five SMEs sought external finance in the last three years, in line with 2020

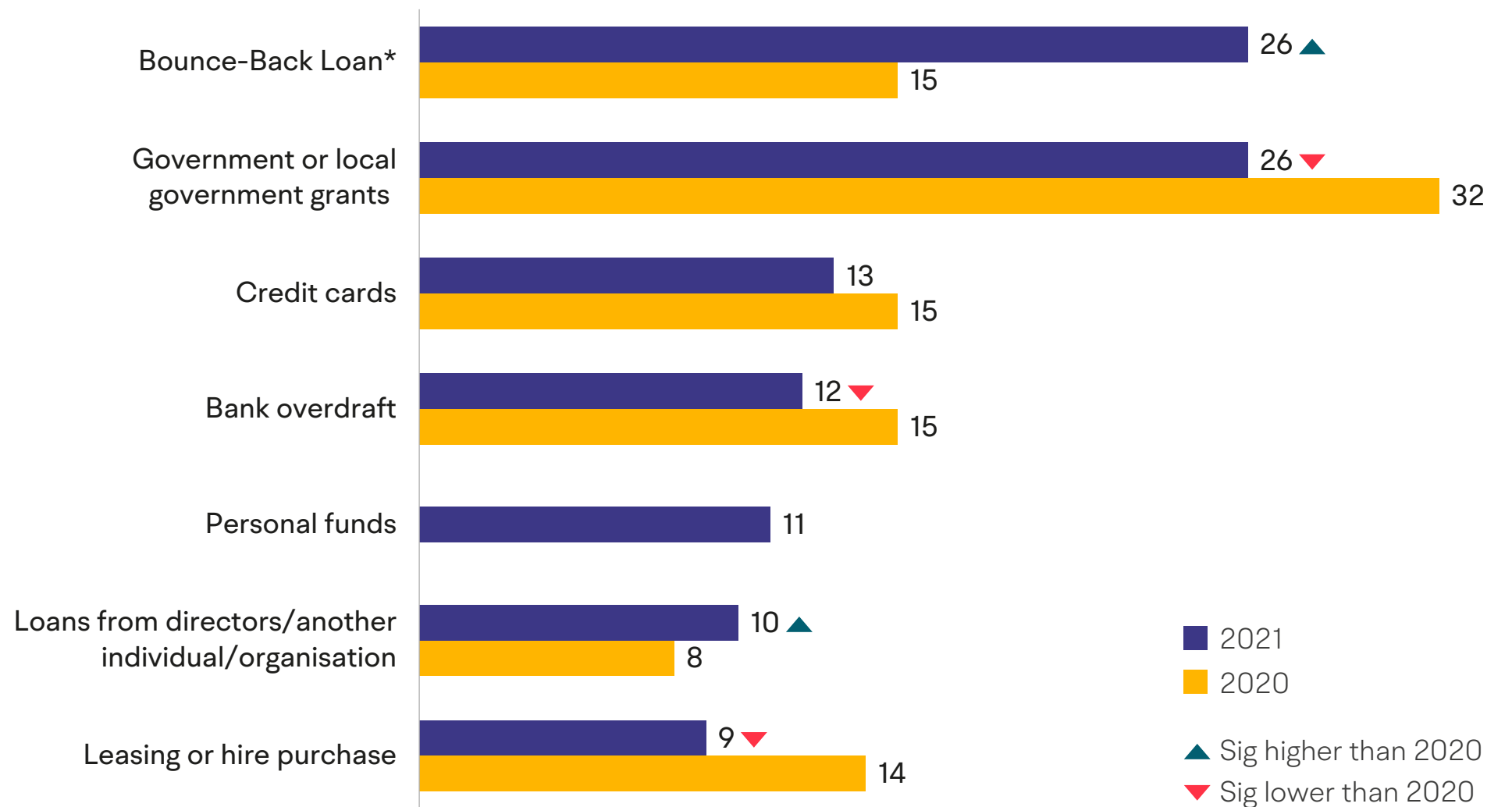
59%

of SMEs sought external finance in the last three years (60% in 2020).

SME employers were more likely to have sought finance (72%) than firms with no employees (55%).

Finance sought in the last three years (%)

A6a_BB – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020). Those less than 5% for sought in last three years not shown.
 * Bank loan (or term loan) not shown because it is not comparable between 2021 and 2020 due to changes in the question wording.



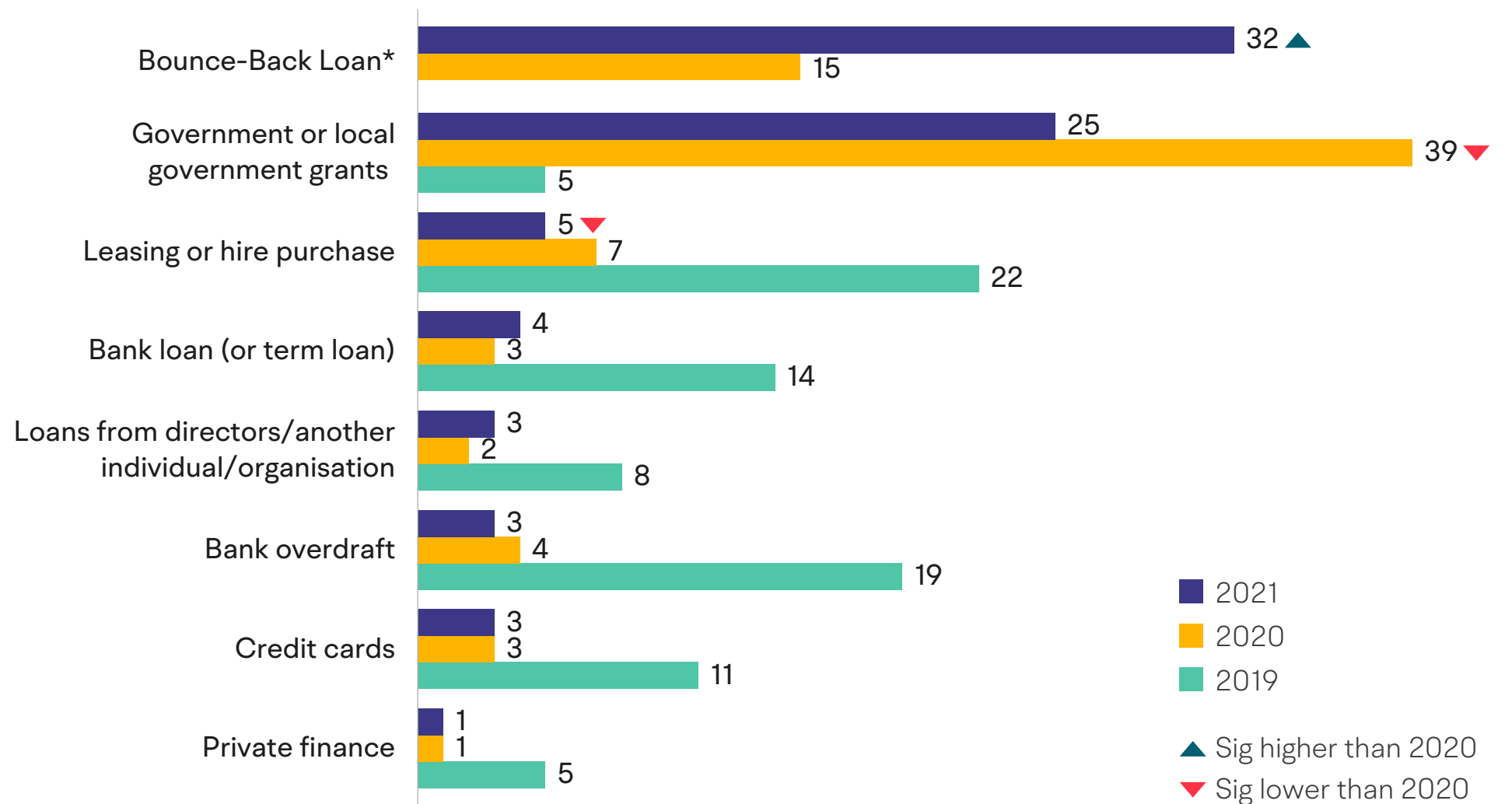
The shifts in the types of finance sought most recently reported in 2020, compared to 2019, persisted in 2021

One in three

SMEs (32%) that sought finance in the last three years sought a Bounce-Back Loan most recently, and one in four (25%) sought government or local government grants.

Finance sought on last occasion (%)

A6a_BB – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020). Those less than 5% for sought in last three years not shown.
 * Bank loan (or term loan) not shown because it is not comparable between 2021 and 2020 due to changes in the question wording.



Half of SMEs sought finance to help with working capital and four in ten to deal with Covid-19

56%

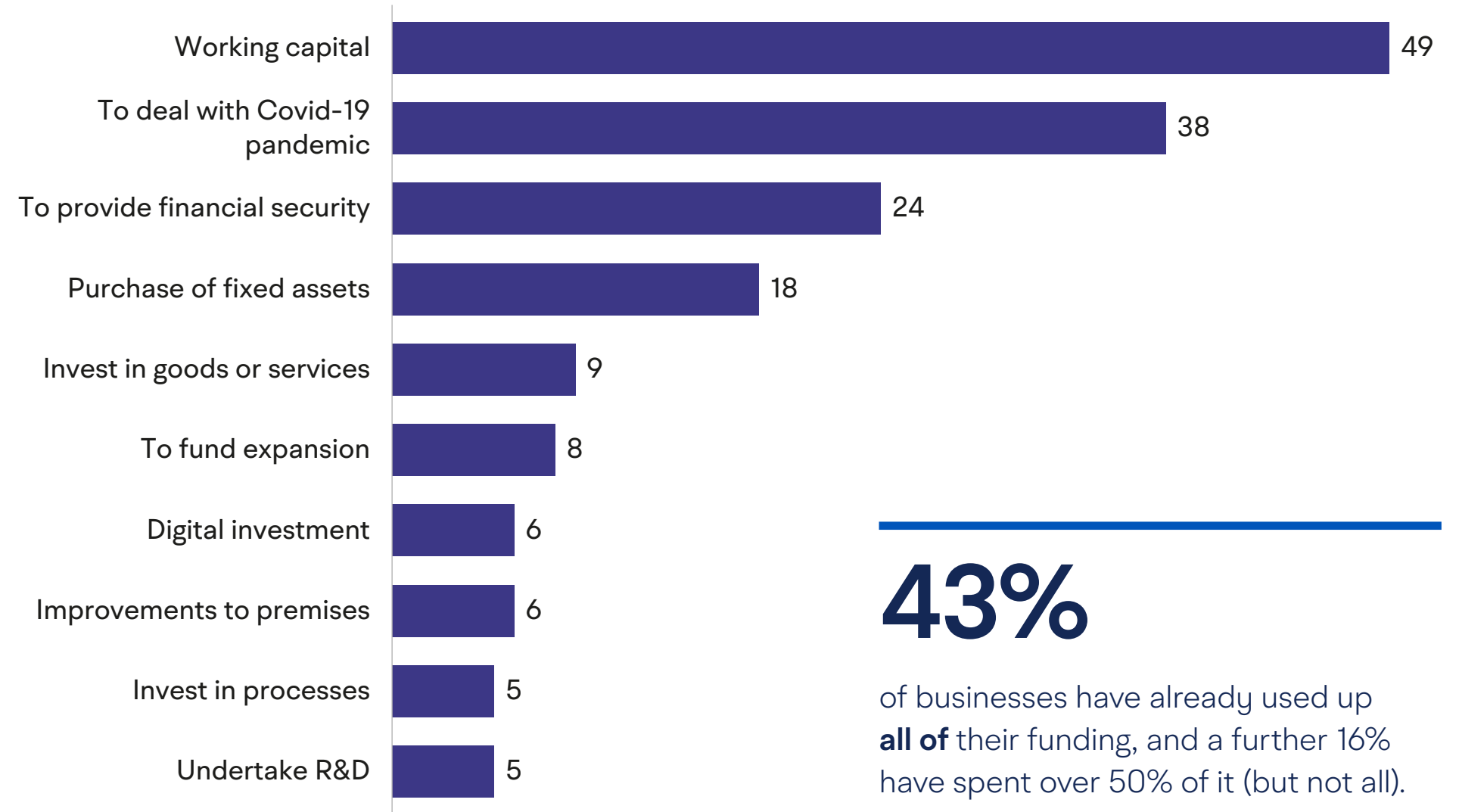
of firms with turnover below £50k sought finance to help with working capital.

41%

of zero-employee firms report seeking finance to deal with the Covid-19 pandemic compared to 31% of SME employers.

Main reasons for seeking finance (%)

A13a (Long and medium versions only, post-pilot) – Base: All who sought finance in the last 3 years (n=1,044); A13c_a (Long and medium versions only) – Base: All who applied for finance in 2021 (n=298). Responses less than 5% not shown.



