How To Raise Capital:
A Guide For SaaS Startups

ENKEL

Introduction

Bootstrapping a SaaS company can be exciting. There's the thrill of watching the initial iteration of your product come together, then grow. There's the anticipation of receiving feedback from your first users — the satisfaction of knowing that your product is doing exactly what you built it to do: solve a problem. There's the rush of dipping into logo and content creation — the pride of making your first hires and watching your first marketing campaigns go live.

But bootstrapping is a slow process. Unless you already have a proven product, thousands of easily acquired customers, and long-term contracts with those customers, it's going to take a while for your SaaS company to achieve profitability.

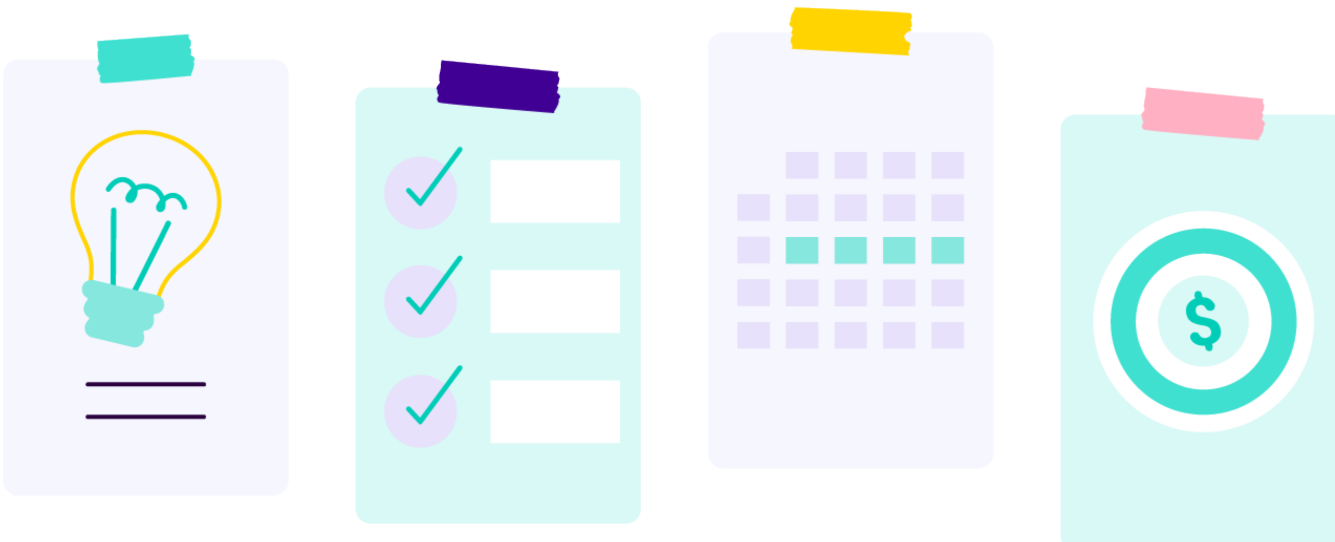
For founders, the best way to push through the "long slow SaaS ramp of death," as it's often been referred to, is to find and secure funding.

Getting your SaaS startup funded can help cover product development, marketing, and sales spend. It can help you expand your team, extend your cash runway, and secure physical premises. And, it can help you scale fast: companies that receive funding hit $10 million in annual recurring revenue (ARR) 4 years faster than companies that bootstrap. In the competitive SaaS industry, this rapid growth can be the key to beating out the competition and securing market share.

We wrote this eBook to lay out the best funding options for SaaS startups, and to help you decide what kind of funding is right for your business. We'll walk you through how to choose and approach investors, and how to develop your pitch deck. We'll also introduce you to the metrics that are important to investors, and how to create sound financial projections and milestones that will not only help you secure funding, but keep your business on track.

Chapter 1

Getting Ready to Fundraise



Like any process, fundraising has its highs and lows, with some years seeing a massive influx in cash and others, not so much. Despite these fluctuations, the overall growth trend for fundraising is widely positive: year-on-year, startups are raising more capital at higher valuations.

SaaS companies, in particular, are faring well. SaaS is a highly attractive industry for investors because they are capital-efficient, and can grow into large, profitable businesses for less than $10 million in funding. Gartner estimates that in 2022, SaaS will generate close to $141 billion in cloud revenue.

Still, the market is competitive, and you need to be prepared when you approach investors. Before you begin fundraising, check that you:

- **Have conducted market research.**
  You should know exactly who your customer is, and how your product solves their pain-points.

