



Coverage:
United Kingdom

Theme:
The Economy

Released:
27 October 2016

Next Release:
April 2017

Frequency of release:
Bi-annual

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Enterprise Investment Scheme and Seed Enterprise Investment Scheme

October 2016

Statistics on Companies raising funds



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Section 1: Introduction

About these statistics

This is a National Statistics publication produced by HM Revenue & Customs (HMRC). It provides information on the number of companies raising funds, number of subscriptions and amounts raised through the Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS). The EIS and SEIS are two of three tax-based Venture Capital schemes, the other being the Venture Capital Trust (VCT) scheme¹. This release includes updated estimates for 2014-15 for the statistics published in April 2016. The figures for previous years include small revisions and minor updates, arising from the receipt of a small number of further EIS1 and SEIS1 forms for these years. These figures are updated on a quarterly basis.

The publication also provides information on the industrial and geographical breakdown of companies, the distribution of companies by the amount of funds raised, and the distribution of investors by the size of their investment. These figures are updated annually in October.

Statistics on companies raising funds, subscriptions and amounts raised are based on the EIS1 and SEIS1 returns received so far. Statistics on investors using the schemes are derived from Self Assessment tax returns.

Section 2 summarises the key statistical points, presents an overview of the EIS and SEIS statistics and discusses recent trends. Section 3 provides background information, including a link to further detail on the policy background and key policy changes, and information on the data sources and methodology used to derive these statistics. Copies of EIS and SEIS tables 8.1 to 8.15 are included in Annex A.

The April 2016 release included the first published statistics for Advanced Assurance Requests (AARs) with data up to 2015-16. These statistics will next be updated as part of the April 2017 release.

These National Statistics are produced to the professional standards set out in the *Code of Practice for Official Statistics* (2009)². For more information on Official and National Statistics and the governance of statistics produced by public bodies, please see the UK Statistics Authority website: www.statisticsauthority.gov.uk

HMRC Official and National Statistics can be found on the gov.uk website:

<https://www.gov.uk/government/organisations/hm-revenue-customs/about/statistics>

¹ Further information on the EIS and SEIS schemes is included in Section 3: Background Information.

² <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/>

Who might be interested in these statistics?

This publication is likely to be of interest to policy makers in government, academics, research organisations, the media, the Venture Capital associations and companies raising funds under Enterprise Investment and Seed Enterprise Investment Schemes. It will be of particular interest to investors investing in Venture Capital schemes.

People interested in this publication may also be interested in the National Statistics publication Venture Capital Trusts (VCT):

<https://www.gov.uk/government/collections/venture-capital-trusts-statistics>

We continue to welcome feedback on this release and the range of statistics presented. We will provide a response to any comments received within subsequent releases. Contact details are included within Section 4.

Section 2: Key points and summary

While companies have a period of several years after shares are issued to submit a compliance statement for EIS and SEIS (the EIS1 and SEIS1 forms), the majority of these returns are made within three years. The figures for 2014-15 now reflect the majority of these returns but will be subject to small revisions in future due to applications that have not yet been received.

2.1 Key points

Enterprise Investment Scheme

- Since the Enterprise Investment Scheme (EIS) was launched in 1993-94, 24,620 individual companies have received investment through the scheme and almost £14.2 billion of funds have been raised.
- Data for 2014-15 shows that 3,265 companies raised a total of £1,816 million of funds under the EIS scheme. In 2013-14, 2,840 companies raised £1,591 million of funds.
- Data for 2014-15 shows that the 1,660 companies raising funds for the first time under the scheme raised a total of £1,022 million compared with 1,405 first time companies raising £897 million in 2013-14.
- In 2014-15, companies from the Business Services sector accounted for over £600 million of investment (one third of all EIS investment).
- London and the South East continued to account for the largest proportion of investment with companies in these regions receiving 65% of investment in 2014-15.

Seed Enterprise Investment Scheme

- In 2014-15, 2,290 companies received investment through the Seed Enterprise Investment Scheme (SEIS) and £175 million of funds were raised. This compares with 2,110 companies raising a total of £171 million under SEIS in 2013-14.
- Over 1,800 of these companies were raising funds under SEIS for the first time in 2014-15, representing £152 million in investment.
- In 2014-15, companies from the Hi-tech and Business services sectors made up 62% of the amount of SEIS investment received.

2.2 Enterprise Investment Scheme (EIS)

EIS: Number of EIS companies and amount of investment

Since EIS was launched in 1993-94, just over 24,620 individual companies have received investment through the scheme, and over £14.2 billion of funds have been raised.

The numbers of companies raising funds under EIS and the level of investment have shown similar trends since the scheme was introduced (Figure 1). The number of companies raising funds in 2014-15, at 3,265, almost reaches the previous high of 3,315 companies raising funds in 2000-01. The amount raised in 2014-15 (£1,816 million) is £225 million higher than 2013-14 and higher than in any previous year.

Figure 1: (a) Amounts of funds raised through EIS, 1993-94 to 2014-15.

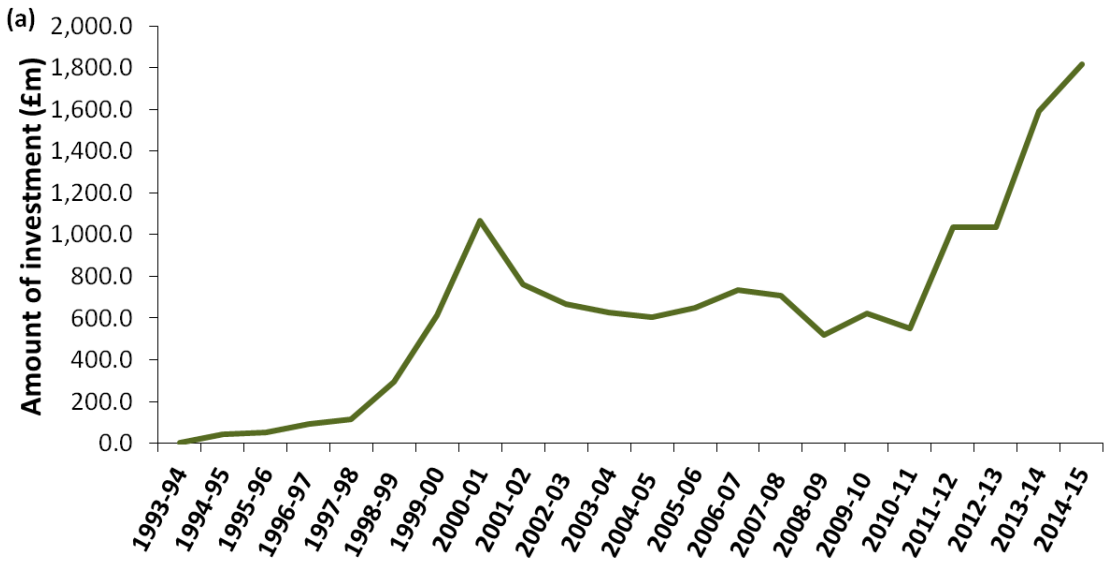
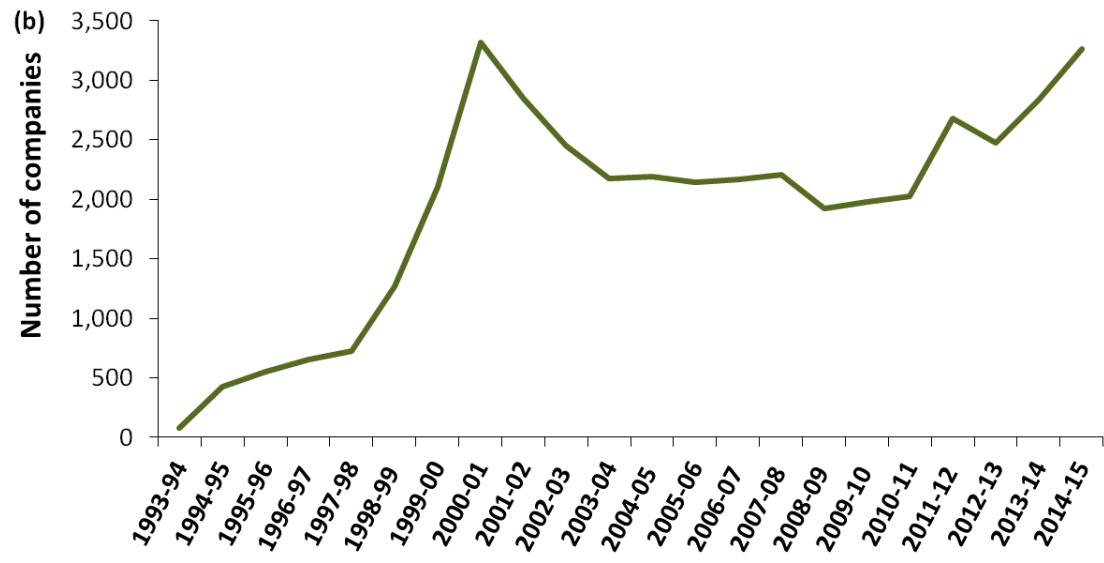


Figure 1: (b) Number of companies raising funds under EIS, 1993-94 to 2014-15.