43%

of businesses have already used up **all of** their funding, and a further 16% have spent over 50% of it (but not all).

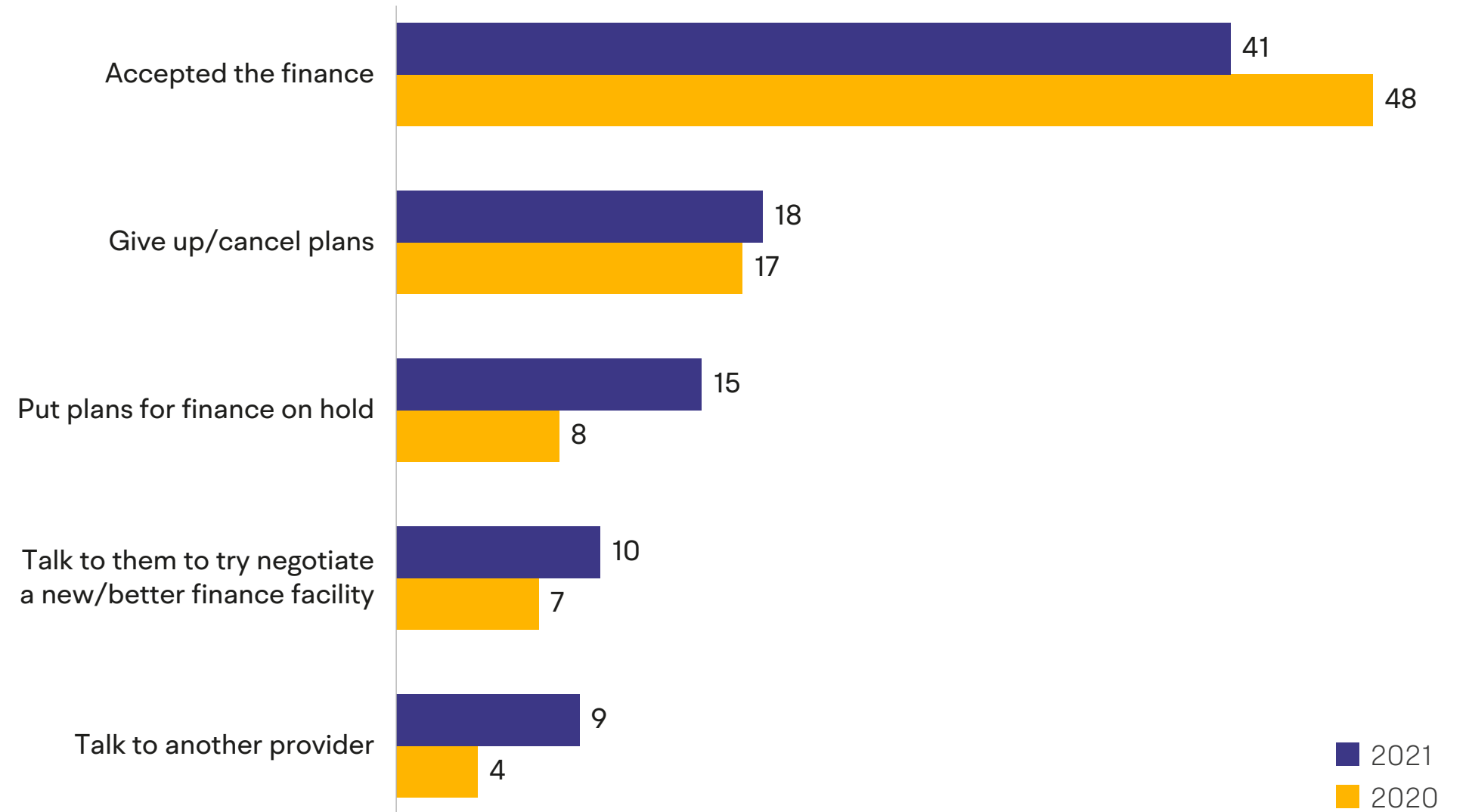
Two in five accepted the finance offered, even if less than the full amount requested

33%

overall gave up / cancelled plans (18%) or put their plans for finance on hold (15%), compared to 25% overall in 2020 (37% in 2019 and 49% in 2018).

What was done next if not offered full amount (%)

A32 (single code, prompted, long and medium versions only) – Base: All offered a smaller amount/worse terms/turned down (n=85 in 2021, n=119 in 2020). Only answers over 5% are shown. Note small base size in 2021



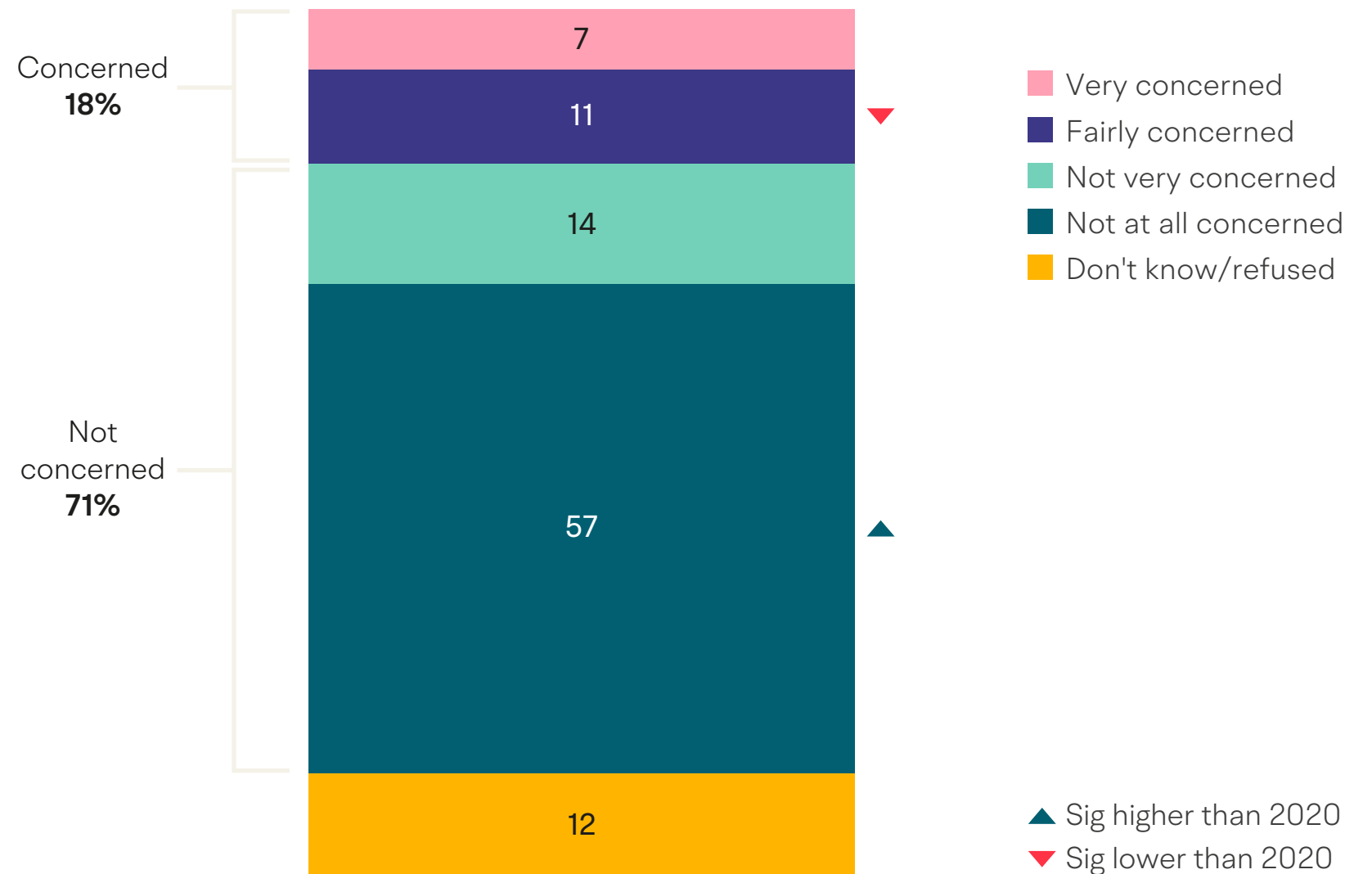
One in five SMEs are concerned about their ability to make full repayments as and when they become due

Production firms (39%) are most likely to be concerned about their ability to make full repayments as and when they become due.

This may relate to the median amount for production firms being higher than average (£12,500 compared to £10,000).

How concerned, or otherwise, are you about your ability to make full repayments as and when they become due?

A11e (Long and medium versions only) – Base: All who applied for finance in 2021 (n=298)





**Awareness and
use of different
types of finance**

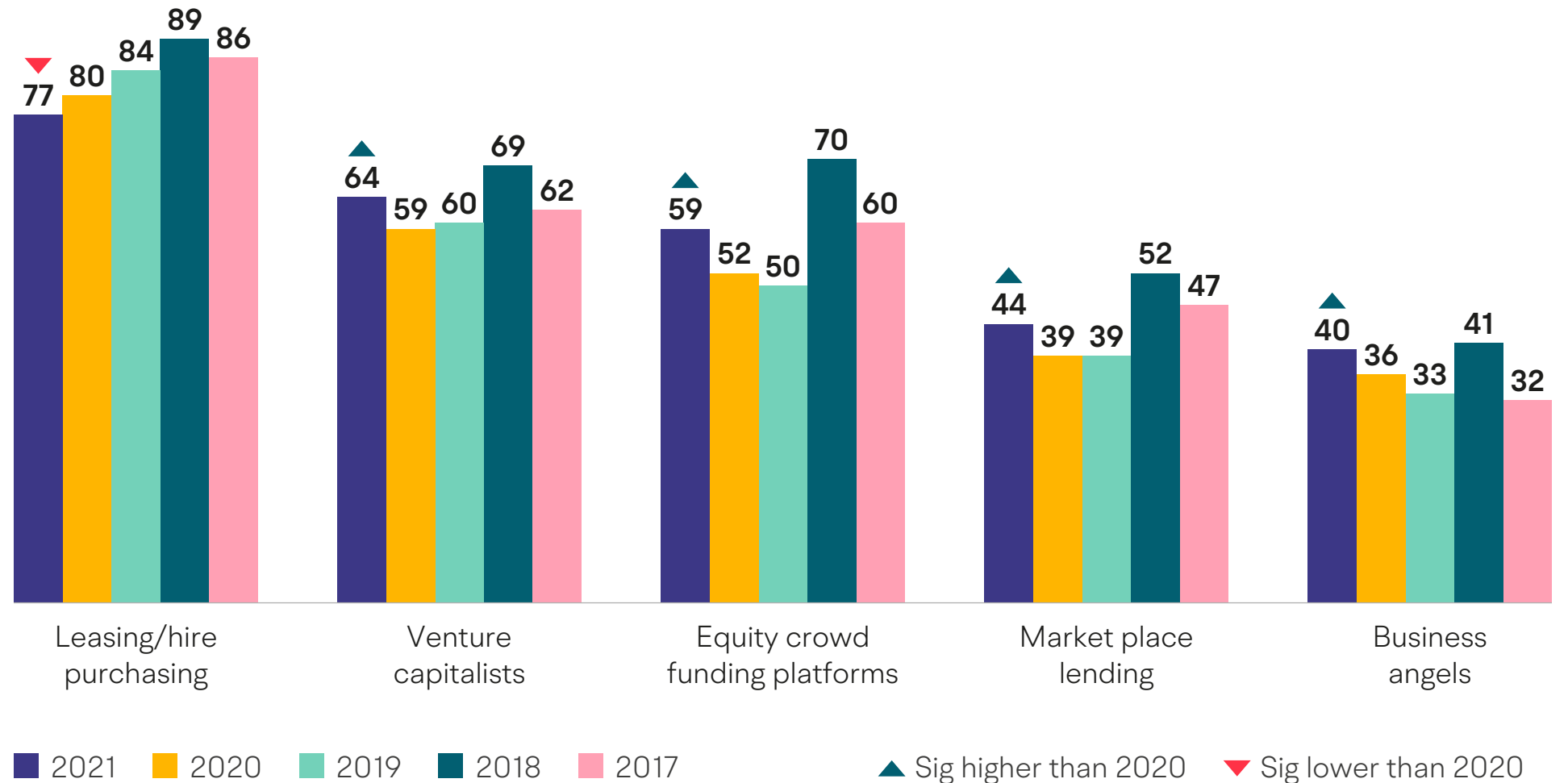
Awareness of four of the five forms of alternative finance types has increased since 2020

Almost nine in ten

SMEs (87%) are aware of at least one of these five alternative finance types. SMEs are less likely to be aware of asset finance (leasing and hire purchase).