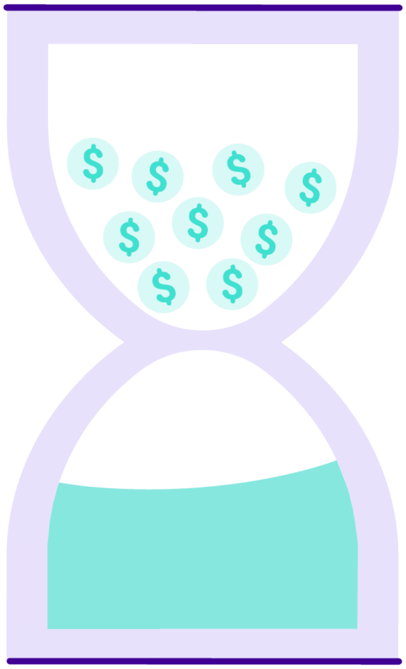
- **Have a minimally viable product (MVP).**
  Your investors want a product (or an idea) that has a market fit, and that customers are willing to pay for.

- **Have a story.**
  You should be passionate about what you do, and the problem that you're solving. Afterall, you'll have to convince investors it's worth their time and money.

- **Have data.**
  A compelling story is great, but numbers sell. You should understand your internal metrics, including your company's valuation. You should also have a strong understanding of external metrics involving the market and your competition. (More on valuation and metrics later)

- **Have a plan.**
  You should know how much money you're looking to raise, what your next milestone is, and how you'll allocate funding in order to reach that. Consider how much control, if any, you're willing to give up to obtain funding and your ability to pay back debt. Knowing what you want for the future of your company and your role in it will save you time by helping you find investors whose goals align with yours.

When Should I Start Fundraising?



Startup companies have limited hands on deck, meaning that as the founder, where you put your attention is critical.

Putting too much energy into fundraising too early – like when you should be developing your product, building customer relationships, or running your company – can damage any one of these endeavours, costing you time and resources. Injecting funds into your startup without a clear strategy can amount to overwhelming investor expectations, wasted money, and a damaged reputation. This could not only compromise your initial chances of success but also your ability to raise funds in the future.

If you fundraise too late, there's also a clear downfall – you could run out of money. Active fundraising can take 6-12 months, and it can take longer for cash to hit your bank. Companies that fundraise too late may be forced to make drastic cuts to sales and marketing to give themselves a few more months of runway. Trying to secure funding when you're strapped for cash may also mean rushing through the most important parts of securing investors, like the relationship-building process, limiting your chances for success.

If you're beginning your fundraising journey late, there's the option to convince investors to provide bridge financing to hold your company over until the next funding round. Still, the **best way to begin fundraising is to start with a year-long cash runway**, and to start slowly so you can effectively balance your time between running your company and securing backers.

You should also fit into one of the following scenarios:

✓ **Scenario 1: You have a Minimally Viable Product (MVP) but cannot develop it without funding.**
Your company has some form of early-stage validation, such as customers using your software in the beta version, but your product is still bare-boned. You need funding to produce the features your customers are asking for.

✓ **Scenario 2: You have an MVP and a plan for growing it.**
You've created some early buzz about your product. Your campaigns have been successful and you've been able to secure some early revenue through pre-payments or other forms of early monetization. You need funding to expand your sales, marketing, and customer acquisition efforts.

✓ **Scenario 3: You cannot grow further on your own.**
Perhaps you're still in the idea stage, and you need some level of funding to hire a critical team member or create your MVP prototype. Or perhaps your revenue is growing and you're ready to scale, onboard new leadership, or tap into a new market. Either way, you need funding to take your product or service to the next level.

How Much Money Will I Need?

To determine how much funding you'll need, consider what your startup's next objective is, and how much money it will take to reach it.

If your funding scenario involves building up your product, for example, calculate how much it will cost to pay a developer, to perform market testing, and cover related expenses. If it involves growing your customer base, consider how much it will cost to hire marketers, run campaigns, add new channels, upgrade software, etc.

Your financial plan should also include a thorough look at your operational costs, and your cash runway.

SaaS startups may need to go through several rounds of fundraising before they achieve profitability. The money that you fundraise should give you enough cushion to not only reach your desired milestone, but cover your growing operational costs until you make it into the next funding round.

Which Funding Round Is Right For Me?

The first round of fundraising for startups is called the Pre-Seed round. It’s followed by a Seed round, then Series A, Series B, Series C, and so on. Most startups begin their journey at either the Pre-Seed or Seed rounds.

Pre-Seed Round

The Pre-Seed round is typically an informal stage of fundraising where investors aren’t yet looking for a mature product, just a capable team with a great idea. Most startups will use the Pre-Seed round to seek funding from friends and family. Not only does this give founders preliminary capital, it also improves the likelihood that VCs will engage with you further down the line: net-net, they want to know that you’re confident and passionate enough to ask for money from people who know you first-hand.

Seed Round

The Seed round is the first formal funding round and requires a bit more from startups: the company should be further along, with early traction from customers. In exchange, backers are often willing to make substantial investments, with the average funding amount coming in at $100K to $5 million. By the time startups reach Series A funding, investors will require clear proof of ability to build something profitable.