Source: EIS1 forms

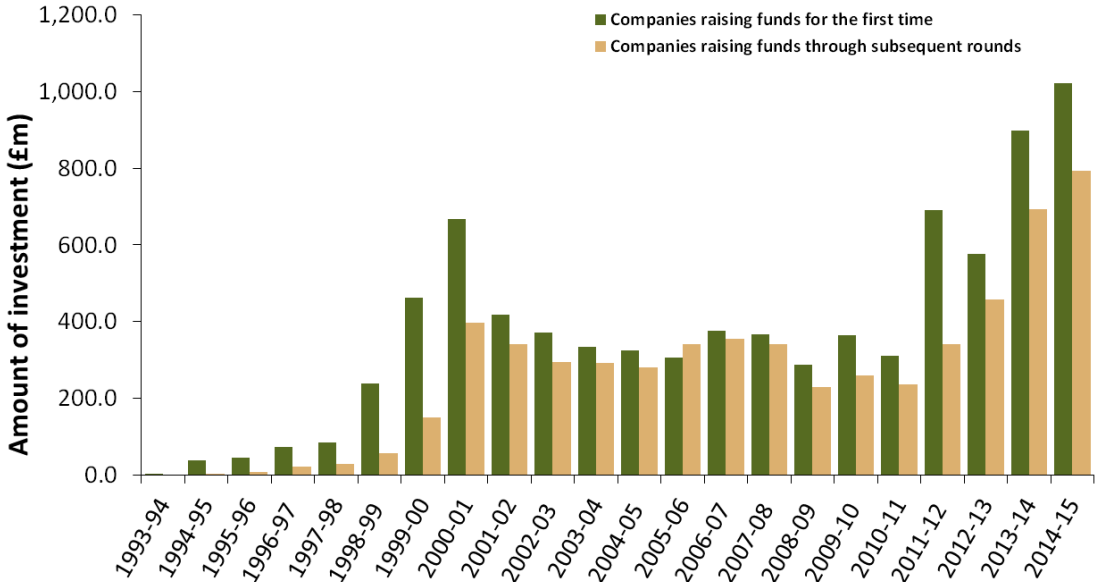
From 2000-01, there was a gradual decrease in the amount of investment up to 2004-05 when the amount of investment started increasing again. From 2007-08 to 2008-09, there was a sharp decrease in the amount of investment, most likely due to the economic recession and to additional eligibility restrictions for qualifying companies (from 19 July 2007, limits on company investment of £2 million and the number of employees, of fewer than 50 employees, were introduced). The change in the Income Tax relief from 20% to 30% in 2011-12 and the introduction of the Feed in Tariffs (FiTs) initiative³ from April 2010 (resulting in large amounts of investment into the renewable energy sector) both attracted investment into EIS.

In 2012-13 most trades attracting FiTs or overseas equivalents were excluded from eligibility for EIS and companies benefiting from alternative DECC subsidies have not been able to benefit from venture capital schemes since July 2014⁴. The expansion of venture capital schemes in 2012-13, such as the increase in the annual EIS investment limit for companies to £5 million, also attracted significant investment.

EIS: New investment

The majority of investment through the scheme (58%) since the inception of EIS was investment into companies raising EIS funds for the first time. The exception to this was 2005-06 when a slightly higher proportion of EIS investment was into already established companies (53%). The proportion of funding raised in 2014-15 by companies using EIS for the first time was 56%.

Figure 2: Amount of investment received by new companies through EIS and by companies who received investment under EIS previously, from 1993-94 to 2014-15.



Source: EIS1 forms

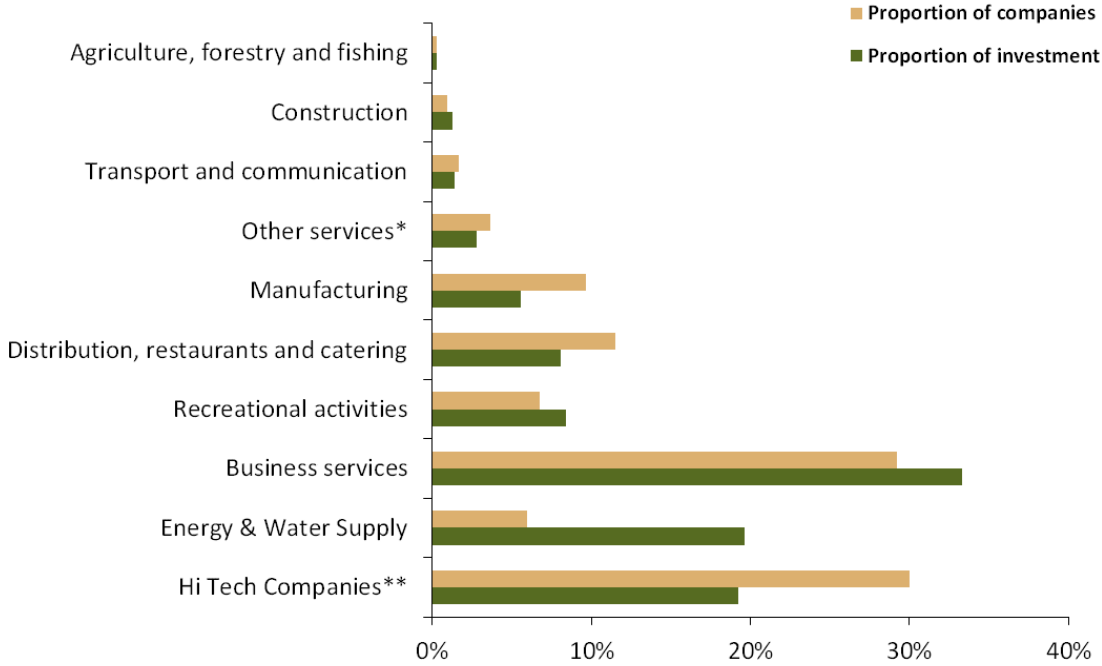
³ Introduced by the Department of Energy and Climate Change.
⁴ Excluding those generating energy by way of anaerobic digestion or hydroelectric power and certain community organisations. For further information FiTs and other DECC subsidies, please see the Office of Gas and Electricity Markets website: <https://www.ofgem.gov.uk/environmental-programmes>

EIS: Industry sector⁵

In 2014-15, companies from the Hi-tech⁶, Energy & Water supply and Business services sectors accounted for over £1.3bn of investment and made up over 72% of all EIS investment (Figure 3). In 2013-14, these companies account for 67% of all EIS investment (£1.07bn). In 2014-15, companies from the Business services sector accounted for over £600 million of investment (one third of all EIS investment).

The figures based on the number of companies show a different distribution, with the highest number of companies being in the Hi-tech and Business services sectors (980 and 955 companies respectively). These sectors represent 59% of the total number of companies receiving investment through EIS. EIS data by Standard Industrial Classification (SIC) sector is presented as an Experimental Statistics table in Annex A.

Figure 3: The percentage distribution of EIS investment and number of EIS companies, by industry sector in 2014-15.



Source: EIS1 forms

*Other services sector includes: recreational services, other medical and educational services, real estate, social and community services and others.

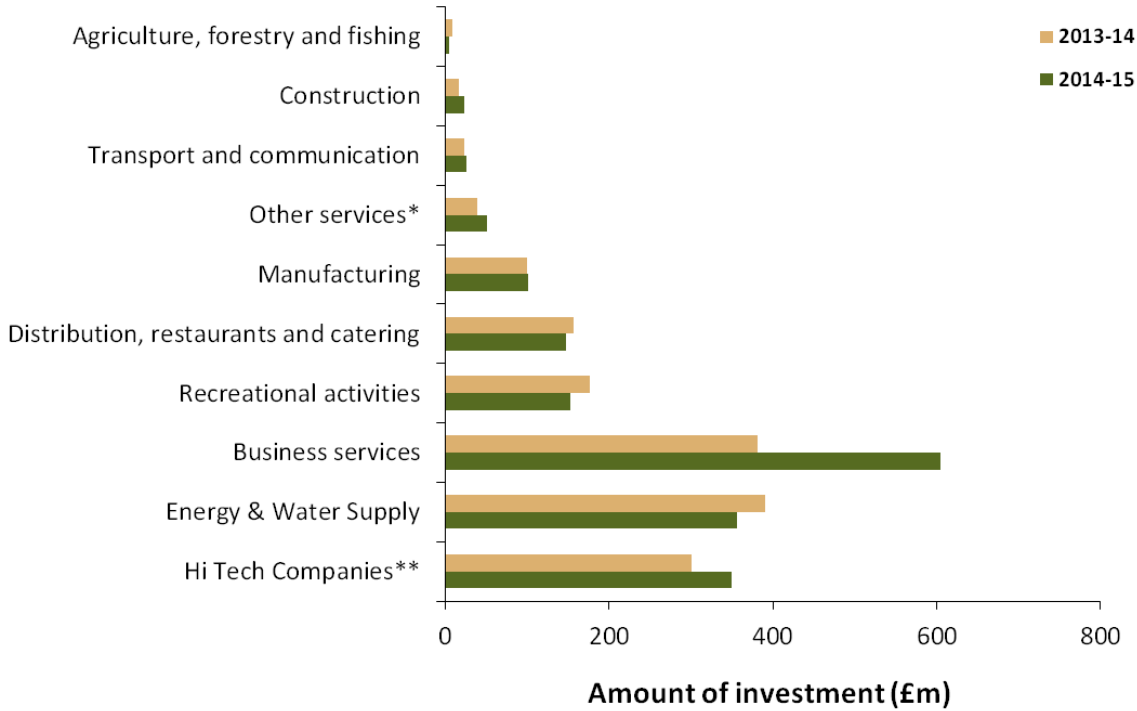
** Hi tech sector includes: research and development, instrument engineering, some chemicals and computer consultancy.