Awareness of five main forms of external finance 2017-2021 (%)

A1 (multi-code, prompted) – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020, n=4,003 in 2019, n=2,000 in 2018, n=2,070 in 2017, n=1,535 in 2016). Note: Awareness of gov. finance is highest (79%). Wording for ‘leasing or hire purchase’ and ‘market place lending’ changed slightly in 2018. ‘Mezzanine finance’ was removed in 2021.



The share of SMEs using only government-backed finance increased, while the share using only external finance fell

59%

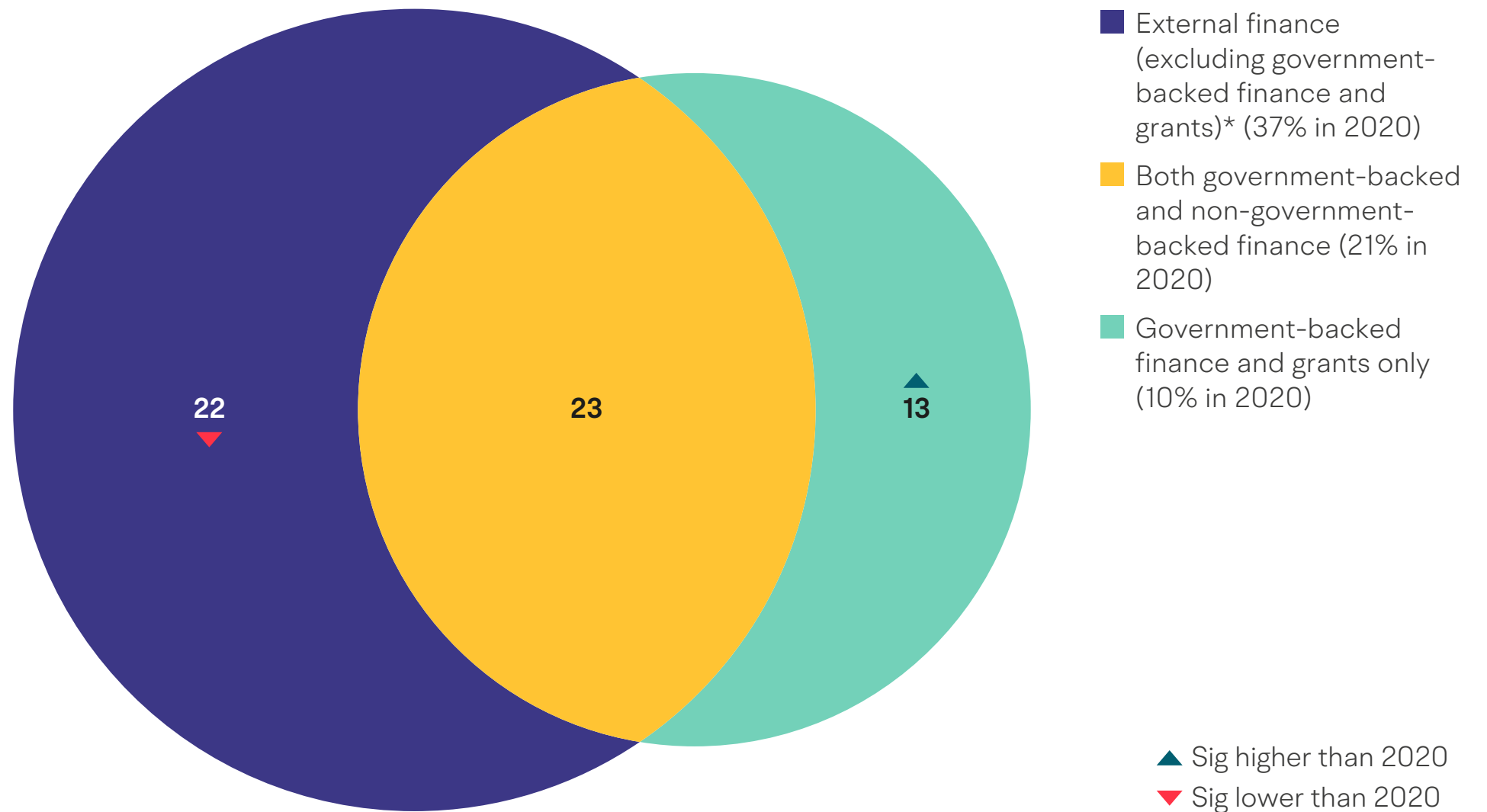
of SMEs are currently using some form of external financial support or government or local authority grant funding.

41%

of SMEs are not using any form of finance, up from 33% in 2020.

Financial support currently used (%)

A6a_AA – Base: All SMEs (n=2,804) *Government grants include government or local government grants, i.e. government funding that is not paid back, and other government-backed finance directly funded by Government



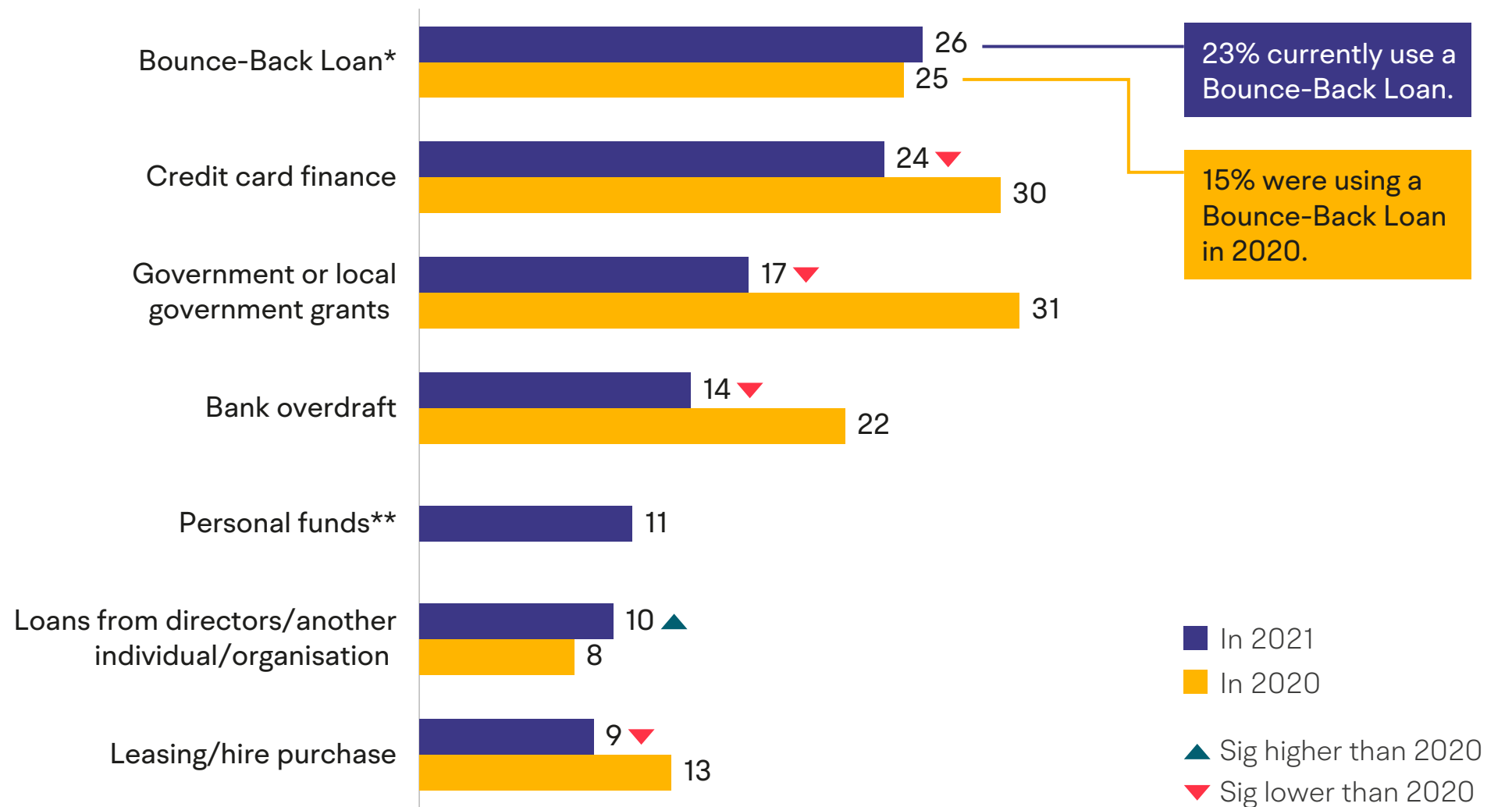
Fewer firms using credit cards, bank overdrafts and asset finance (leasing and hire purchase) in 2021

Bank loan (or term loan) (26%) and credit cards (24%) are used by around one-quarter of SMEs.

Decrease in reported use of credit cards and bank overdrafts continues trend from 2019 to 2020.

External financial support currently used (%)

A6a_AA – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020). Those less than 5% for currently use not shown.
 * Bank loan includes Bounce-Back Loan (BBLs), Coronavirus Business Interruption Loans (CBILs) and Recovery Loan Scheme (RLS). ** New code in 2021.



A higher proportion of SMEs were considering more than one provider this year

Two thirds

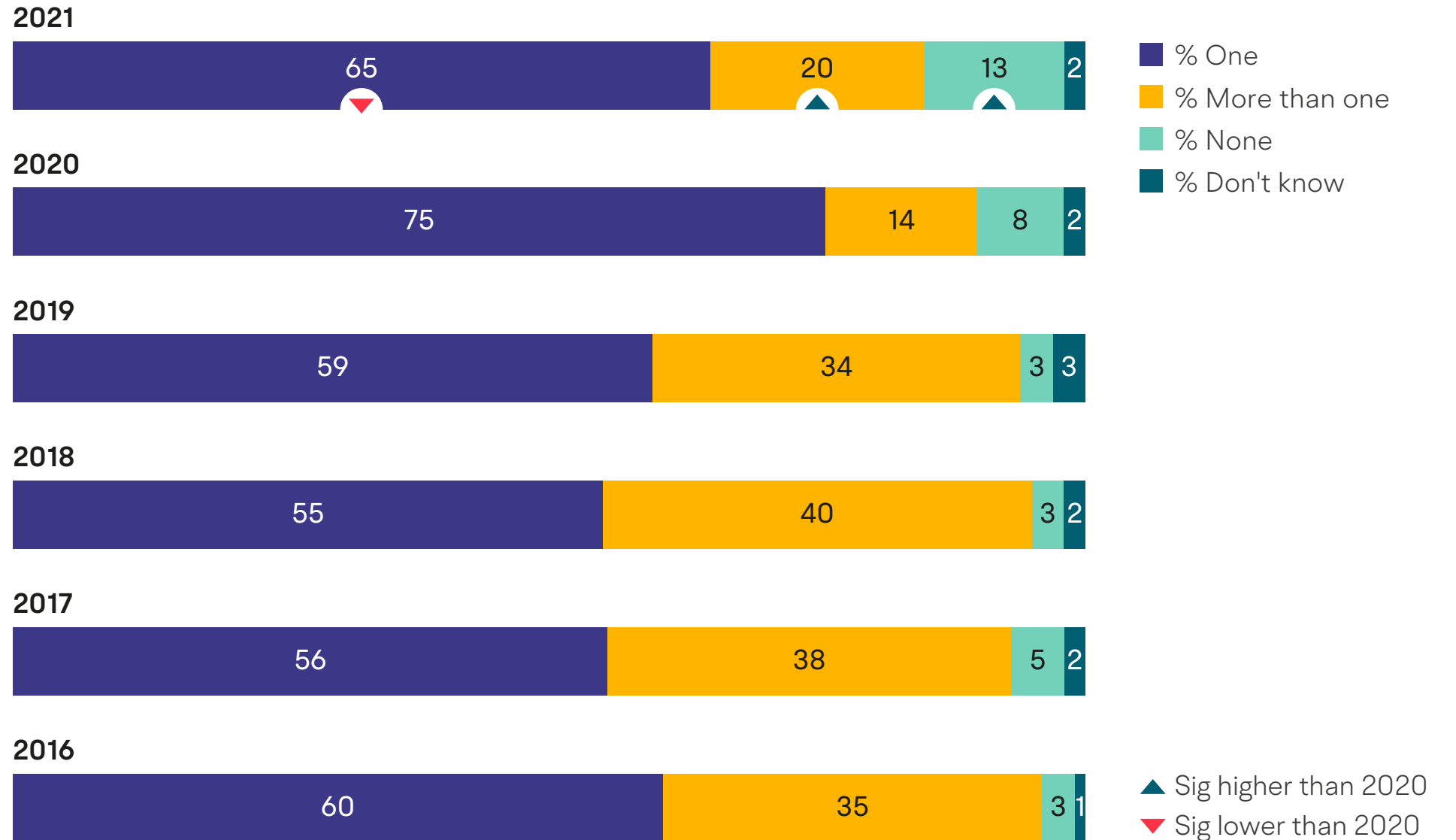
of firms (65%) considered just one provider on the last occasion they sought finance (and 78% of these contacted that provider).

