

UK challenger  
bank landscape



# Glossary

## Seed capital

Initial capital used to start a business, it usually comes from friends and family and is relatively small.

## Angel investor

Individual who invest private capital in a start-up for it to gain traction.

## Series A

Series A funding is useful in optimising product and user base.

## Series B

Series B rounds are all about taking businesses to the next level, past the development stage.

## Series C

Series C round of funding when the business looks for greater market share, acquisitions, or to develop more products and services.

## Series D

Series D investment signals two things. One; the business has strong fundamentals but needs extra capital to accelerate expansion. Two: The business hasn't hit growth expectations set from series C. In this event, Series C this would be a 'down' round and the series D is meant to keep the company afloat.

## Down round

A down round is a round of financing that occurs at a lower firm valuation than an earlier round of financing.

## Exits

Method by which investors sell their stake in a business to realise their gains (or losses):

## Trade sale

Sale of a company, in whole or in part, to another business rather than to the public.

## IPO (Initial Public Offering)

First sale of the company's stock to the public.

## M&A (Mergers and Acquisitions)

Consolidation of companies. A merger is the combination of two companies to form one new business while an acquisition is when a company purchase another one.

Ordered by total funding amount								
Organisation	Description	Number of Employees	Founded	Funding Rounds	Last Funding Type	Last Funding Date	Last Funding Amount	Total Funding Amount
<b>OakNorth</b> <a href="http://oaknorth.com">oaknorth.com</a>	OakNorth is a UK bank that provides fast, flexible and accessible debt finance (loans of ~£0.5--£30m) to fast-growth businesses.	101-250	2013	7	Venture Round	08/02/2019	\$440,000,000	\$1,040,000,000
<b>Metro Bank</b> <a href="http://metrobankonline.co.uk">metrobankonline.co.uk</a>	Metro Bank was the first new high street bank in over 150 years, it offers business and personal banking services.	5001-10000	2010	3	Grant	22/02/2019	\$158,120,827	\$721,000,000
<b>N26</b> <a href="http://n26.com">n26.com</a>	N26 is a German-based mobile challenger bank that enables its customers to manage their bank accounts through their smartphones.	251-500	2013	6	Series D	09/01/2019	\$300,000,000	\$512,800,000
<b>Atom Bank</b> <a href="http://atombank.co.uk">atombank.co.uk</a>	Atom Bank is a mobile banking application that offers a range of personal and business banking products.	251-500	2014	5	Venture Round	07/03/2018	\$191,506,859	\$474,261,825
<b>Revolut</b> <a href="http://revolut.com">revolut.com</a>	Revolut is a digital banking alternative for instant payment notifications: free international money transfers and global fee-free spending.	501-1000	2015	11	Series C	26/04/2018	\$250,000,000	\$336,000,000
<b>Starling Bank</b> <a href="http://starlingbank.com">starlingbank.com</a>	Starling Bank is a digital, mobile-only challenger bank that offers current accounts, business banking, and a payments service scheme for merchants.	251-500	2014	4	Grant	22/02/2019	\$131,000,000	\$307,005,523
<b>Monzo</b> <a href="http://monzo.com">monzo.com</a>	Monzo is a bank for people who live their lives on their smartphones. Monzo instantly updates the balance, gives intelligent notifications & is very easy to use.	251-500	2015	10	Equity Crowdfunding	05/12/2018	\$25,703,420	\$272,101,812
<b>Chetwood Financial</b> <a href="http://chetwood.co">chetwood.co</a>	Chetwood uses technology to make people better off, through the design and manufacture of digital products across financial services.	11-50	2016	2	Debt Financing	13/02/2018	\$192,789,360	\$192,789,360
<b>Zopa</b> <a href="http://zopa.com">zopa.com</a>	Zopa offers peer-to-peer loans with low rates, flexible terms, and no early repayment fees.	251-500	2005	10	Series G	07/11/2018	\$20,604,450	\$190,000,000