Your company’s stage, valuation, and current funding needs will determine which round is right for you. As your startup shows proof of success, your valuation will increase, as will the amount that investors are willing to spend. (More on valuation later)

SaaS Funding as of 2021

	Pre-Seed	Seed	Series A	Series B	Series C+
Funding Amount	< $1M	$100K – $5M	$3M – $12M	$10M – $50M	$20M – $120M
Valuation	< $4.5M	$2M – $12M	$10M – $50M	$30M – $270M	$80M – $900M
Company Stage	Inception. Product and operations are first coming together.	Signs of product/ market fit; some degree of traction.	Clear and growing evidence of product/market fit.	Ready to scale.	Ready for large-scale expansion.
ARR	$0 – $600K	$0 – $600K	$0.5M – $4M	$3.5M – $12M	$5M – $40M
Investors	Friends and family, early-stage angels, startup accelerators.	Angels, early-stage VCs, startup accelerators.	Some "super" angels, VCs.	VCs, late-stage VCs.	Late-stage VCs, private equity firms, hedge funds, banks.
What Investors Want	To know why you're convinced that you found a big problem that you're uniquely qualified to solve better than anyone else.	Signs of product/ market fit. This might include happy users, a growing wait list, or month-on-month revenue growth.	Significant revenue growth from new customers and increasing Average Revenue per Account, good senior hires, product velocity, and other signs of success.	Increasingly quantitative signs of growth.	Increasingly quantitative signs of growth.
What the Money Is Used For	To hit one or more of the milestones the founding team will need to ready themselves for "true" Seed investment: from hiring a critical team member to developing a prototype product.	Fuels a startup's move beyond its founding team, funds product development, and in some cases, even facilitates early revenue generation.	Develop new sales and marketing processes, identify new channels, and understand your ideal customer.	Expansive hires (across business development, strategic accounts, marketing and customer success), expanding into different market segments or experimenting with different revenue streams.	Large-scale expansion, like moving into a new market (commonly international expansion), or to fuel acquisitions of other businesses.

Chapter 2

Choosing Your Backers

Equity funding, or funding that's given in exchange for a stake in a company, is the most common way to raise capital in the SaaS world. But whether you're seeking financing from venture capitalists or something that will give you little to no dilution, there's an option for you.

Here are the best types of investors for SaaS startups →

Types of Investors for SaaS Startups

Angel Investors

- Angel investors are wealthy individuals who provide capital to startups in exchange for equity.
- Angel investors typically fund startups in the Pre-Seed and Seed rounds. They are willing to take risks on early-stage startups for a rate of return that's higher than they would receive from more traditional investments.
- Angel investors may want to develop a personal relationship with founders beyond financing. They might offer their skill sets, mentorship, or connections to help you succeed.
- As an equity holder, angel investors typically want a say in how the business is run and will also receive a portion of the profits when the business is sold.

Venture Capital Investors

- Venture Capitalists, also known as VCs, invest in startups at a variety of stages, from Seed to Series C+.
- They put a lot of money into startups that they're interested in, and also take on a significant portion of control.
- The right kind of VC firms can offer expertise and connections in the market that can help you get in direct touch with other investors, interested clients, and parties that could further grow your business.
- VC investors can be easier to find and research than angel investors, however, they can be a tougher audience. Securing meetings with VCs can be time consuming, and raising funds can take several months.
- VCs rely on gains from your business to make money, meaning that you shouldn't go with VCs unless you're planning on selling your business in the future.

Venture Debt

- Venture debt, also known as venture lending, is a form of debt financing offered to growth-stage startups.
- Venture debt generally consists of a 3 - 4 year loan provided by technology banks and dedicated venture debt funds to venture capital-backed businesses.
- This type of financing can help minimize equity dilution and build your startup's credit.
- Venture debt requires loan and interest payments that can make it difficult for your business to expand.
- If you're unable to pay back the loan, you risk losing your personal assets.
- Debt financing requires more proof of revenue than most equity backers, making it hard for younger startups to secure this type of funding.

Accelerators & Incubators

- Accelerators are organizations that offer support and funding to startups, often in exchange for equity.
- Startups may receive office space, supply chain resources, and mentorship.
- Accelerator programs typically run for 3 - 6 months. During this period, development projects are time-sensitive, and very intensive.
- Incubators are similar to accelerators in that they provide support and funding to startups. However, they are often run as nonprofits and are less likely to ask for equity in return for their services.
- Incubator programs generally last 1-5 years. They offer less access to capital and less intensive mentoring. They are a good choice if your objective is slower growth.
- Accelerators and incubators are both extremely competitive and selective.