20%

of firms considered two or more providers

Number of providers considered 2016-2021

A22 (single code, unprompted, long and medium versions only) – Base: All who sought finance in the last 3 years (n=837).



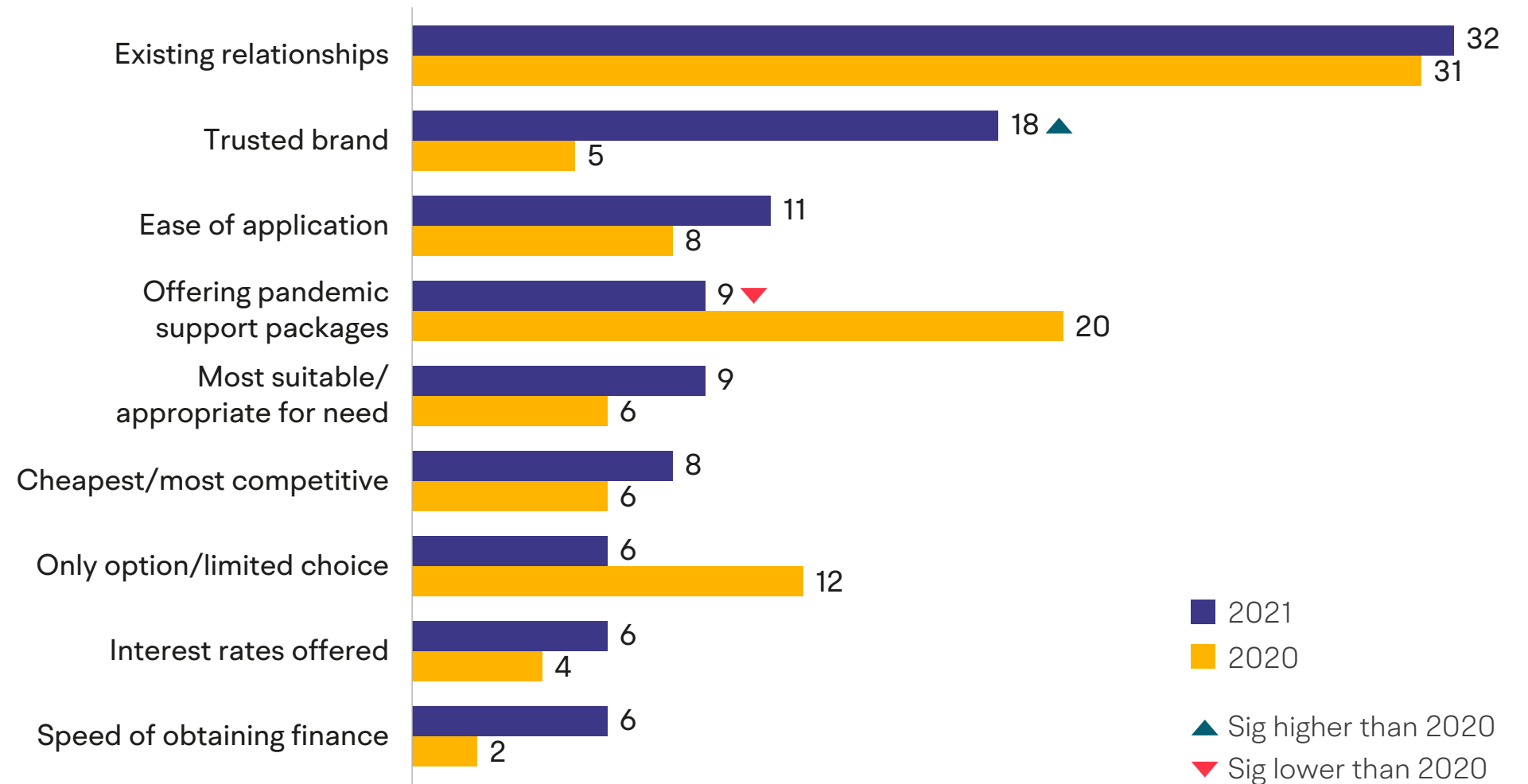
An existing relationship continues to be the most common reason for choosing a provider

On the last occasion they applied for finance in the past 3 years, **21% of SMEs sought external advice.** The most common source was an accountant (12%).

The vast majority of firms (77%) did not seek any external advice.

Reasons for choosing specific provider – selected mentions (%)

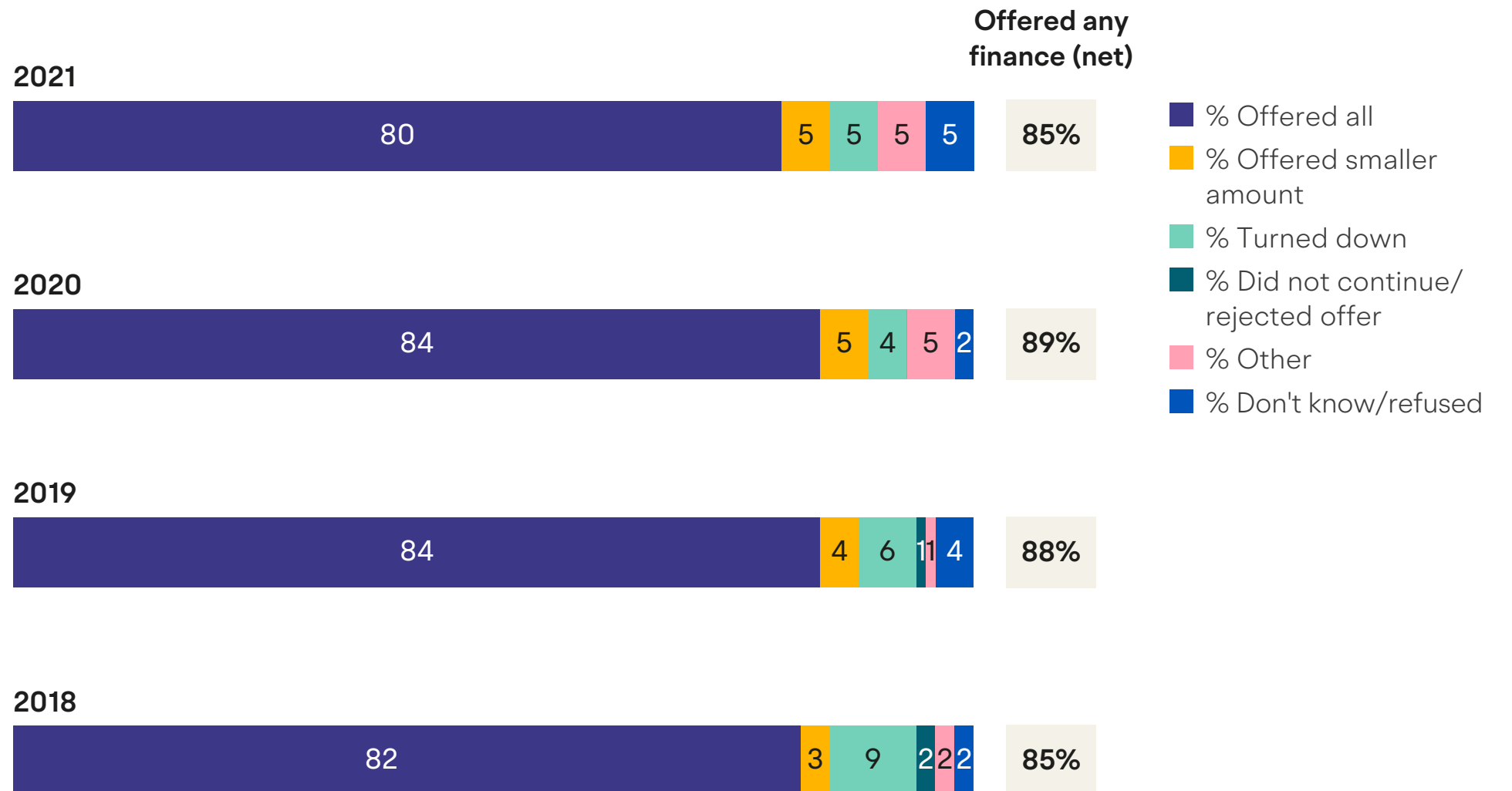
A20, A36 (multi-code, unprompted, long version only, post-pilot) – Base: All who sought finance in the last 3 years (n=465); A22 (long and medium versions only) – Base: All who sought finance in the last 3 years (n=837); A23 (long and medium versions only) – Base: All SMEs who considered one or more provider (n=727). Those 5% or below not shown.



Eight in ten SMEs were successful in obtaining all of the finance required from the first provider

Whether successful in obtaining finance from first provider (%)

A30 (single code, unprompted, long and medium versions only) – Base: All who sought finance in the last 3 years (n=837 in 2021, n=1,366 in 2020, n=755 in 2019, n= 913 in 2018).



Increase in firms seeking finance facilities with value exceeding £25,000 in 2021

Businesses with employees remain more likely to seek higher values than zero-employee firms, but the median amount sought by these smaller firms increased since 2020, likely impacted by Bounce-Back Loans.

Amount of finance sought on last occasion by business size (%)

A28/A29 (single code, prompted) – Base: All who sought finance in the last 3 years (n=1,813)

All firms



- % Less than £10,000
- % £10,000-£24,999
- % £25,000+
- % Don't know/refused

No employees



SME employers



- ▲ Sig higher than 2020
- ▼ Sig lower than 2020

Median value of finance sought increased among firms with no employees

Median value of finance sought

A28/A29 (single code, prompted) – Base: All who sought finance in the last 3 years (n=1,813)

	2021 median amount	2020 median amount
All firms	£10,000	£10,000
No employees	£10,000	£8,000
SME employers	£25,000	£25,000

Firms expecting high growth (20%+) in the next 12 months tend to seek higher amounts (£12,000 median value compared to £10,000 overall).

Medium sized businesses tend to seek the highest value – £95,800 (median value) compared to small and micro firms (£50,000 and £20,000 median values respectively).

Construction and production firms tend to seek higher amounts than other sectors (£15,000 and £12,500 median values respectively).

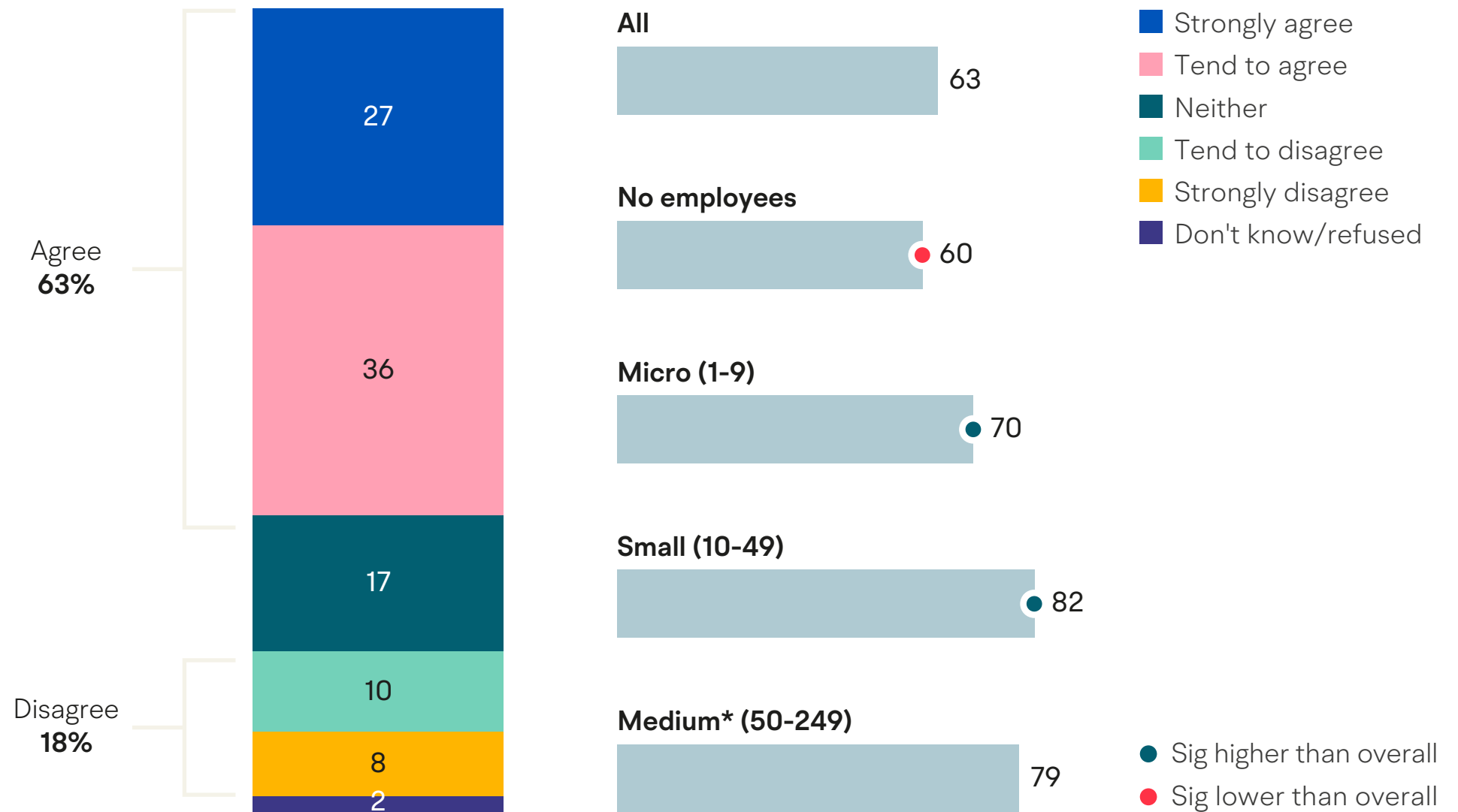


Perceptions of raising finance and future use

Three in five SMEs are confident they know where to obtain information on external finance

I know where to obtain information on the types of finance and specific providers available (%)

A5 (single code, prompted, long and medium versions only, post-pilot) – Base: All SMEs (n=1,654), No employees (n=703), Micro (n=695), Small (n=204), Medium (n=52). * Small base.