⁵ Trade Classification Numbers (TCNs) are used to identify the type of trade carried out by the company. It should be taken into account that the most recent TCN data available have been used and some companies could have changed their trade since submitting their EIS1 forms.

⁶ 'Hi Tech' Companies is not a category identified by the Trade Classification system. This category includes selected companies from other industry groups involved in activities such as research and development, chemicals and computer consultancy.

Figure 4, below, provides a comparison of the amount of investment raised under EIS between 2013-14 and 2014-15. The largest increase was in Business services where the amount of funds raised increased by £224 million between 2013-14 and 2014-15 and the number of companies raising funds increased by 285 to 955. The largest decrease was in Energy and Water Supply companies where the amount of funds raised decreased by £34 million between 2013-14 and 2014-15.

Figure 4: Comparison between amounts of funds raised under EIS by different industries in 2013-14 and 2014-15.



Source: EIS1 forms

*Other services sector includes: recreational services, other medical and educational services, real state, social and community services and others.

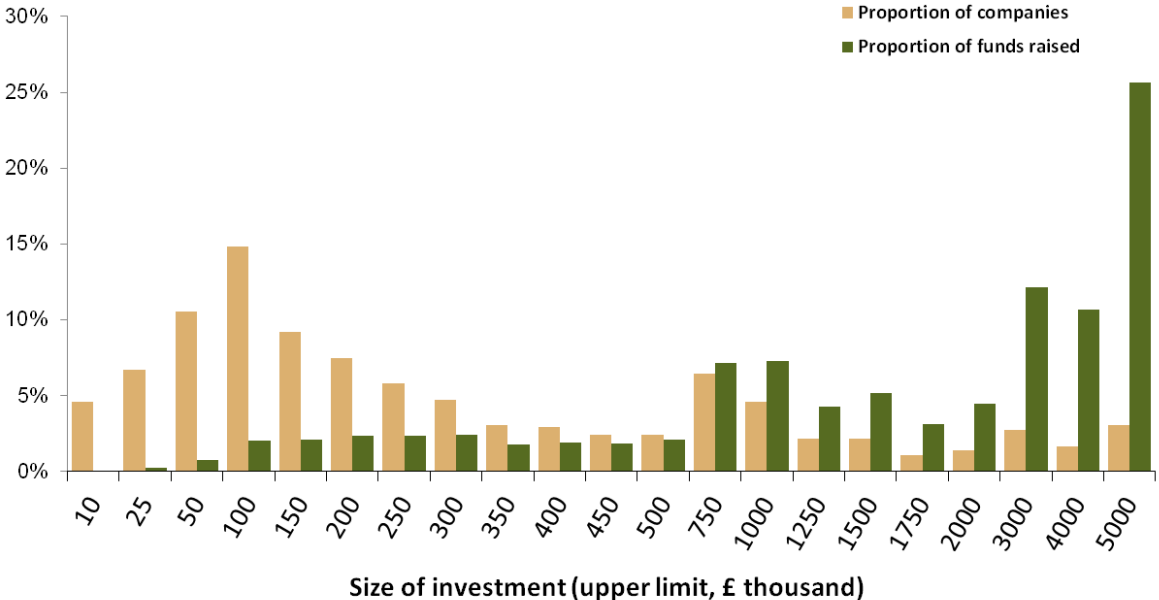
** Hi tech sector includes: Research and development, instrument engineering, some chemicals, computer consultancy and others.

EIS: Size of investment per company

The distribution of the number of companies raising money under EIS by investment size differs from the distribution of amount of funds raised by size of investment (Figure 5). A large proportion of companies receive relatively small investments, with 46% (1,500) of companies receiving investments of £150,000 or less in 2014-15. This remains unchanged from 2013-14 when 46% of companies received investments of £150,000 or below but down from 53% in 2012-13.

At the same time, in 2014-15, 48% (£881m) of the amount of funds is concentrated in investments above £2m with 26% (£466m) going to investments between £4m and £5m. The annual EIS investment limit for any company was increased from £2m to £5m in 2012-13.

Figure 5: Distribution of the proportion of funds raised under EIS (number of companies and amount raised) by upper limit of size of investment (2014-15).



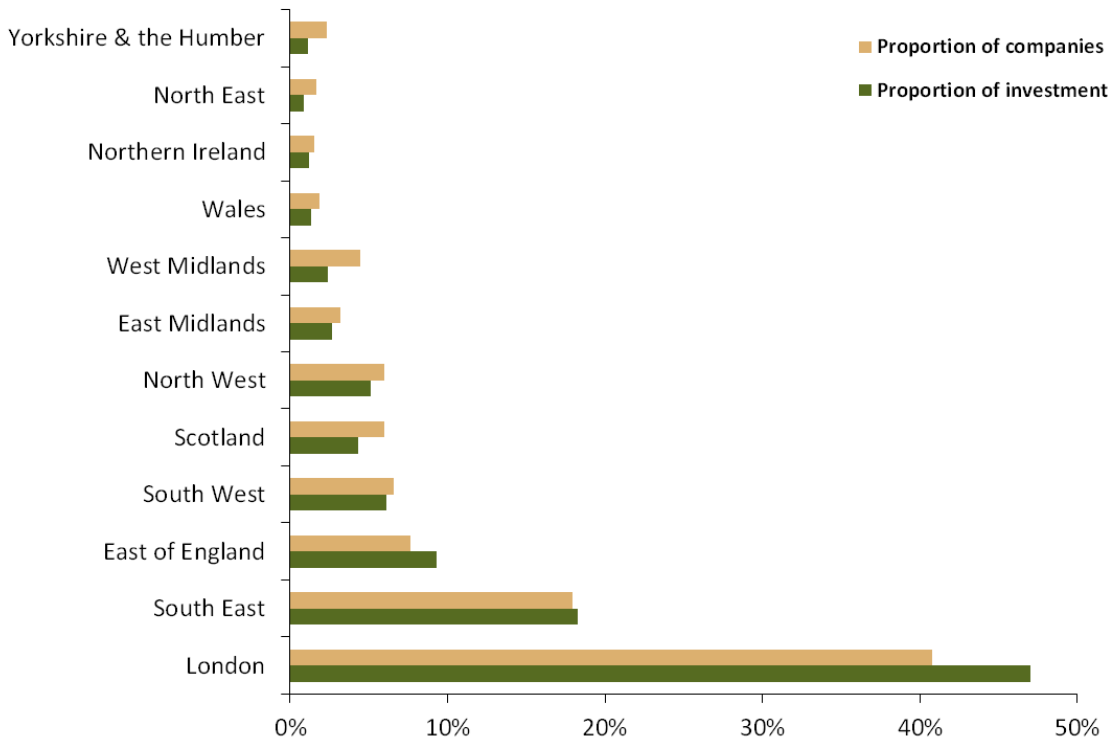
Source: EIS1 forms

EIS: Geographical region of company registration

The proportion of the amount of investment in companies registered in London and the South East was 65% in 2014-15 (Figure 6). Since 2006-07 the proportion of investment in companies registered in London and the South East has been greater than 60%.

The geographical distribution of EIS investments is based on the registered address of the company raising funds. This address may place the company in a different region from the region in which the business activity is carried and, therefore, a degree of caution should be exercised in the use of this data.

Figure 6: Distribution of EIS investment and number of EIS companies based on the registered address of the company (2014-15).



Source: EIS1 forms

From 2013-14 to 2014-15, there were decreases in the amount of EIS investment in the North East, East Midlands, West Midlands and South East. The other UK regions (by location of company registered addresses) showed growth in the amount of EIS investment ranging between 51% (in the North West) and 8% (in Wales) between 2013-14 and 2014-15.

