

Business Angel / Co-Investor Overview

BACKGROUND

CBA was **formed in 2012** by a group of Dutch entrepreneurs to help reduce employment among university graduates in Kenya. CBA has since invested time, training & funds into **40+ startup / early stage companies**.

MISSION

The mission of CBA is to help bring the goodness of the Kingdom of God to earth by helping Kenyan entrepreneurs **create long-term job opportunities** within their companies, sustained by future profits. In parallel, we seek to help those entrepreneurs understand what it means to **be a Christian in business**, and how they might impact the world to further expand the reach of the gospel and the Kingdom of God on earth.

INVESTMENT PROFILE

CBA invests in local entrepreneurs that show promise of strong job creation that are characterized as follows:

- 2-3 years of company operations
- 5+ fulltime staff, including fulltime founder
- Ks 2-3mln in annual revenues
- \$10-\$50k investment need

ONBOARDING PROCESS

Entrepreneurs generally progress as follows in their relationship with CBA:

1. **Workshop.** Entrepreneurs begin their journey with CBA by attending one of our *“Business Success”* workshops where past CBA entrepreneurs present a case study of a significant challenge they have faced. Participants work in groups with a Business Angel / Investor to analyze case study challenges. Value is provided to the entrepreneur, and CBA gains a close-up perspective of the entrepreneur.
2. **Site Visit.** Of the workshop participants, we typically find 60-70% attractive enough to warrant consideration for potential funding. The CBA team visits these entrepreneur location(s) to validate initial assumptions and confirm further interest.
3. **Pitch Event.** From the site visits, we select qualified candidates to join a pitch event, where they present their business case & funding ask to CBA and potential co-investors.
4. **Due Diligence.** Successful pitch candidates are engaged in a due diligence process commensurate to the level of funding requested. This extends over 1-4 months, depending on entrepreneur readiness.
5. **Funding & Coaching.** Successful applicants receive funding in tranches, as a loan matched to their 12-month and 3-year plans provided. The financing instrument of choice is a Revenue-Based Funding (RBF) agreement specifying repayment as a % of monthly revenue over a specified term, to a target repayment multiple between 1.5 - 3.0, depending on risk & repayment term. A CBA coach and/or board member is assigned to oversee company finances and execution of business plans provided.

CBA CASH FLOW & OPERATING COSTS

CBA operates as a non-profit charity in the USA & Europe, where members make annual donations for job creation investments. In Kenya, CBA operates as a for-profit company, accepting support from CBA abroad and collecting loan repayments from entrepreneurs in Kenya. CBA maintains a continuous investment drive, matching available funds to qualified opportunities on an ongoing basis.

CBA operates on a volunteer basis, with Angels & Members contributing time & talent into our job creation efforts, next to their donations. We pride ourselves on keeping costs low and have only 1 part-time staff: an admin assistant in Kenya.

CO-INVESTMENT

To leverage our donation budgets, CBA works with like-minded individuals & firms wishing to help our mission. Under our co-investment arrangements, CBA plays the lead role for due diligence & coaching, but steps its investment down to allow co-investment by others. Eventual loan collections are split pro-rata up to full principal recovery, then adjusted slightly to help offset local CBA Kenya costs.

CBA is presently active with co-investment groups/individuals in USA, Canada, Norway & The Netherlands. If you wish to also join CBA as a donor or co-investor, then please contact our chair, Mr. Roland Heersink via info@ChristianBusinessAngels.org. For more information, check our website www.ChristianBusinessAngels.org, and follow us on LinkedIn for latest news & updates. Thank you and we look forward to hearing from you soon.