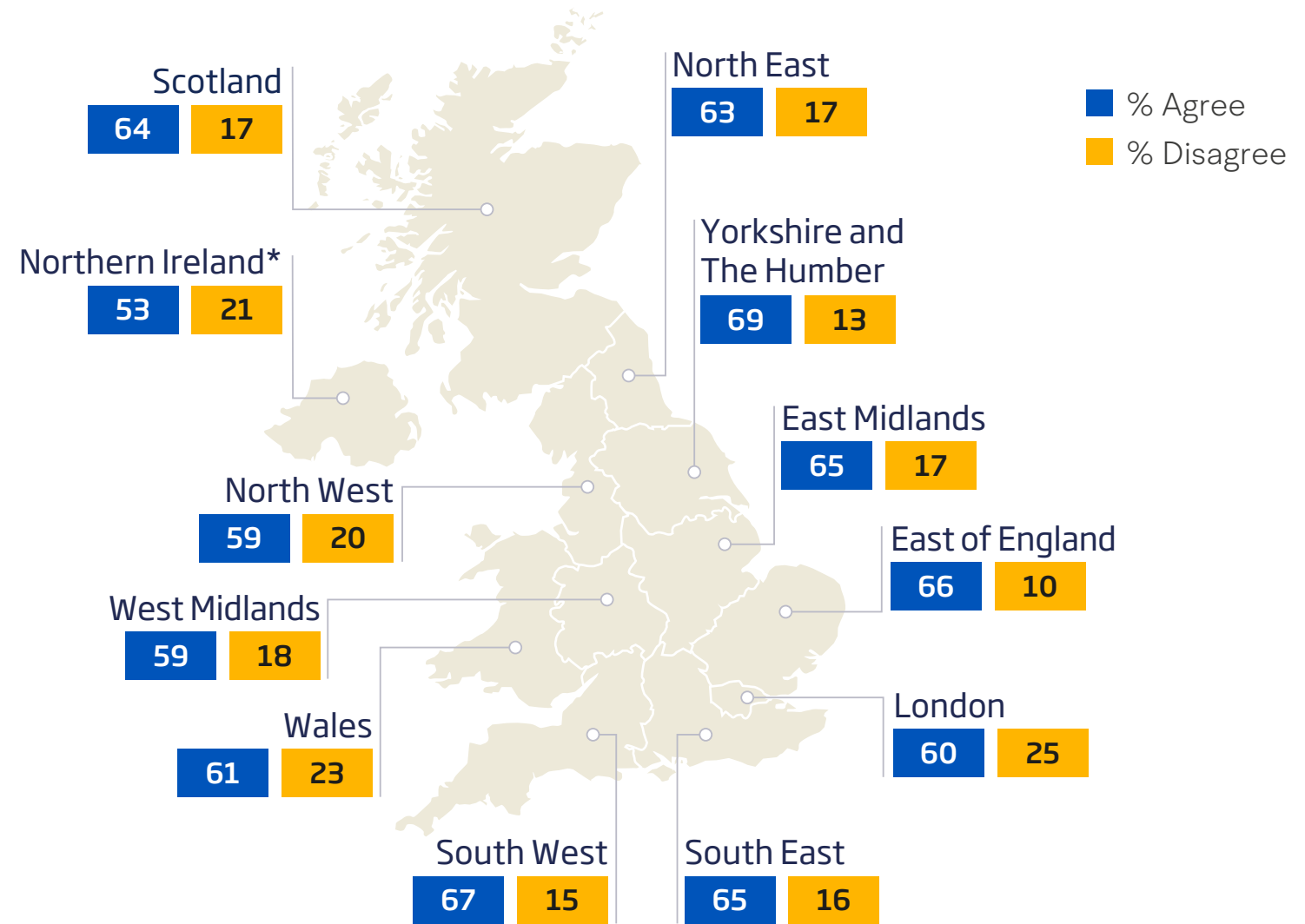
Substantial variation in knowing where to obtain information on finance across the UK

Firms in Yorkshire and The Humber (69%), the South West (67%) and the East (66%) were most likely to **agree** they know where to obtain information about external finance.

Firms in London and Wales were most likely to **disagree** (25% and 23%, respectively) they know where to obtain information about external finance.

I know where to obtain information on the types of finance and specific providers available (%)

A5 (single code, prompted, long and medium versions only, post-pilot) – Base: All SMEs (n=1,654 in 2021, n=4,125 in 2020), North(n=378), Midlands (n=234), East Midlands (n=115), London (n=163), North East (n=106), North West (n=158), Northern Ireland (n=66), Scotland (n=108), South East (n=265), South West (n=184), Wales (n=104), West Midlands (n=119), Yorkshire/Humber (n=114). * Small base.



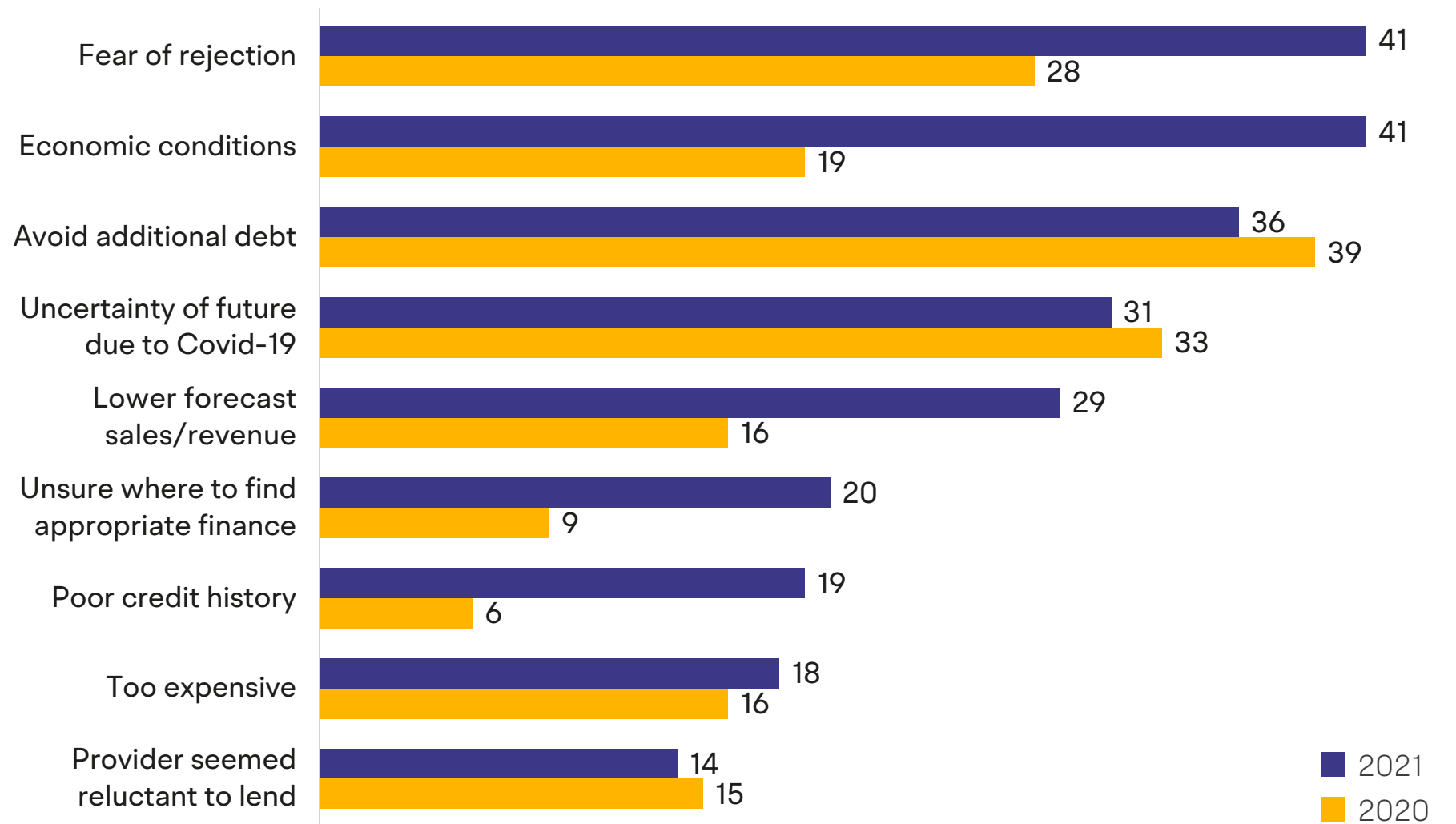
Fear of rejection and economic conditions are the most common reasons for not applying for finance

9%

reported they wanted to apply for external finance in the last 12 months, but something stopped them (8% in 2020).

Discouragement and reasons for not applying for finance – top mentions (%)

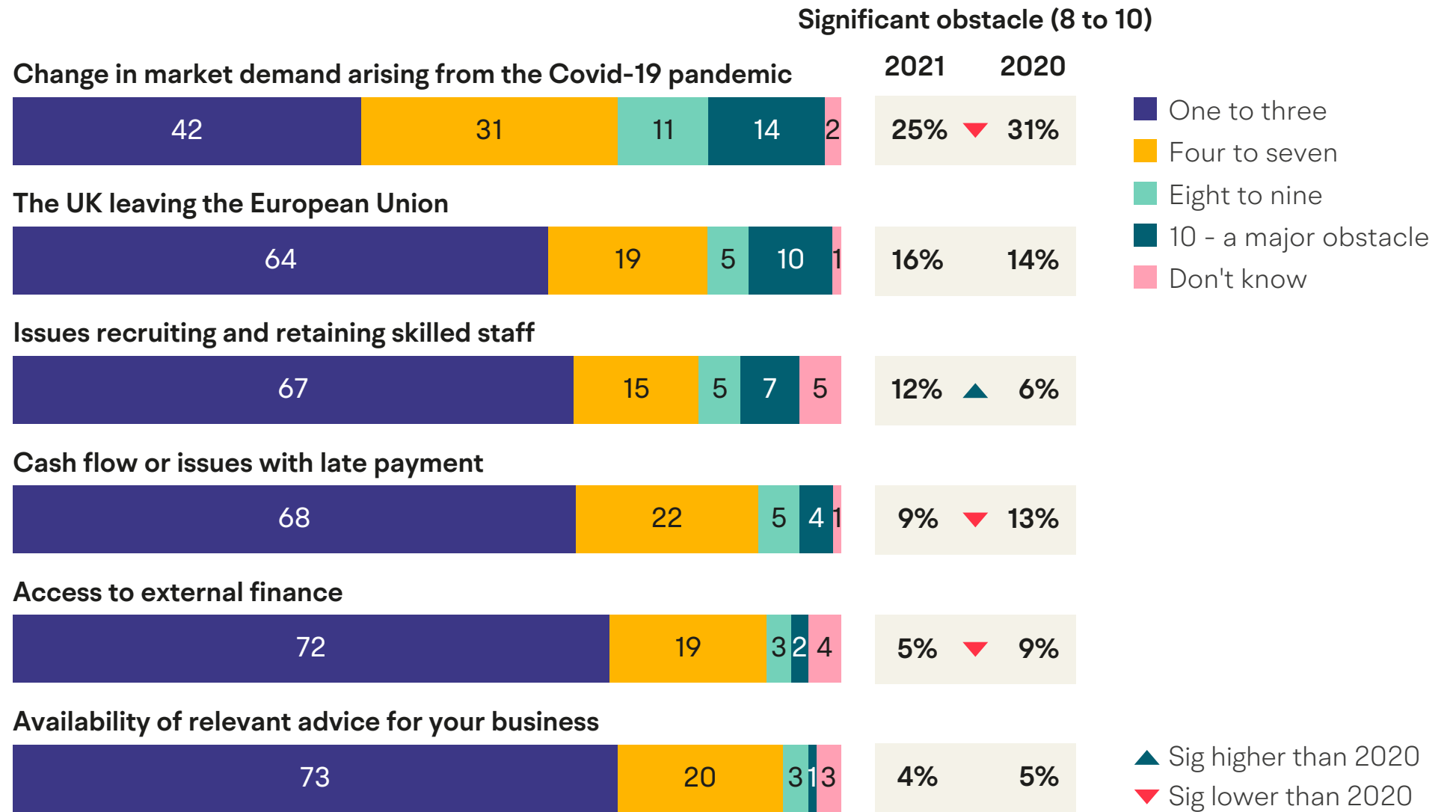
B1 (single code, prompted) – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020); B2 (long version only, post-pilot) – Base: All SMEs who had a need for finance in the last 12 months but did not apply (n=51). Note B2 low base size so statistical significance testing has not been conducted.