Ordered by total funding amount								
Organisation	Description	Number of Employees	Founded	Funding Rounds	Last Funding Type	Last Funding Date	Last Funding Amount	Total Funding Amount
<b>ClearBank</b> <a href="#">clear.bank</a>	ClearBank is a bank for banks, FIs and fintechs, i.e. a clearing bank, offering customers access to UK payment systems and core banking technology to support current account capabilities.	101-250	2014	1	Grant	22/02/2019	\$79,023,914	\$79,023,914
<b>Masthaven</b> <a href="#">masthaven.co.uk</a>	Masthaven offers mortgages and savings products to retail customers that struggle to get service from mainstream banks and lenders.	101-250	2004	1	Private Equity	01/10/2018	\$79,023,914	\$79,023,914
<b>Monese</b> <a href="#">monese.com</a>	Monese is an online banking platform that offers quick current account opening for all EU residents.	251-500	2013	6	Series B	06/09/2018	\$60,000,000	\$77,209,909
<b>Aldermore Bank</b> <a href="#">aldermore.co.uk</a>	Aldermore Bank is a specialist lender and savings bank offering straightforward products to SMEs, homeowners, landlords and individuals.	501-1000	2009	1	Private Equity	21/01/2014	\$52,695,295	\$52,695,295
<b>Tandem</b> <a href="#">tandem.co.uk</a>	Tandem is a provider of mobile retail banking services designed to optimize customers' relationship with banks.	51-100	2013	4	Venture Round	22/11/2018	\$19,310,342	\$50,598,325
<b>Cashplus</b> <a href="#">cashplus.com</a>	Cashplus is a provider of prepaid MasterCard and current account for consumers, small businesses and local government authorities in the UK.	11-50	2004	1	Debt Financing	25/09/2017	\$39,505,251	\$39,505,251
<b>Tide</b> <a href="#">tide.co</a>	Tide is an SME challenger bank that is especially designed for small businesses and freelancers.	101-250	2015	4	Convertible Note	01/12/2018	\$8,000,000	\$34,500,000
<b>Secure Trust Bank</b> <a href="#">securetrustbank.com</a>	Secure Trust Bank provides simple, transparent savings accounts, mortgages and usiness and commercial finance.	251-500	1954	1	Venture Round	03/10/2018	\$32,920,421	\$32,920,421
<b>Soldo</b> <a href="#">soldo.com</a>	Soldo is a smart way to control, delegate and track expenses among multiple users in an organisation.	51-100	2015	4	Series A	21/06/2017	\$11,000,000	\$22,200,000

Ordered by total funding amount								
Organisation	Description	Number of Employees	Founded	Funding Rounds	Last Funding Type	Last Funding Date	Last Funding Amount	Total Funding Amount
<b>BABB</b> <a href="http://getbabb.com">getbabb.com</a>	BABB aims to deliver accessible, secure, convenient and costeffective peer-to-peer mobile banking services designed to empower the global microeconomy.	11-50	2018	2	Equity Crowdfunding	01/06/2018	\$1,929,418	\$22,000,000
<b>Pockit</b> <a href="http://pockit.com">pockit.com</a>	Pockit is a neo-bank that aims to make money management easier for the user.	51-100	2014	5	Series A	25/04/2017	\$3,818,156	\$13,166,056
<b>Redwood Bank</b> <a href="http://redwoodbank.co.uk">redwoodbank.co.uk</a>	Redwood offers secured SME lending products to owner occupied businesses, as well as to commercial and residential property investors.	11-50	2017	1	Venture Round	14/06/2018	\$12,896,983	\$12,896,983
<b>Osper</b> <a href="http://osper.com">osper.com</a>	Osper is a prepaid debit card and mobile banking service empowering young people to manage their money responsibly.	11-50	2012	2	Series A	29/06/2014	\$10,000,000	\$11,215,500
<b>Loot Financial Services</b> <a href="http://loot.io">loot.io</a>	Loot is a current account that provides weekly budgets data, real-time spending information, and pause and unpause card services.	11-50	2014	5	Series B	07/01/2019	\$2,631,953	\$10,791,008
<b>Unity Trust Bank</b> <a href="http://unity.co.uk">unity.co.uk</a>	Unity Trust Bank provides specialist banking services for trade unions and charities in the United Kingdom.	51-100	1984	1	Venture Round	17/04/2018	\$7,895,168	\$7,895,168
<b>Frees Family Finance</b> <a href="http://ffrees.co.uk">ffrees.co.uk</a>	Frees provides a digital current account to help manage the user's money.	11-50	2012	5	Venture Round	01/03/2016	\$158,539	\$8,575,365
<b>Dozens</b> <a href="http://dozens.com">dozens.com</a>	Dozens is a new challenger bank that is an everyday account, a savings ally, a money manager, a financially savvy friend ,All in one app.	11-50	2018	1	Equity Crowdfunding	25/3/2019	\$4,691,537	\$4,691,537
<b>Chip Financial</b> <a href="http://getchip.uk">getchip.uk</a>	Chip an automatic savings app that does all the hard work to make saving money as easy as spending it.	11-50	2016	2	Equity Crowdfunding	18/11/2018	\$5,398,258	\$6,583,241

