

FIN(4)FW025  
Finance Wales Inquiry  
Response from Wholebake Limited

I read with interest the report authored by Professor Dylan Jones-Evans, and felt that we would like to comment that we believe in our business that Finance Wales is very definitely fit for purpose.

When we were seeking funds to support a management buyout of the major shareholder of Wholebake Limited back in late 2010, the economy was deep in recession, funding was extremely hard to access, and we approached numerous UK organisations to invest in us and our business, and Finance Wales were one of only two parties who offered us terms and we chose to proceed with them because whilst the headline rate of interest we pay on the loan element of their investment is indeed very high versus bank lending rates (if you can borrow sufficient funds from a high street bank without massive security), it was comparable with other investment funds we spoke with, and our belief is that it's what you do with the money that is most important and that you invest it wisely in growing your business, generating good profits and cashflow and pay down the debt thus reducing the interest cost.

We finally completed the MBO in May 2011, and since then with the backing of Finance Wales and the ability to grow our business without constraints, we have driven sales from ~4M to almost ~11M within 3 years, and in that period have created more than 50 permanent full time jobs in one of the poorest and most economically challenged areas in Wales, we could not have done this without the backing of Finance Wales and the Welsh Government.

I appreciate that the issue is much wider than our company, but Wholebake is an example of what can be achieved by backing well managed businesses on a commercial basis, and I believe that an independent and commercial Finance Wales is an asset to Wales.

Kind regards

Mark Gould  
Managing Director

Wholebake Limited