Fewer firms concerned about change in demand due to Covid-19, but more worry about recruiting / retaining staff

Obstacles to running the business in the next 12 months (%)

B8 (long and medium versions only, post-pilot) – Base: All SMEs (n=1,653); B8_A, B8_C (long and medium versions only) – Base: All SMEs (n=1,323). Responses were on a scale of 1-10.



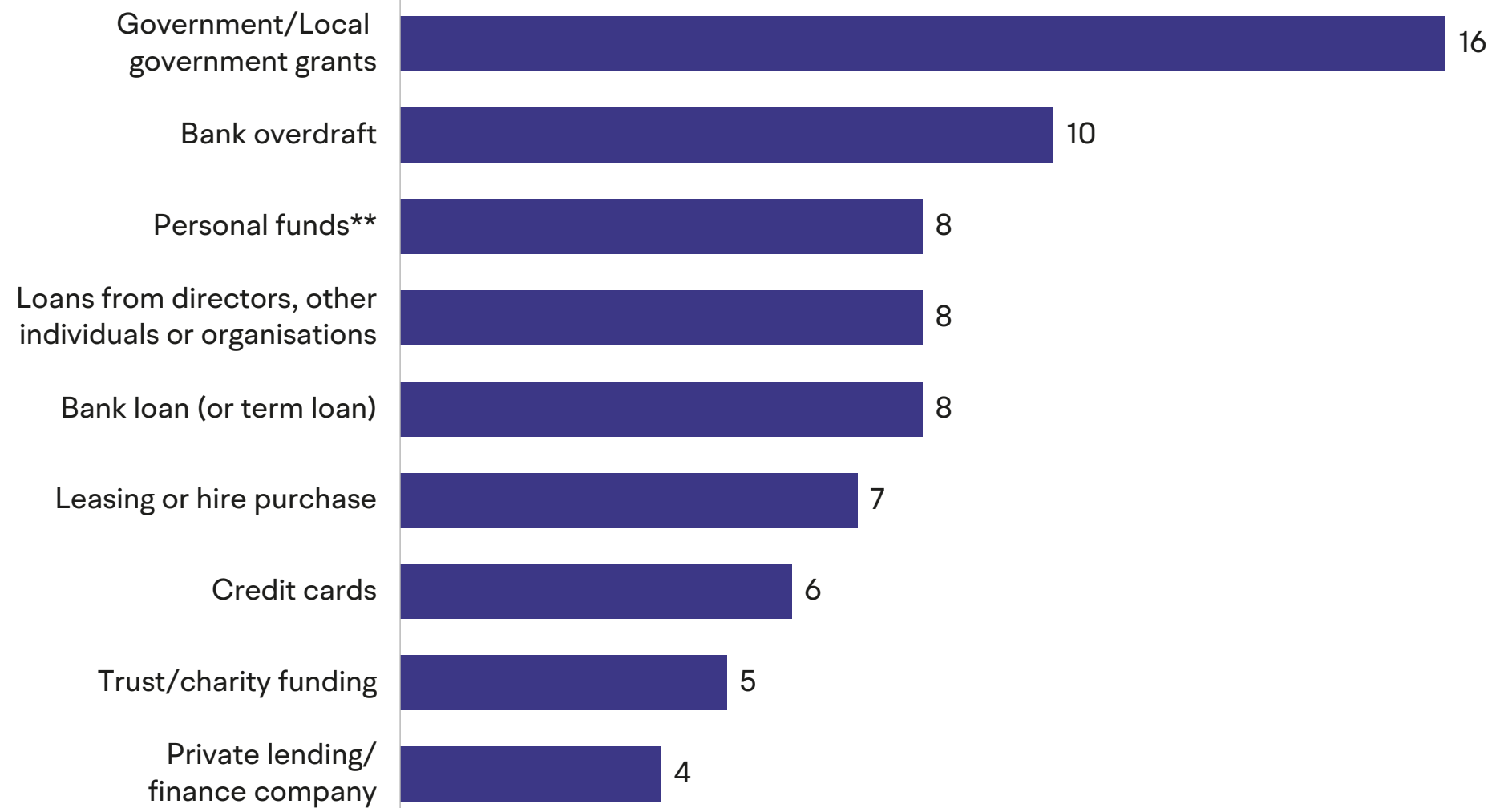
One in three SMEs (34%) are considering applying for some form of external finance in the next 12 months*

SMEs more likely to be considering some form of external finance in the next 12 months:

- Medium firms (50%)
- Small firms (48%)
- Micro firms (38%)
- Production firms (40%)
- Distribution firms (40%)
- Other Services firms (38%)
- Ethnic minority-led firms (49%).

Forms of finance considering applying for in next 12 months* (%)

B3i (multi-code, prompted, long and short versions only, post-pilot) – Base: All SMEs (n=2,211). * The wording for this question was changed to ask about the next 12 months, rather than the next 3 months as previously. ** ie funds external to the business.



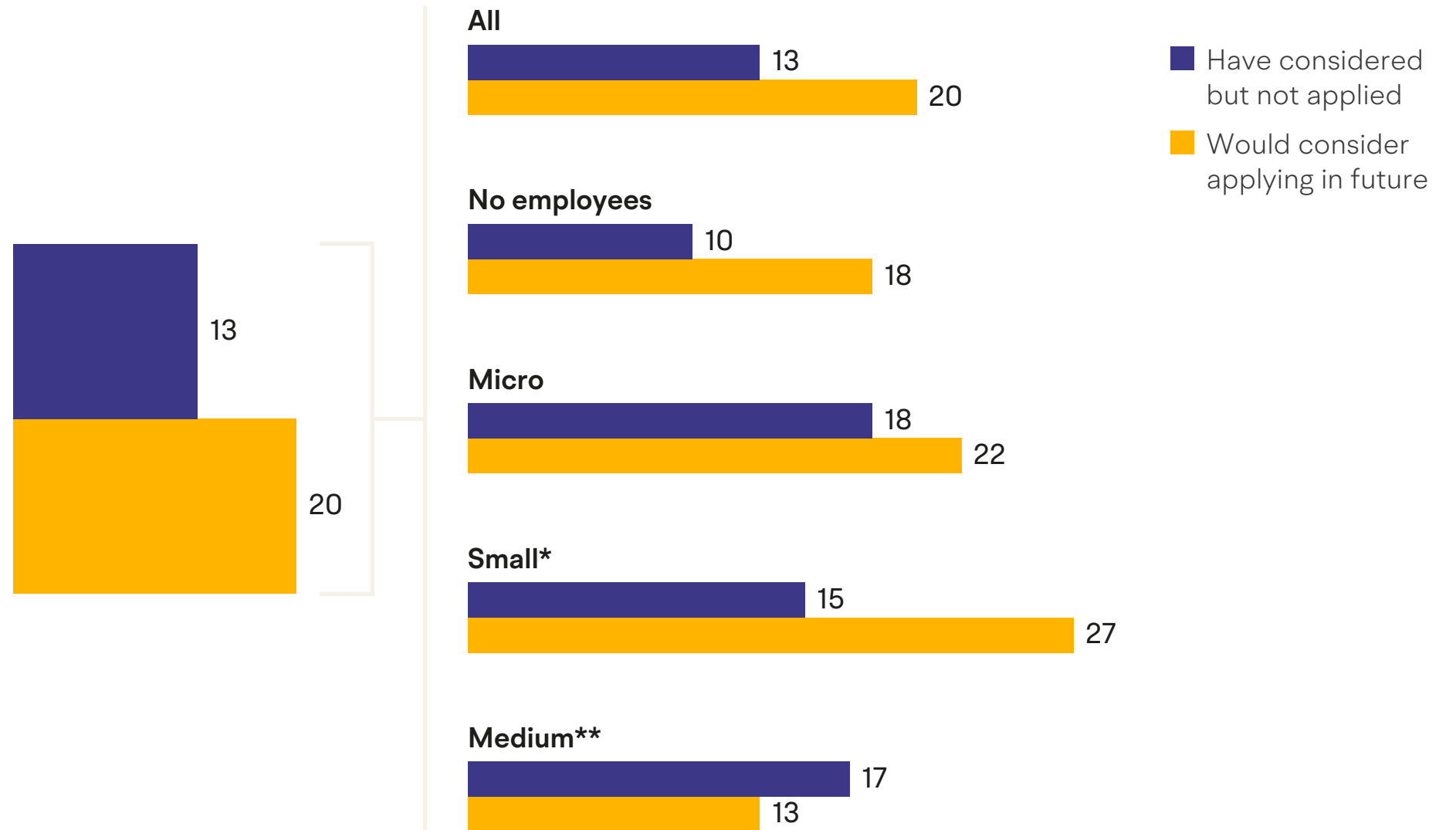
Most SMEs not using equity finance have not considered it, although a greater share would consider it in the future

68%

of firms that are aware of, but not currently using equity finance, have neither considered nor would consider using it (75% in 2020).

Considering or have applied for equity finance (%)

A6d_A (long and medium versions only, post-pilot) – Base: All aware of equity finance but not using not sought it (n=413), No employees (n=128), Micro (n=192), Small (n=68), Medium (n=25). * Small base, ** Very small base



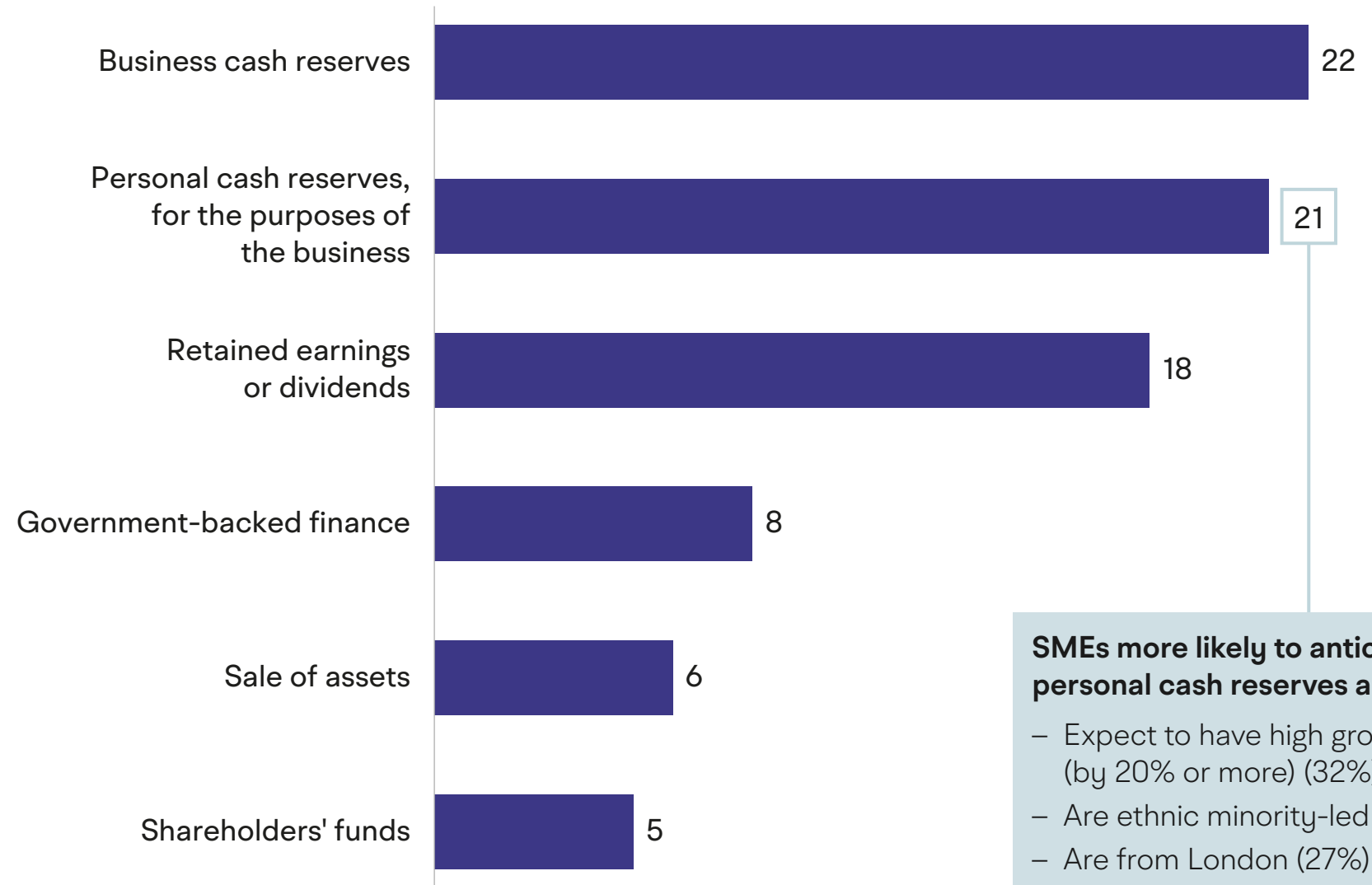
Over two in five SMEs (44%) anticipate a need to finance their business in the next 12 months*

This is higher among firms in Business Services sector (49%).