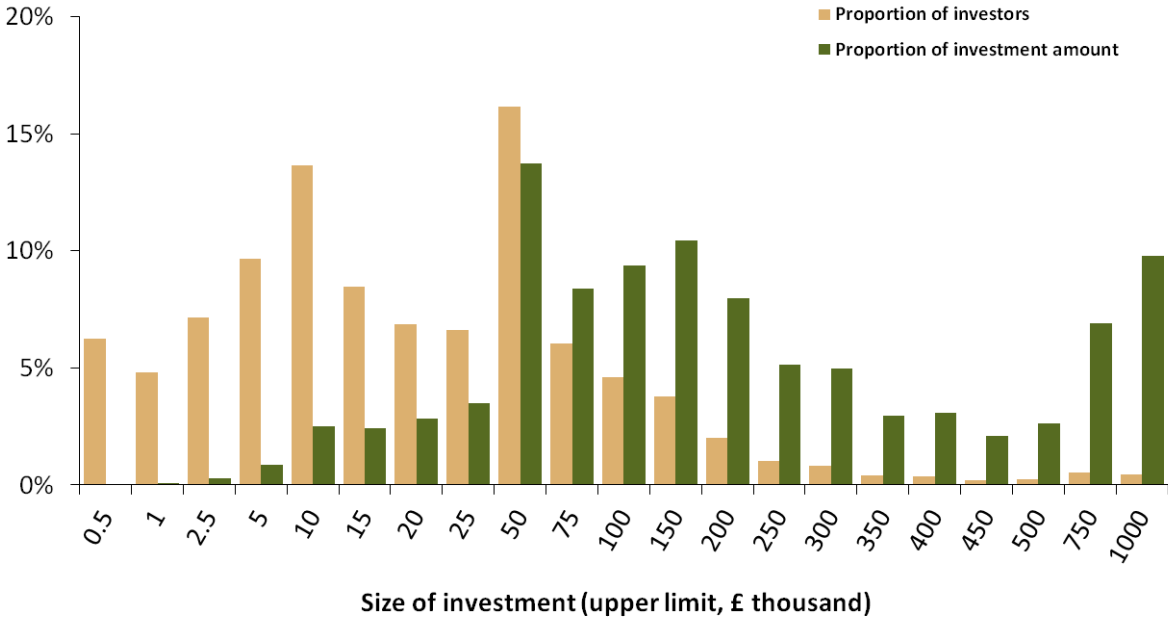
EIS: Investors claiming Income Tax relief under EIS

The number of investors claiming Income Tax relief on Self Assessment forms under EIS increased from 28,830 in 2013-14 to 29,380 in 2014-15.

The majority of the investors claiming Income Tax relief tend to invest smaller amounts of money into companies qualifying for EIS (Figure 7). In 2014-15, 80% of EIS investors made a claim for tax relief in respect of an investment of less than £50,000 (Figure 7). This was a slight increase from 2013-14 when 78% of investors made a claim on an investment of less than £50,000. The number of investors claiming ITR for an investment of less than £500 dropped slightly to 1,830 investors in 2014-15 from 1,890 in 2013-14. This has previously seen strong growth, more than doubling from 550 to 1,205 between 2011-12 and 2012-13.

Investors were able to claim Income Tax relief on an investment of up to £1m from 2012-13, compared with a previous limit of £500,000. Investments of £500,000 to £1m contributed to 17% of the total amount of EIS investment raised on which claims were made in 2014-15.

Figure 7: Proportion of investors and amount of investment, by size of investment (investment on which Income Tax relief was claimed in 2014-15).



Source: Self Assessment Returns

Total figures provided in Table 8.5 on the amount of investment on which Income Tax relief was claimed are not directly comparable with the figures in the Table 8.1 on the amount of investment reported by companies. Some investors may choose to offset the tax liability against the previous year. Also, a small amount of relief would be claimed through the PAYE system which is assumed to relate to about 5% of total EIS investment.

2.3 Seed Enterprise Investment Scheme

SEIS: Number of SEIS companies and amount of investment

In 2014-15, data show that 2,290 companies received investment through the Seed Enterprise Investment Scheme (SEIS) and £175 million of funds were raised. Over 1,800 of these companies were raising funds under SEIS for the first time, raising a total of £152 million in investment. The average investment per company under SEIS in 2014-15 was around £77,000.

Since SEIS was launched in 2012-13, 4,775 individual companies have received investment through the scheme and £433 million in investment has been raised.

Figure 8: Amount of investment received by new companies through SEIS and by companies who received investment under SEIS previously, for 2012-13 to 2014-15.

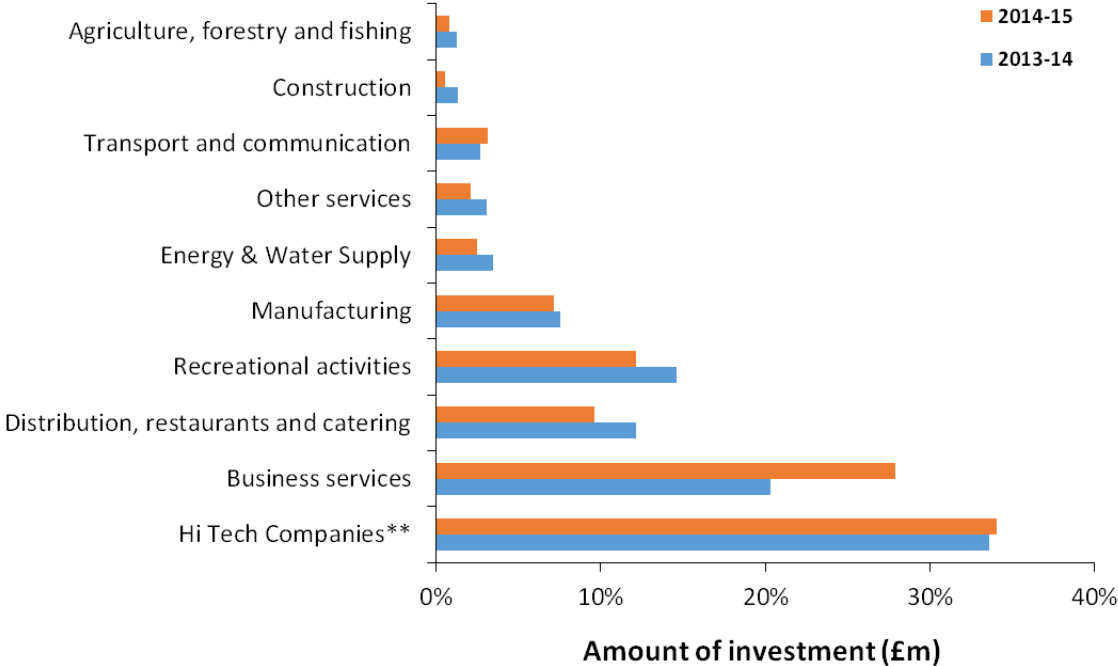


Source: SEIS1 forms

SEIS: Industry sector⁷

In 2014-15, companies from the Hi-tech⁸ and Business services industries made up 62% of the amount of SEIS investment received (Figure 9). Companies from the Hi-tech sector alone raised 34% of the investment funds under SEIS in this period.

Figure 9: The percentage distribution of SEIS investment by industry sector in 2013-14 and 2014-15.



Source: SEIS1 forms

*Other services sector includes: recreational services, other medical and educational services, real state, social and community services and others.

** Hi tech sector includes: Research and development, instrument engineering, some chemicals, computer consultancy and others.

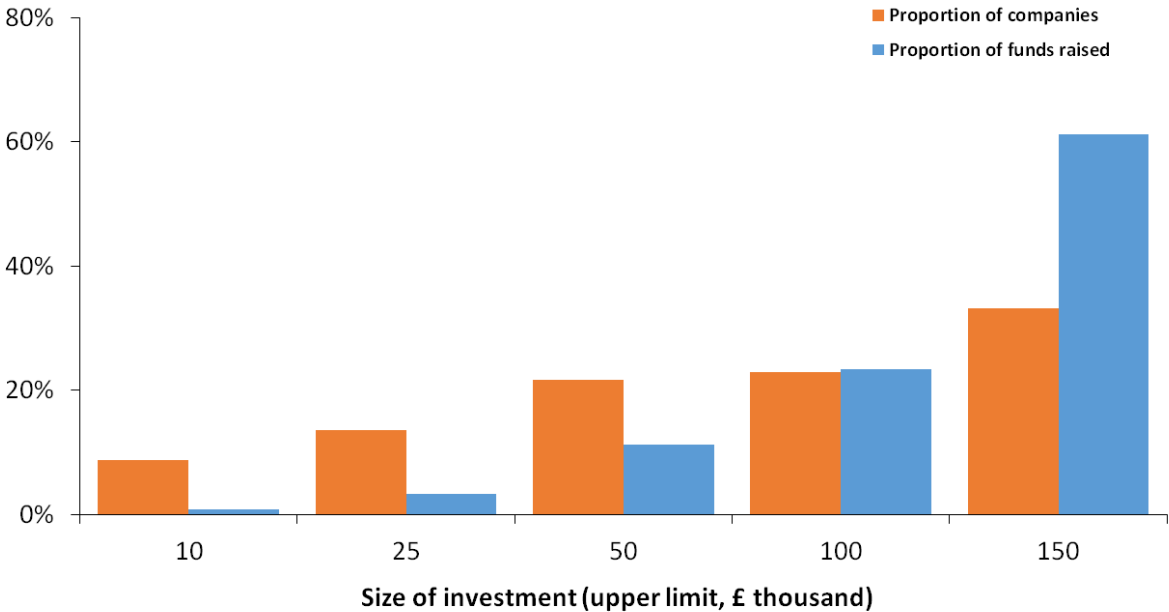
⁷See footnote 4
⁸See footnote 5

SEIS: Size of investment per company

A large proportion of companies receive investments of over £50,000 through SEIS, with 56% of companies receiving investment of over £50,000 in 2014-15, though down from 60% in 2013-14 (Figure 10).