**Ordered by total funding amount**

Organisation	Description	Number of Employees	Founded	Funding Rounds	Last Funding Type	Last Funding Date	Last Funding Amount	Total Funding Amount
<b>Countingup</b> <a href="http://countingup.com">countingup.com</a>	CountingUp is a challenger banking platform, to help entrepreneurs with their accounting and banking requirements.	1-10	2017	2	Seed	03/09/2018	\$3,028,964	\$3,709,664
<b>Coconut</b> <a href="http://getcoconut.com">getcoconut.com</a>	Coconut is the current account that takes care of your accounting and tax.	11-50	2016	4	Equity Crowdfunding	01/11/2018	\$2,503,537	\$2,503,537
<b>Allica Bank</b> <a href="http://allica.co.uk">allica.co.uk</a>	Allica Bank offers business current accounts with deposits, transaction banking, overdrafts, FX, investments, savings and loans.	11-50	2017	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed
<b>Shawbrook Bank</b> <a href="http://shawbrook.co.uk">shawbrook.co.uk</a>	Shawbrook provides savings account, asset finance, commercial mortgage, consumer lending, secured lending, and business credit services.	501-1000	2011	1	Private Equity	01/01/2011	Undisclosed	Undisclosed



## Reading list



[Fastest-growing UK fintechs](#)



[50 hottest UK AI companies](#)



[Hot 50 UK gaming companies](#)

## Reference shelf

Crunchbase  
LinkedIn

Sonovate is the UK's leading provider of finance, technology and support to contract recruitment businesses. Sonovate enables companies to unlock cashflow, run more contractors and grow their business.

[Find out more](#)



# Introducing Sonovate

---

# Sonovate helps you get paid, easily and on time

Sonovate provides invoice finance and back-office support to businesses who place contractors.

Our whole approach is designed to save you time, get admin out the way and focus on the work that grows your business.

**1** Add a placement

**2** Confirm timesheets

**3** We pay candidates and 100% of your invoice profit into your business bank account.

“Sonovate gives us flexibility, a streamlined portal, and simplified admin and back office. It allows us to focus on the core aspect of our business: recruitment.”

Dr Raja P Pappu,

Director  
SkillRecruit

## Fund and manage with one platform

- 100% invoice profit paid to you
- Quick and easy funding process
- Freedom to use Sonovate as and when you need to
- Credit control, timesheets, invoicing and payments managed for you
- Industry first iOS and Android timesheet app
- No setup, additional or exit fees

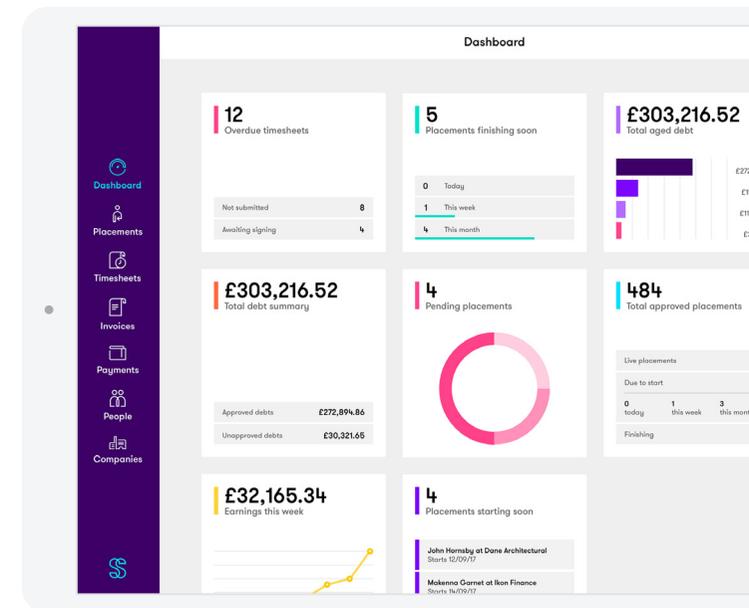
**Dashboard:** manage your contract business in real time, everything from timesheets to financial forecasting.

**Placements:** add new placements effortlessly and view account history from one place.

**Timesheets:** fully-automated, streamlined timesheets means efficiency up, margin for error down.

**Invoices:** funded, issued, and paid — we take care of all your contract invoice to-do lists, leaving you to do whatever you need.

**Payments:** one view of your clients' companies - contracts, contact info, payment history.



## | Sonovate in numbers

Over **£825m**  
invoices funded

Over **370,000**  
payments made  
to clients and  
contractors

Over **2,250**  
businesses  
use Sonovate

Raised  
**£20m** in VC  
investment

Fastest growing  
UK fintech and  
**12th fastest**  
growing private  
British business

*Beauhurst and SyndicateRoom profiled the 100 fastest-growing companies based on how their valuations have grown over the past three years*

## | See Sonovate in action

Click here to select time and date to demo Sonovate

Arrange demo

 020 7112 4949  
 [hello@sonovate.com](mailto:hello@sonovate.com)