Types of finance planned to use in the next 12 months* (%)

B3iaa – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020). Chart excludes SMEs who said 'none' = 55%.

* The wording for this question was changed to ask about the next 12 months, rather than the next 3 months



SMEs more likely to anticipate using personal cash reserves are firms that:

- Expect to have high growth (by 20% or more) (32%)
- Are ethnic minority-led (30%)
- Are from London (27%)

Over two in five SMEs say they are likely to seek external advice if they needed finance in the future

Firms with employees are more likely to say they will seek advice in the future (51%) and more likely to pay for advice (50%) **compared to sole traders** (42% and 40% respectively).

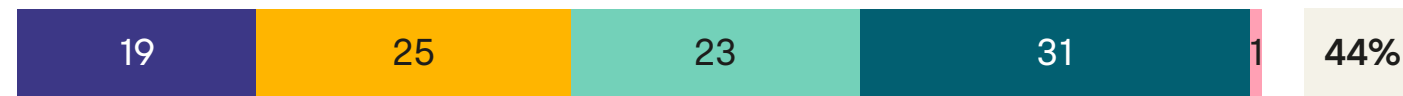
Likelihood to seek external advice in the future (%) and likelihood to pay for advice (%)

B3ii (single code, prompted, long and medium versions only) – Base: All SMEs (n=1,321 in 2021, n=2,142 in 2020);
 B3iii (long and medium versions only) – Base: All likely to seek external advice for external finance in the future (n=613 in 2021, n=969 in 2020)

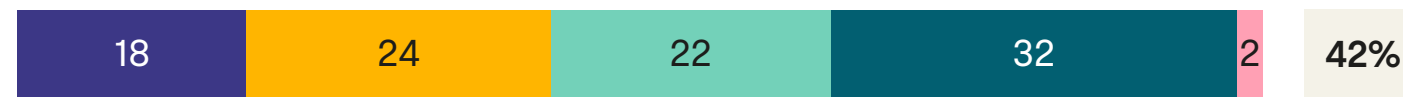
Likelihood to seek external advice in the future (%)

Likely (net)

2021



2020



- Very likely
- Fairly likely
- Not very likely
- Not at all likely
- Don't know/refused

Likelihood to pay for advice (%)

2021



2020



Over one-third of SMEs would consider contacting the British Business Bank for further information

Almost three in ten SMEs (27%) say they are **aware of the Bank**.

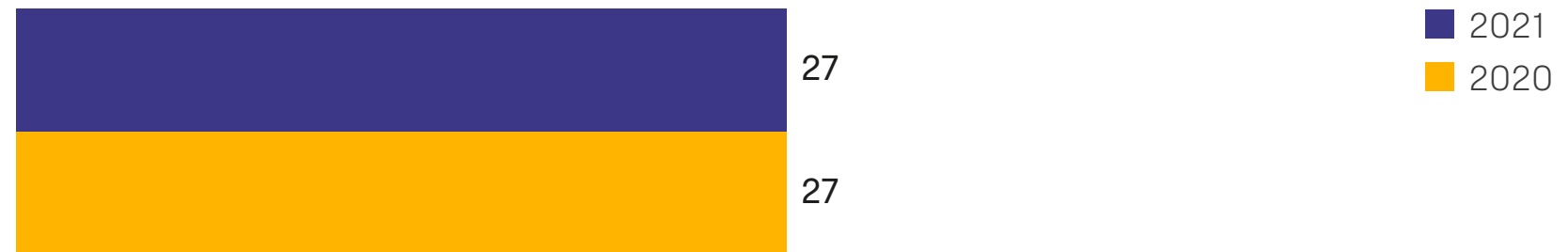
Over one-third of SMEs (36%) say they would consider contacting the Bank for information about external finance in the future.

Aware of British Business Bank (%) and would consider contacting the Bank for information about external finance (%)

D12, D13 – Base: All SMEs (n=2,804 in 2021, n=4,125 in 2020)

Aware of British Business Bank (%)

Yes - aware



Would consider contacting the Bank for information about external finance (%)

Yes - would consider





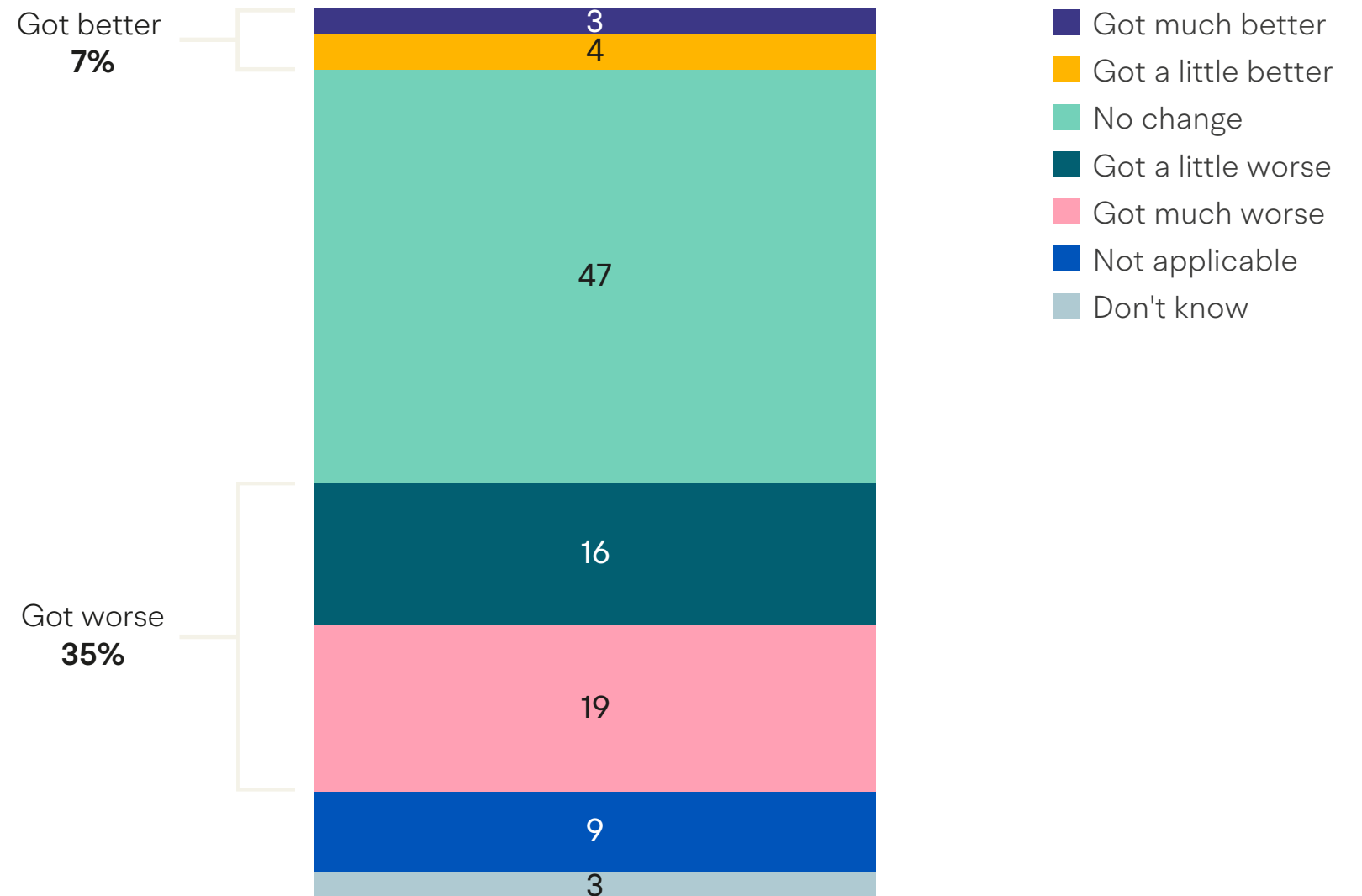
Trade and the end of the EU Exit transition period

One-third of SMEs feel things have got worse for their business now that the UK-EU transition period has ended

Those who export to and import from the EU are more likely to say things have got worse (both 60%).

Overall do you think things have got better or worse for your business now the UK-EU transition period has ended?

C8_b (long version only, post-pilot) – Base: All SMEs (n=728).



One in seven SMEs expect EU Exit to be a significant obstacle to running their business

Businesses who traded (28%) or plan to trade with the EU (27%), firms in London (21%), Northern Ireland (21%), and Scotland (18%) are more likely to expect EU Exit to be a significant obstacle (8+).

The UK leaving the EU as an obstacle to business (%)

B8 (long and medium versions only, post-pilot) – Base: All SMEs (n=1,653), No employees (n=702), Micro (n=695), Small (n=204), Medium (n=52). * Small base.

All



Significant obstacle (8 to 10)
16% in 2021
14% in 2020

No employees



Micro (1-9)



Small (10-49)



Medium (50-249)*



- % One to three
- % Four to seven
- % Eight to nine
- % 10 – a major obstacle
- % Don't know

(Scale of 1 to 10)
may not sum
due to rounding

Construction and Distribution firms were more likely to say EU Exit was not an obstacle to their business in 2021

The UK leaving the EU as an obstacle to business (%)

B8 (long and medium versions only, post-pilot) – Base: All SMEs (n=1,653), Production (n=249), Construction (n=162), Distribution (n=180), Business services (n=563), Other services (n=499).

All



Production



Construction



Distribution



Business services



Other services



Significant obstacle (8 to 10)
16% in 2021
14% in 2020

- % One to three
- % Four to seven
- % Eight to nine
- % 10 – a major obstacle
- % Don't know

(Scale of 1 to 10)
may not sum
due to rounding

- ▲ Sig higher than 2020
- ▼ Sig lower than 2020



Environmental, Social, Governance (ESG)

“

We're super ethical ... have a balanced workforce, first time managed by a woman, the product itself is environmentally friendly and ethical ... we're interested in cleaner energy sources.

”

“

We have made changes in the last two years in terms of replacing lighting and a new boiler and are considering installing solar panels.

”

“

I would like to improve where possible. I believe in such principles but it's not always practical to apply them to an ongoing business.

”

“

It's political hype, not taking any notice. I think that when these issues are being made a deal out of that there's a questionable reason for it.

”

“

We should be doing more, but not sure what a small business like us can do.