Investments of over £50,000 contributed 85% of the total amount of SEIS investment raised.

Figure 10: Distribution of the proportion of funds raised under SEIS (number of companies and amount raised) by upper limit of size of investment (2014-15).



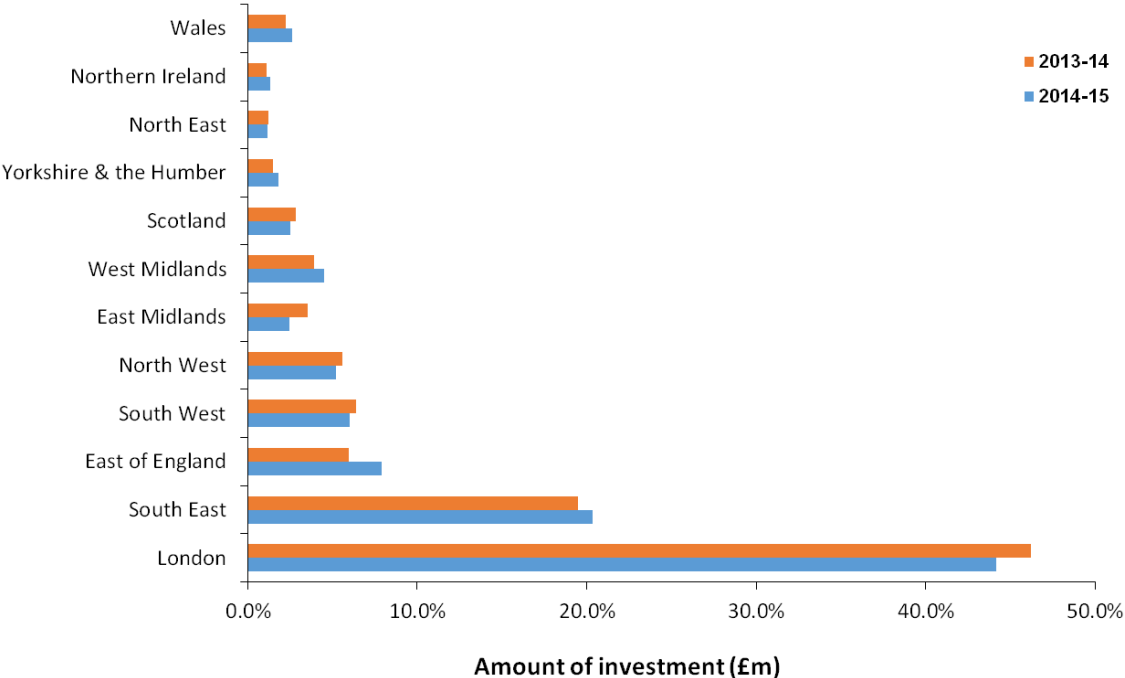
Source: SEIS1 forms

SEIS: Geographical region of company registration

The largest proportion of funds raised through SEIS was raised by companies registered in London and the South East. In 2014-15, 44% of SEIS investment was into companies registered in London (down from 46% in 2013-14) and 20% into those in the South East region (a slight increase from 2013-14 but unchanged when rounded).

The geographical distribution of SEIS investments is based on the registered address of the company raising funds. This address may place the company in a different region from the region in which the business activity is carried. Therefore, caution should be exercised in interpreting this data.

Figure 11: Geographical distribution of amount of SEIS investment based on the registered address of the company in 2013-14 and 2014-15.



Source: SEIS1 forms

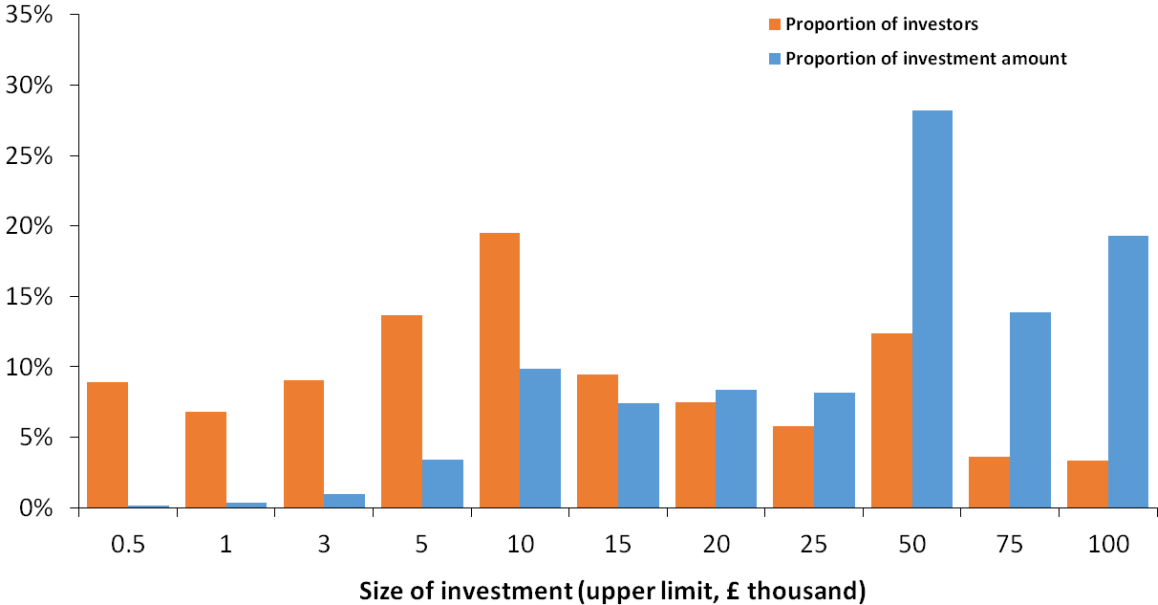
SEIS: Investors claiming Income Tax relief under SEIS

In 2014-15, 8,150 investors claimed Income Tax relief on Self-Assessment forms for SEIS, compared to 7,795 investors in 2013-14.

The majority of the investors claiming the relief invested £10,000 or less into qualifying SEIS companies (58% of investors).

Investments of over £25,000 contributed 61% of the total amount of SEIS investment raised on which claims were made.

Figure 12: Proportion of the number of investors and amount of investment claimed in 2014-15.



Source: Self Assessment Returns

Total figures provided in Table 8.15 on the amount of investment on which Income Tax relief was claimed are not directly comparable with the figures in the Table 8.11 on the amount of investment reported by companies. Some investors may choose to offset the tax liability against the previous year. Also, a small amount of relief would be claimed through PAYE system which is assumed to relate to about 5% of total SEIS investment.

Section 3: Background information

Policy background

The Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS) are two of three tax-based Venture Capital schemes, the other being the Venture Capital Trust (VCT) scheme.

The EIS was introduced in 1994 to help smaller, higher-risk trading companies to raise finance by offering a range of tax reliefs to investors who purchase new full-risk ordinary shares in those companies.

The SEIS was introduced in 2012 to complement EIS and is intended to recognise the particular difficulties which very early stage companies face in attracting investment by offering tax relief at a higher rate than that offered by EIS.

Further information on the policy background and key policy changes in EIS and SEIS is available in the EIS/SEIS introductory note. An amendment to tax-advantaged venture capital schemes, including EIS and SEIS, was published at Summer Budget 2015. Further information on these changes is available here:

<https://www.gov.uk/government/publications/income-tax-amendments-to-tax-advantaged-venture-capital-schemes>

The Official and National Statistics for the VCT scheme can be found here:

<https://www.gov.uk/government/collections/venture-capital-trusts-statistics>

Data sources

The EIS and SEIS statistics in this release are compiled using data collected from companies' EIS1 and SEIS1 returns. All figures in this release are based on data extracted in September 2016.

The EIS1 and SEIS1 forms are statutory declarations that the company is compliant with the conditions of the Enterprise Investment Scheme. The data cover all EIS1 and SEIS1 returns received by HMRC and approved by the Small Company Enterprise Centre (SCEC) that administers the EIS and SEIS scheme. The SCEC decides if a company and a share issue qualifies.

Once the shares are issued, and once the company has traded for at least 4 months, the company has to submit form EIS1/SEIS1. This process is repeated each time a company issues shares in respect of which EIS or SEIS relief is to be claimed. The EIS1 and SEIS1 forms include details of investors who have indicated they will be claiming EIS/SEIS relief and the amount invested. The forms also include details of the date the shares were issued; these

dates are used in the production of the statistics to record the investments within particular tax years.

The Self Assessment returns are used to collect EIS and SEIS investor level information. Some investors will invest in both schemes in the same tax year. This information will not cover investors making Income Tax relief claims through other systems (e.g. PAYE) or not making any claims.