”

Over half of SMEs say they know at least a fair amount about Environmental, Social, Governance (ESG) issues

F2 (long and medium versions only) – Base: All SMEs (n=1,322)

The Government's legal commitment for the UK to reach 'net zero' by 2050



Know at least a fair amount (net)

57% in 2021

- A great deal
- A fair amount
- Just a little
- Heard of, know nothing about
- Hadn't heard about this before
- Don't know/refused

The implications of climate change for your business



52% in 2021

How to improve diversity and inclusion in your business



51% in 2021

Over half of SMEs place high priority on becoming more environmentally sustainable in the next 12 months

Main reasons for their approach to environmental sustainability and ethical business practices:

- Responding to customers’ priorities (59%)
- Fulfilling Corporate Social Responsibility (CSR) or for corporate ethical reasons (56%)
- Gaining reputational or competitive advantage (50%)

Priorities for the business’ operations and plans over the next 12 months (%)

F3_A (long and medium versions only) – Base: All SMEs (n=1,321); F3_B (long and medium versions only) – Base: All SMEs who have at least heard of how to improve diversity and inclusion in their business (n=1,094); F5 (long and medium versions only) – Base: All SMEs who consider environmental sustainability and/or increasing diversity and inclusion priorities in the next 12 months (n=892)

Becoming more environmentally sustainable



High priority (net)

57% in 2021

- Very high priority
- Fairly high priority
- Fairly low priority
- Very low priority
- Don't know/refused

Increasing diversity and inclusion



45% in 2021

Most SMEs feel implementing environmental sustainability and fair and ethical business practices will be beneficial

Implementing environmental sustainability and fair and ethical business practices enables your firm to ... (%)

F4 (long and medium versions only) – Base: All SMEs who consider environmental sustainability and / or increasing diversity and inclusion priorities in the next 12 months (n=892)

Enhance its business reputation and brand



Agree (net)

80% in 2021

- Strongly agree
- Tend to agree
- Neither agree no disagree
- Tend to disagree
- Strongly disagree
- Not applicable
- Don't know/refused

Keep competitive



69% in 2021

Reduce business costs



55% in 2021

Gain and retain talented employees

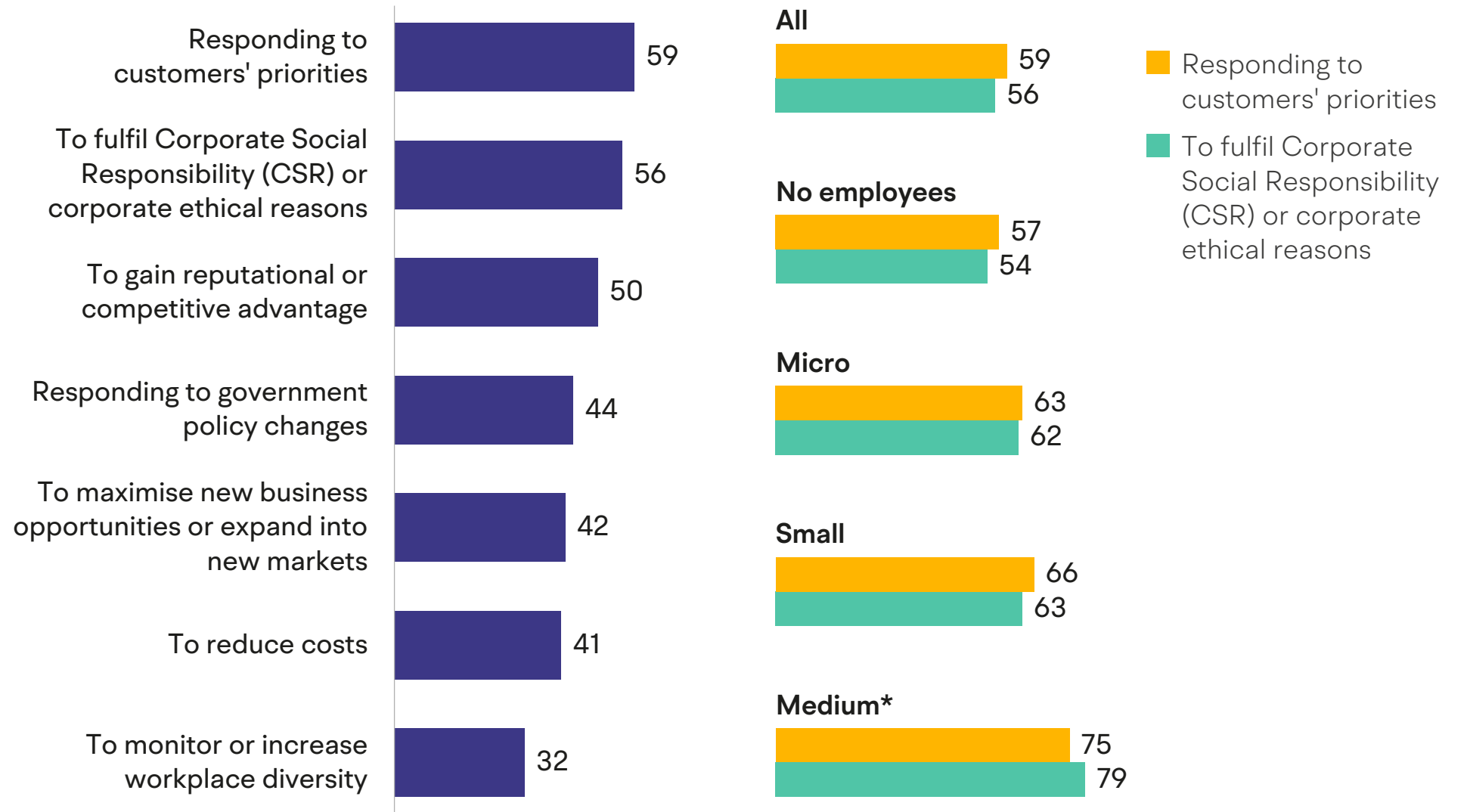


48% in 2021

SMEs almost equally likely to be driven by customer priorities and socially responsible practices

Reasons for approaches to environmental sustainability and ethical business practices (%)

F5 (long and medium versions only) - Base: All who consider environmental sustainability and/or increasing diversity and inclusion as priorities in the next 12 months (n=892); No employees (n=362), Micro (n=369), Small (n=130), Medium (n=31).
 * Small base.





Summary

SME demand for external financial support

- Four in ten SMEs reported they had contracted over the past 12 months, down from 2020.
- Four in ten SMEs expect to grow over the next 12 months compared to 21% in 2020 and 28% in 2019.
- Three in five SMEs sought external finance in the last three years, in line with 2020.
- The shifts in the types of finance sought most recently reported in 2020, compared to 2019, persisted in 2021.
- Half of SMEs sought finance to help with working capital and four in ten to deal with Covid-19.
- Two in five accepted the finance offered, even if less than the full amount requested.
- One in five SMEs are concerned about their ability to make full repayments as and when they become due.

Awareness and use of different types of finance

- Awareness of four of the five forms of alternative finance types has increased since 2020.
- The share of SMEs using only government-backed finance increased, while the share using only external finance fell.
- Fewer firms using credit cards, bank overdrafts and asset finance (leasing and hire purchase) in 2021.
- A higher proportion of SMEs were considering more than one provider this year.
- An existing relationship continues to be the most common reason for choosing a provider.
- Eight in ten SMEs were successful in obtaining all of the finance required from the first provider.
- Median value of finance sought increased among firms with no employees.

Perceptions of raising finance and future use

- Three in five SMEs are confident they know where to obtain information on external finance.
- Substantial variation in knowing where to obtain information on finance across the UK.
- Fear of rejection and economic conditions are the most common reasons for not applying for finance.
- Fewer firms concerned about change in demand due to Covid-19, but more worry about recruiting / retaining staff.
- One in three SMEs (34%) are considering applying for some form of external finance in the next 12 months.
- Most SMEs not using equity finance have not considered it, although a greater share would consider it in the future.
- Over two in five SMEs (44%) anticipate a need to finance their business in the next 12 months.
- Over two in five SMEs say they are likely to seek external advice if they needed finance in the future.
- Over one-third of SMEs would consider contacting the British Business Bank for further information.

Trade and the end of the EU Exit transition period

- One-third of SMEs feel things have got worse for their business now that the UK-EU transition period has ended.
- One in seven SMEs expect EU Exit to be a significant obstacle to running their business.

Environmental, Social, Governance (ESG)

- Over half of SMEs say they know at least a fair amount about Environmental, Social, Governance (ESG) issues.
- Over half of SMEs place high priority on becoming more environmentally sustainable in the next 12 months.
- Most SMEs feel implementing environmental sustainability and fair and ethical business practices will be beneficial.
- SMEs almost equally likely to be driven by customer priorities and socially responsible practices.



Annex

Sector definitions

Sector	Definition
Production	A Agriculture, Forestry and Fishing
	B Mining and Quarrying
	C Manufacturing
	D Electricity, gas, steam and air conditioning supply
	E Water supply, sewerage, waste management and remediation activities
Construction	F Construction
Distribution	G Wholesale and retail trade; repair of motor vehicles and motorcycles
	H Transportation and storage
	I Accommodation and food service activities
Business Services	J Information and communication
	K Financial and insurance activities
	L Real estate activities
	M Professional, scientific and technical activities
	N Administrative and support service activities

Sector	Definition
Other Services	O Public administration and defence; compulsory social security
	P Education
	Q Human health and social work activities
	R Arts, entertainment and recreation
	S Other service activities
	T Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use
	U Activities of extraterritorial organisations and bodies

Business profile – sector

Sector	Target	Achieved	% (out of 100%)	Weighted* %
ABCDE Primary / manufacturing	330	415	15%	8%
F Construction	420	300	11%	16%
GHI Distribution	550	393	14%	19%
JKLMN Business services	850	919	33%	34%
PQRS Other services	650	777	28%	23%
Total	2,800	2,804	100%	100%

*Based on BEIS business population estimates, 2021

Business profile – size

Size band	Target	Achieved	% (out of 100%)	Weighted* %
No employees	1,200	1,190	42%	75%
Micro (1-9)	1,000	1,161	41%	21%
Small (10-49)	400	361	13%	4%
Medium (50-249)	200	92	3%	1%
Total	2,800	2,804	100%	100%

*Based on BEIS business population estimates, 2021

Business profile – region

Region	Target	Achieved	% (out of 100%)	Weighted* %
East	240	249	9%	10%
East Midlands	200	180	6%	7%
London	340	298	11%	19%
North East	200	200	7%	3%
North West	240	274	10%	9%
South East (excl. London)	340	415	15%	16%
South West	240	289	10%	9%
West Midlands	200	187	7%	8%
Yorkshire & Humberside	200	192	7%	7%
Scotland	200	196	7%	6%
Wales	200	198	7%	4%
Northern Ireland	200	126	4%	2%
Total	2,800	2,804	100%	100%

*Based on BEIS business population estimates, 2021

Business profile – Gender and ethnicity

Proportion of ownership of the business (among businesses with employees)	Women	People who identify as being from an ethnic group other than White
None	40%	81%
More than one percent but less than 50%	19%	5%
50% or more, but less than 100%	28%	3%
100%	9%	6%
50% or more (aggregate)	36%	9%
Don't know / Prefer not to say	4%	3%

E3_2, E3b – Base: All sole traders (n=1,175); E5a – Base: All SMEs except sole traders (n=1,614).

Note: aggregate figures may differ due to rounding.

Among sole traders, 27% are female and 8% identify as being an ethnic group other than White.

Finance sought

Sought finance	Definition	%
Sought any external finance	A6a_BB = A-T	59%
Sought govt-backed AND non-govt-backed finance	[A6a_BB = C, F, I, J, K, M, N, P, Q, S OR Code 2 AT ALL STATEMENTS AT A6a_c] AND [A6a_BB = D, R, T OR Code 1 'Yes' AT ANY STATEMENT AT A6a_c]	26%
Sought external finance only (excl. govt-backed finance)	[A6a_BB = C, F, I, J, K, M, N, P, Q, S OR Code 2 AT ALL STATEMENTS AT A6a_c] AND [NOT A6a_BB = D, R, T]	15%
Sought govt-backed finance and grants only	[A6a_BB = D,R,T OR Code 1 'Yes' AT ANY STATEMENT AT A6a_c] AND [NOT A6a_BB = C, F, I, J, K, M, N, P, Q, S]	19%
Sought govt grants only	[A6a_BB = D, R AND NOT A6a_BB = A, B, C, F, G, H, I, J, K, M, N, O, P, Q, S, T]	9%

A6a – Base: All SMEs (n=2,804)

Finance currently used

Uses finance	Definition	%
Uses any external finance	A6a_AA = A-T	59%
Uses govt-backed AND non-govt-backed finance	[A6a_AA = C, F, I, J, K, M, N, P, Q, S OR Code 2 AT ALL STATEMENTS AT A6a_c] AND [A6a_AA = D, R, T OR Code 1 'Yes' AT ANY STATEMENT AT A6a_c]	23%
Uses external finance only (excl. govt-backed finance)	[A6a_AA = C, F, I, J, K, M, N, P, Q, S OR Code 2 AT ALL STATEMENTS AT A6a_c] AND [NOT A6a_AA = D, R, T]	22%
Uses govt-backed finance and grants only	[A6a_AA = D,R,T OR Code 1 'Yes' AT ANY STATEMENT AT A6a_c] AND [NOT A6a_AA = C, F, I, J, K, M, N, P, Q, S]	13%
Uses govt grants only	[A6a_AA = D, R AND NOT A6a_AA = A, B, C, F, G, H, I, J, K, M, N, O, P, Q, S, T]	5%

A6a – Base: All SMEs (n=2,804)



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