Initial statistical checks carried out on the data include:

- Plausibility checking that the amount of the investment has a realistic value. Any record showing a very high amount is referred back to SCEC, which will check on these cases;
- Checking that the companies correspond to the company registration number. In case of inconsistencies, the correct information is retrieved from Companies House Database or SCEC; and
- Checking all the duplicate records, i.e. individual companies records with the same issue data and amount of investment are checked with SCEC.

Once the EIS1/SEIS1 forms data have been extracted from the analysis database:

- Any significant changes in figures from one statistical release to the next are investigated.

Methodology

Tables 8.1 to 8.4 and 8.11 to 8.14 include every case captured via EIS1 and SEIS1 forms respectively. As no sampling is necessary, sampling error is not an issue.

The Self Assessment tables (EIS Table 8.5 and SEIS Table 8.15) include every case captured via Self Assessment returns. As no sampling is necessary, sampling error is not an issue.

Reliability of the estimates

Sources of error in the published statistics include:

- The EIS/SEIS companies have a period of several years after shares are issued to submit an EIS1/SEIS1 compliance statement. Therefore, there are a small number of returns submitted later which add to the existing data and can therefore result in minor revisions to previously published figures. Accordingly, revisions have been made to EIS figures prior to 2014-15.

- This release provides figures on the number of investors and the amount claimed through SA in value terms. The EIS and SEIS investors can claim Income Tax relief up to five years after the 31 January following the tax year in which the investment was made. Therefore, in the next year's publication, a small number of late claims will result in minor revisions to previously published figures, particularly to the provisional figures for 2014-15.
- Data capture errors: companies may make errors entering their information on the EIS1/SEIS1 paper forms. The data are subsequently entered onto HMRC's systems manually. This is another point at which data may be altered due to human error or software errors. There is a risk that errors involve very large investment amounts. To mitigate this, checks are carried out and any incorrect large values which are detected are investigated (and potentially altered) in the analysis database before the statistics are produced. An automated data entry to HMRC's system is being introduced and should reduce the number of these types of errors in future. We will provide notification in the appropriate release when this has been used in the creation of the estimates.

Revisions to previously published tables

Companies' funds raised are subject to revision and, although the majority of assessments are finalised within three years after shares are issued, there are exceptional cases which can take much longer. As a result, there is no specific point at which EIS and SEIS claims for the latest years can be considered as complete or final. In practice, the statistics are first published as provisional one year after the tax year being presented and subsequently revised in the following releases of the statistics. However, where the revision to a year is particularly small and would lead to the potential disclosure of individual companies, these revisions will be suppressed (based on our standard approach to statistical disclosure control) until a subsequent release.

Revisions to the published Self Assessment returns data are not routinely made until the following year's release. Typically, the only revisions are to the most recent year's figures reflecting returns submitted later.

Planned developments and changes

a) Frequency of the publication

The April 2016 release⁹ noted that we would move to a bi-annual release schedule. A release in April each year will present the latest financial year statistics available and a release each October will present the additional detail and Self Assessment derived statistics. We continue to welcome feedback and suggestions regarding this change.

⁹ <https://www.gov.uk/government/statistics/enterprise-and-seed-enterprise-investment-schemes-april-2016>

b) Standard Industry Classification

The December 2014 release presented an experimental version of EIS Table 8.2 with an industry breakdown based on Standard Industry Classification 2007 (SIC 2007). We believe that SIC 2007 provides a more appropriate split by industry group for companies raising funds through EIS than the Trade Classification Numbers approach currently used. Further work is still required to refine the methodology used to allocate SIC 2007 codes to EIS and SEIS companies and, therefore, the table continues to be presented as experimental (see Annex A). Due to the limited data currently available, it has not yet been possible to produce SEIS Table 8.12 on this basis. We continue to welcome feedback on the content and usefulness of this approach.

c) Advanced Assurance Requests

The April 2016 release included the first published statistics for Advanced Assurance Requests (AARs). The statistics covered 2006-07 to 2015-16 for EIS and 2012-13 to 2015-16 for SEIS. These statistics will next be updated as part of the April 2017 release.

If you wish to contact us on any of these items, please use the contact details in the section below.

User engagement

HMRC is committed to providing impartial quality statistics that meet our users' needs. We encourage our users to engage with us so that we can improve our National and Official Statistics and identify gaps in the statistics that we produce. Please see the following link for HMRC Statistics "Continuous User Engagement Strategy":

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/278751/HMRC_statistics_continuous_user_engagement.pdf

If you would like to comment on these statistics or have any enquiries on the statistics please use the statistical contacts named at the end of this section and on the cover page. Alternatively, we would welcome any views or comments you have via the HMRC statistics blog:

<https://hmrstatistics.blog.gov.uk/>

UKSA Assessment

The EIS and SEIS National Statistics have been assessed for compliance with the Code of Practice for Official Statistics by the UK Statistics Authority (UKSA). The assessment report is available on the UKSA website:

<http://statisticsauthority.gov.uk/assessment/assessment/assessment-reports/index.html>

UKSA is an independent body directly accountable to Parliament with the overall objective to promote and safeguard the production and publication of official statistics. It is also required to promote and safeguard the quality and comprehensiveness of official statistics and good practice in relation to official statistics.

Contact points

Enquiries about these statistics should be directed to the statistician responsible for these statistics:

Neil Wilson
KAI Direct Business Taxes
HM Revenue & Customs
Room 2/43
100 Parliament Street
London SW1A 2BQ
Telephone: 03000 574 402
E-mail: neil.wilson@hmrc.gsi.gov.uk

For all detailed enquiries relating to investing in Venture Capital Trusts, please contact:

Local Compliance
Small Company Enterprise Centre Admin Team
SO777, PO Box 3900
Glasgow G70 6AA
Telephone: 03000 588907
E-mail: enterprise.centre@hmrc.gsi.gov.uk

Media enquiries should be directed to the HMRC Press Office contacts listed on the front page of this release.

Annex A: EIS Table 8.2a

Introduction

The industry breakdown in Table 8.2 has historically been based on HMRC's Trade Classifications Number (TCN) codes. Classification based on TCNs is outdated. The UK Standard Industrial Classification 2007 (SIC 2007) is a more current, detailed and commonly used system. The conversion to SIC 2007 will bring EIS and SEIS statistics more into line with other HMRC statistics (which are increasingly moving to SIC 2007) and will make them more widely comparable with other sources of statistics by industry.

The December 2014 release presented an experimental version of EIS Table 8.2 with an industry breakdown based on Standard Industry Classification 2007 (SIC 2007). Further work is still required to refine the methodology used to allocate SIC 2007 codes to EIS and SEIS companies and, therefore, the table below continues to be presented as experimental. Due to the high proportion of companies with an unknown SIC 2007 code in recent periods, it has not yet been possible to produce SEIS Table 8.12 on this basis. The companies with an unknown SIC 2007 code are generally new companies that have not filed a Corporation Tax (CT) return at the time they have submitted their EIS1/SEIS1 forms. Work is ongoing to refine the methodology to allocate SIC 2007 codes to EIS and SEIS companies.

For more information on SIC 2007 codes please see:

<http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/standard-industrial-classification/index.html>

Statistics and commentary

Table 8.2a below shows the number of companies and amounts of funds raised by industry based on SIC 2007 for EIS.

In 2014-15, companies in the 'Information and Communication' and 'Professional, Scientific & Technical' sectors accounted for the largest number of EIS company investments (575 and 410 respectively).

It is difficult to make comparisons with past years as there remains a high number of companies with an unknown SIC 2007 sector in 2014-15. A high number of the newest companies tend to be from Professional, Scientific & Technical and Information and Communication and currently may have an unknown SIC 2007 code.

SEED Enterprise Investment Scheme

Table 8.2a: Number of companies and amount of funds raised, by industry SIC code, from 2012-13¹ to 2014-15^p

Claims data received by September 2016²

Numbers: actual; Amounts: £million

Industry	2012-2013		2013-2014 ^p		2014-2015 ^p	
	Number	Amount	Number	Amount	Number	Amount
A. Agriculture, Forestry and Fishing; B. Mining and Quarrying	5	0.7	10	1.0	*	0.2
C. Manufacturing	80	6.1	105	7.8	60	3.3
D. Electricity, Gas, Steam and Air Conditioning	5	0.7	5	0.4	5	0.2
E. Water, Sewerage and Waste	5	0.1	5	0.3	*	0.2
F. Construction	15	0.8	15	1.6	5	0.2
G. Wholesale and Retail Trade, Repairs	140	10.8	135	8.9	65	4.1
H. Transport and Storage	5	0.3	5	0.4	5	0.3
I. Accommodation and Food	50	4.3	40	3.1	15	0.7
J. Information and Communication	320	23.9	355	30.1	150	10.3
K. Financial and Insurance	15	1.5	10	0.9	5	0.4
L. Real Estate	10	0.8	5	0.3	5	0.2
M. Professional, Scientific & Technical	170	11.7	155	10.8	70	4.4
N. Admin and Support Services	70	4.8	60	4.1	30	2.5
P. Education	20	1.4	10	0.8	10	0.5
Q. Health and Social Work	15	1.0	10	0.4	*	0.2
R. Arts, Entertainment and Recreation	40	2.8	35	2.4	15	1.1
S. Other services activities; T. Households; U. Overseas	25	2.1	30	1.9	15	1.0
Unknown SIC2007	180	12.9	1125	95.5	1830	144.8
Total	1,170	86.7	2,110	170.9	2,290	175.2

Source: SSEIS1 forms, Inter-Departmental Business Register (IDBR) survey and companies house database

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an SSEIS1 compliance statement, therefore data for 2014-15 is provisional and subject to change due to claims not yet received.

p. Provisional.

* Value suppressed as cell count less than 5

Key differences in breakdowns by TCN and SIC 2007 classifications

TCN codes are broadly based on the 1992 Standard Industrial Classification. Changes in the economy since that time, including rapid growth in the technology sector, mean that newer companies' activities are increasingly less likely to be well mapped in the TCN codes.

The TCN codes are assigned by HMRC staff based on their knowledge of companies' activities. The SIC 2007 codes used in this release came from the Inter-Departmental Business Register (IDBR), which uses Companies House data as one source, or directly from Companies House data. Companies House SIC 2007 codes are determined and submitted by the companies themselves. This change in the process of assigning industrial codes will affect the level of variability and the accuracy of the industrial coding. It is possible that companies carrying out the same trade may be assigned different, or sometimes perhaps inaccurate, SIC 2007 codes.

The relationship between TCN and SIC 2007 is many to many, which makes comparisons between the two breakdowns complex. An analysis including these comparisons will be published with the next release.

Currently, a high proportion of companies would have an unknown SIC 2007 code for the most recent year published. This should be resolved as HMRC staff start assigning SIC 2007 code to EIS and SEIS companies.

Annex B: Statistical reference tables

Enterprise Investment Scheme: Table 8.1

Table 8.1: Number of companies raising funds, number of subscriptions and amounts raised from 1993-94 to 2014-15¹

Claims data received by September 2016²

Numbers: actual; Amounts: £ million

Year ²	Companies raising funds for first time	All companies raising funds	Subscriptions ³	Companies raising funds for first time	All companies raising funds
	Number	Number	Number	Amount	Amount
1993-94	75	75	480	3.9	3.9
1994-95	400	425	4,970	39.0	41.4
1995-96	440	550	5,140	45.5	52.9
1996-97	475	650	11,820	73.4	94.3
1997-98	530	725	11,410	85.1	113.4
1998-99	1,035	1,265	15,330	237.8	294.0
1999-00	1,640	2,105	29,340	462.6	613.7
2000-01	2,380	3,315	45,780	668.5	1,065.2
2001-02	1,685	2,855	25,480	418.9	760.9
2002-03	1,340	2,455	27,635	372.2	667.3
2003-04	1,150	2,175	28,125	334.1	627.2
2004-05	1,210	2,190	32,360	325.4	606.4
2005-06	1,155	2,140	31,540	305.6	647.9
2006-07	1,150	2,170	39,700	376.6	732.7
2007-08	1,130	2,205	37,135	365.9	707.3
2008-09	940	1,920	23,555	288.4	517.8
2009-10	995	1,975	25,970	363.5	622.8
2010-11	1,070	2,025	32,430	311.9	548.8
2011-12	1,565	2,680	88,850	691.7	1,033.4
2012-13	1,195	2,475	64,105	576.8	1,033.4
2013-14	1,405	2,840	124,900	897.2	1,591.2
2014-15	1,660	3,265	145,765	1,022.3	1,815.9
All Years	24,620	** 4	851,820	8,266.1	14,191.9

Source: EIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an EIS1 compliance statement. Therefore data for 2014-15 is provisional and subject to change due to claims not yet received, whereas claims received for 2015-16 are currently excluded.

3. The number of subscriptions is not equal to the number of investors as an individual can invest in more than one company.

4. The total is not given as companies may raise funds in more than one year.

Enterprise Investment Scheme: Table 8.2

Enterprise Investment Scheme

Table 8.2: Number of companies and amount of funds raised, by industry TCN, from 2012-13¹ to 2014-15^P

Claims data received by September 2016²

Numbers: actual; Amounts: £million

Industry	2012-2013		2013-2014 ^f		2014-2015 ^P	
	Number	Amount	Number	Amount	Number	Amount
Agriculture, forestry and fishing	15	5.5	15	8.7	10	4.8
Hi Tech Companies ³	705	196.8	835	299.9	980	349.0
Energy & Water Supply	110	210.2	190	390.5	195	356.5
Manufacturing	285	80.1	315	100.0	315	100.8
Construction	25	7.2	40	16.1	30	23.2
Distribution, restaurants and catering	335	138.8	385	157.1	375	146.9
Transport and communication	50	16.5	55	22.8	55	26.1
Business services	615	199.9	670	381.1	955	604.7
Recreational activities	225	147.6	235	176.6	220	152.7
Other services	95	30.9	95	38.4	120	51.1
Total	2,475	1,033.4	2,840	1,591.2	3,265	1,815.9

Source: EIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an EIS1 compliance statement. Therefore data for 2014-15 is provisional and subject to change due to claims not yet received, whereas claims received for 2015-16 are currently excluded.

3. Hi Tech Companies is not a category identified by the Trade Classification system. This category includes selected companies from other industry groups involved in activities such as research and development, chemicals and computer consultancy.

Enquiries

Statistical enquiries should be addressed to: Neil Wilson, KAI Direct Business Taxes, HM Revenue & Customs, Room 2/43, 100 Parliament Street, London, SW1A 2BQ. Tel: 03000 589 093, E-mail: Vivienne.Opoku@hmrc.gsi.gov.uk

For more general enquiries please refer to the HMRC website:

www.hmrc.gov.uk

or contact the Venture Capital **Helpline** on **03000 588907** for general enquiries.

The next update of these tables, will be published in October 2017.



Enterprise Investment Scheme: Table 8.3

Table 8.3: Number of companies and amount of funds raised, by size of funds, from 2012-13¹ to 2014-15^P

Claims data received by September 2016²

Size of funds raised per company (Upper limit) £	2012-2013		2013-2014 ^f		2014-2015 ^P	
	Number actual	Amount £m	Number actual	Amount £m	Number actual	Amount £m
10,000	175	0.8	150	0.9	150	0.8
25,000	190	3.7	175	3.3	220	4.2
50,000	305	11.8	305	12.1	345	13.7
100,000	385	30.0	405	31.9	485	37.3
150,000	260	32.9	275	34.7	300	38.6
200,000	185	32.8	210	37.8	245	43.3
250,000	145	33.0	160	36.4	190	43.0
300,000	90	24.7	140	38.6	155	43.6
350,000	95	30.1	115	37.9	100	32.7
400,000	65	25.0	85	32.1	95	35.1
450,000	40	18.1	60	26.5	80	33.8
500,000	60	27.8	60	28.1	80	37.9
750,000	145	88.4	185	113.5	210	129.7
1,000,000	95	84.0	115	101.2	150	132.1
1,250,000	60	69.8	80	91.1	70	77.7
1,500,000	30	40.7	45	63.7	70	94.0
1,750,000	20	31.0	30	47.4	35	56.4
2,000,000	20	33.9	25	45.7	45	81.6
3,000,000	40	100.1	65	158.5	90	221.0
4,000,000	25	80.6	55	197.6	55	193.8
5,000,000	50	234.4	95	452.3	100	465.7
Total	2,475	1,033.4	2,840	1,591.2	3,265	1,815.9

Source: EIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an EIS1 compliance statement. Claims received for 2015-16 are currently excluded.

3. From July 2007 to April 2012, companies must have raised no more than £2 million in total from Venture Capital schemes. From April 2012 companies can raise up to £5m.

Enterprise Investment Scheme: Table 8.4

Table 8.4: Number of companies and amount of funds raised, by region, 2012-13¹ to 2014-15^P

Claims data received by September 2016²

Numbers: actual; Amounts: £million

Government Office Region ³	2012-2013		2013-2014 ^r		2014-2015 ^P	
	Number	Amount	Number	Amount	Number	Amount
England	2,215	943.5	2,595	1,510.4	2,955	1,687.9
- North East	60	14.2	55	19.0	55	15.9
- North West	145	45.2	175	61.3	195	92.4
- Yorkshire & the Humber	65	8.9	60	17.5	75	21.1
- East Midlands	90	39.1	125	54.0	105	47.8
- West Midlands	105	29.1	125	47.4	145	43.9
- South West	180	48.3	200	88.0	215	111.5
- East of England	215	74.9	230	128.8	250	169.4
- London	915	461.6	1,115	732.3	1,330	853.6
- South East	440	222.3	515	362.1	585	332.2
Wales	60	22.2	65	22.5	60	24.3
Scotland	155	49.1	140	41.5	195	78.7
Northern Ireland	40	16.8	35	15.3	50	21.9
Channel Islands / Isle of Man	5	1.8	5	1.0	5	2.3
United Kingdom	2,475	1,033.4	2,835	1,590.6	3,260	1,815.1

Source: EIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an EIS1 compliance statement. Claims received for 2014-15 are currently excluded.

3. The regional breakdown is based on the registered address of the company, which may differ from the region in which the investment took place. For more information on GOR codes see www.ons.gov.uk

Enterprise Investment Scheme: Table 8.5

Table 8.5: Income tax relief, distribution of investors and amount of investment on which relief was claimed from 2012-13¹ to 2014-15^P

Size of investment in year ² (Upper limit) £	2012-2013		2013-2014 ^f		2014-2015 ^P	
	Number of investors	Amount of investment	Number of investors	Amount of investment	Number of investors	Amount of investment
	actual	£m	actual	£m	actual	£m
500	1,205	0.4	1,890	0.5	1,830	0.5
1,000	955	0.8	1,330	1.2	1,415	1.2
2,500	1,625	3.0	1,945	3.5	2,100	3.8
5,000	2,030	8.4	2,630	10.7	2,835	11.5
10,000	2,745	22.9	3,645	30.2	4,010	32.8
15,000	1,805	23.0	2,360	30.2	2,485	31.7
20,000	1,605	29.4	1,950	35.7	2,020	36.8
25,000	1,505	35.4	2,040	47.8	1,945	45.5
50,000	3,710	142.9	4,685	178.0	4,750	179.2
75,000	1,365	84.5	1,865	115.3	1,775	109.7
100,000	1,140	104.3	1,455	132.8	1,350	122.2
150,000	830	102.8	1,140	141.8	1,105	136.3
200,000	465	82.5	585	103.5	590	104.3
250,000	235	54.1	345	78.5	295	67.0
300,000	170	47.5	200	54.7	235	65.2
350,000	80	26.7	145	47.0	120	38.6
400,000	65	24.9	105	40.2	105	40.3
450,000	50	20.5	70	29.7	65	27.3
500,000	50	23.2	90	42.8	70	34.3
750,000	90	55.6	160	97.5	150	90.3
1,000,000	110	102.8	190	177.4	135	127.7
Total	21,835	995.6	28,830	1,399.2	29,380	1,306.1

Source: Self Assessment Returns

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

Total figures provided in this table are not directly comparable with the figures in Table 8.1. For more information please refer to the commentary note.

1. Tax year ending 5 April.

2. From 2008-09 to 2011-12 the maximum investment eligible for income tax relief under EIS was £500,000 per year. From 2012-13 the maximum has been changed to £1m per year.

Seed Enterprise Investment Scheme: Table 8.11

Table 8.11: Number of companies raising funds, number of subscriptions and amounts raised, from 2012-13 to 2014-15¹

Claims data received by September 2016²

Numbers: actual; Amounts: £ million

Year ²	Companies raising funds for first time	All companies raising funds	Subscriptions ³	Companies raising funds for first time	All companies raising funds
	Number	Number	Number	Amount	Amount
2012-13	1,170	1,170	7,815	86.8	86.8
2013-14 ^P	1,800	2,110	32,305	154.6	170.9
2014-15 ^P	1,805	2,290	32,245	152.1	175.2
All Years	4,775	** ⁴	72,365	393.5	432.9

Source: SEIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.
2. Companies have a period of several years after shares are issued to submit an SEIS1 compliance statement. Claims received for 2015-16 are currently excluded.
3. The number of subscriptions is not equal to the number of investors as an individual can invest in more than one company.
4. The total is not given as companies may raise funds in more than one year.

Seed Enterprise Investment Scheme: Table 8.12

Table 8.12: Number of companies and amount of funds raised, by industry, from 2012-13 to 2014-15¹

Claims data received by September 2016²

Numbers: actual; Amounts: £million

Industry ³	2013-2014		2013-2014 ^f		2014-2015 ^p	
	Number	Amount	Number	Amount	Number	Amount
Agriculture, forestry and fishing	10	1.0	15	2.1	15	1.4
Hi Tech Companies ⁴	395	27.1	715	57.4	785	59.6
Energy & Water Supply	35	3.0	55	5.9	55	4.4
Manufacturing	95	6.6	190	12.9	200	12.5
Construction	15	1.0	30	2.3	15	1.0
Distribution, restaurants and catering	165	12.6	250	20.8	225	16.8
Transport and communication	20	1.1	45	4.6	55	5.5
Business services	280	21.1	445	34.7	640	48.9
Recreational activities	120	10.8	280	25.0	245	21.3
Other services	40	2.5	80	5.3	55	3.7
Total	1,170	86.8	2,110	170.9	2,290	175.2

Source: SEIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an SEIS1 compliance statement. Claims received for 2015-16 are currently excluded.

3. Trade Classification Numbers (TCNs) are used to identify the type of trade carried out by the company. It should be taken into account that the most recent TCN data available have been used and some companies could have changed their trade since submitting their SEIS1 forms.

4. Hi Tech Companies is not a category identified by the Trade Classification system. This category includes selected companies from other industry groups involved in activities such as research and development, chemicals and computer consultancy.

Seed Enterprise Investment Scheme: Table 8.13

Table 8.13: Number of companies and amount of funds raised, by size of funds, from 2012-13 to 2014-15¹

Claims data received by September 2016²

Size of funds raised per company (Upper limit) £	2012-13		2013-2014 ^r		2014-2015 ^p	
	Number actual	Amount £million	Number actual	Amount £million	Number actual	Amount £million
10,000	105	0.6	180	1.1	200	1.3
25,000	170	3.2	280	5.4	310	5.9
50,000	230	8.8	390	15.8	495	19.7
100,000	320	25.8	480	38.2	525	41.0
150,000	350	48.4	780	110.4	760	107.2
Total	1,170	86.8	2,110	170.9	2,290	175.2

Source: SEIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an SEIS1 compliance statement. Claims received for 2015-16 are currently excluded.

3. Companies must have raised no more than £150,000 in total from SEIS.

Seed Enterprise Investment Scheme: Table 8.14

Table 8.14: Number of companies and amount of funds raised, by region, in 2012-13 and 2014-15¹

Claims data received by September 2016²

Numbers: actual; Amounts: £million

Government Office Region ³	2012-13		2013-2014 ^r		2014-2015 ^p	
	Number	Amount	Number	Amount	Number	Amount
England	1,105	82.6	1,970	160.1	2,135	163.8
- North East	20	1.1	40	2.1	40	2.0
- North West	85	5.8	120	9.5	125	9.1
- Yorkshire & the Humber	30	2.0	35	2.5	50	3.2
- East Midlands	55	4.4	85	6.0	60	4.3
- West Midlands	55	3.6	90	6.7	100	7.9
- South West	85	5.7	150	10.9	150	10.5
- East of England	105	7.1	145	10.2	180	13.8
- London	460	37.4	905	79.0	1,000	77.4
- South East	215	15.5	395	33.3	440	35.6
Wales	10	0.5	45	3.8	55	4.6
Scotland	45	3.1	70	4.8	65	4.4
Northern Ireland	10	0.6	25	1.9	30	2.3
Channel Islands / Isle of Man			5	0.4	*	*
United Kingdom	1,170	86.8	2,110	170.9	2,285	175.2

Source: SEIS1 forms

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

1. Tax year ending 5 April.

2. Companies have a period of several years after shares are issued to submit an SEIS1 compliance statement. Claims received for 2015-16 are currently excluded.

3. The regional breakdown is based on the registered address of the company, which may differ from the region in which the investment took place. For more information on GOR codes see www.ons.gov.uk

* Values less than 5 are suppressed

Seed Enterprise Investment Scheme: Table 8.15

Table 8.15: Income tax relief, distribution of investors and amount of investment on which relief was claimed from 2012-13 to 2014-15 ¹

Size of investment in year ² (Upper limit) £	2013-14		2013-2014 ^f		2014-2015 ^p	
	Investors	Amount of investment	Investors	Amount of investment	Investors	Amount of investment
	actual	£m	actual	£m	actual	£m
500	285	0.1	620	0.2	725	0.2
1,000	195	0.2	445	0.4	555	0.5
2,500	355	0.7	645	1.2	735	1.3
5,000	650	2.8	1,080	4.6	1,115	4.7
10,000	1,000	8.6	1,405	12.1	1,590	13.5
15,000	555	7.3	765	9.9	770	10.1
20,000	445	8.4	570	10.6	610	11.4
25,000	395	9.4	505	12.0	470	11.2
50,000	960	37.3	1,110	42.5	1,010	38.5
75,000	280	17.9	305	19.2	295	18.9
100,000	400	38.7	350	33.4	275	26.4
Total	5,520	131.3	7,795	146.1	8,150	136.6

Source: Self Assessment Returns

Statistics in this table are consistent with HMRC's policies on dominance and disclosure.

Numbers are rounded to the nearest 5 and amounts are rounded to the nearest £0.1m. Totals may not sum due to rounding.

Total figures provided in this table are not directly comparable with the figures in Table 8.11. For more information please refer to the commentary note.

1. Tax year ending 5 April.

2. The maximum total investment eligible for income tax relief under SEIS is £100,000 per year.