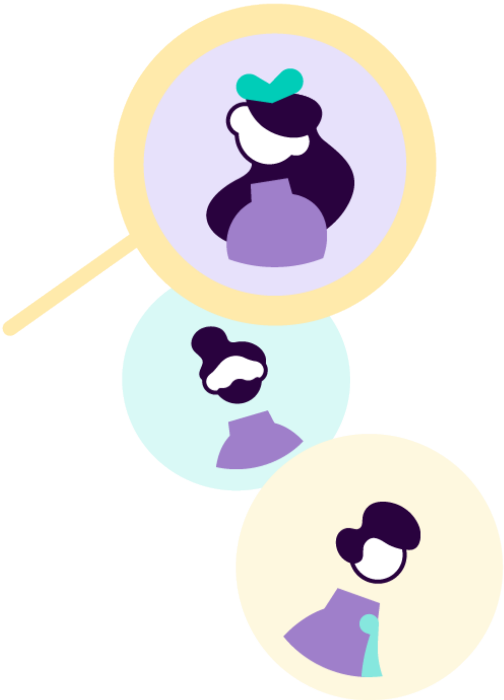
Government Funding

- Most countries offer some degree of funding for startups and small businesses.
- Government grants can reach high levels of funding like VC firms, but without requiring any equity in return.
- Canada's IRAP program, for example, offers large-scale funding and advisory support for small or medium-sized businesses pursuing technology-driven innovation.
- Grants have a clear objective: they might be for a specific industry, team (for example, women-owned business), or goal (for example, there are government grants that will give SaaS startups money for hiring).
- Government funding can also include tax exemption programs.
- Canada's Scientific Research & Experimental Development (SR&ED) program, for example, offers investment tax credit to SaaS companies, helping keep operating costs low.

Private Grants

- Corporations and foundations may offer grants to companies that advance a certain type of business or fit a specific niche.
- They may also provide funding through contests. For example, the Visa Everywhere Initiative provides winners with monetary prizes and exposure.
- Corporations may offer a service to businesses who get the grant. The FedEx Small Business Grant, for example, not only gives winners money, but free printing services as well.
- Private grants can have less red-tape than government grants.
- Because there's no single central database for corporate and private grants, you'll have to do a little more research to find opportunities that fit your business.

Which Investor Is Right For Me?



Once you have an idea of which type of funding you're interested in pursuing, you should search for financiers with time and care.

Selecting an investor is like choosing your spouse. They should have a similar mindset to your team and some level of 'chemistry,' because if the investment goes through, your investors will become part of your team. At the end of the day, investors should be compatible with your business and aligned with your goals.

Here are a few steps to decide if an investor is right for you:

1. **Create an investor wishlist.**
   How hands-on do you want your investors to be? How often should they want to hear from you? How much involvement should they have in your business? How much equity are you willing to part with, if any? What connections or assets do you want them to have?

2. **Do research to find investors who fit the bill.**
   Tell credible friends, family, and business partners what you're looking for, and ask for introductions or recommendations to investors who would be good for you. Investors usually get many inquiries and one way for you to stand out is to get highlighted as a company that is valuable and worth paying attention to by someone they trust.

3. **Pre-qualify investors.**
   Understand their investment criteria, find out if they can provide the minimum capital you're looking for, and if they invest in SaaS companies. Look into who they've funded in the past, and know their interests. Skip meetings with investors who don't fit the bill.

4. **Start making connections.**
   There are plenty of things you can do to make sure potential backers know who you are. You can even put your startup on sites like AngelList or Crunchbase. You can speak at conferences, meet them over drinks, set up calls, and even send them email updates. The key is to start slow, and remember that this is a mutually beneficial opportunity. Try asking for their advice to get a clearer idea of what you'd need to achieve to get their money.

5. **Approach 6 investors at a time.**
   Most business owners can carry on conversations with up to 6 potential backers at the same time. Create a list of 6 organizations or people you would like to have funding your company, and approach them with the intention of getting better acquainted. As names drop off your list for one reason or another, you can then fill in those gaps with your 7th, then 8th option. Eventually your list will narrow to 1-2 relationships where the timing, style and strategy seems right on both sides.

Chapter 3

Preparing for Investor Meetings

Once you've secured a meeting with an investor, you'll need to be prepared to prove that your startup is a good investment opportunity. To do this, you must come to the table with numbers, a pitch deck, and appropriate documentation at the ready.

Step 1: Compile Your Metrics

For your company to be a top performer, you need KPIs to measure your growth, keep you abreast of the competition, and provide prospective investors with insight to your company's growth trajectory.

KPI #1. Net MRR Growth Rate

Your net monthly recurring revenue (MRR) growth rate is one of the first metrics investors look for because it answers the question: how fast is your SaaS company growing? It factors in new customers, customer churn, upgrades and downgrades while accounting for month-to-month variation.

To calculate your Net MRR Growth Rate, start by calculating your Net MRR:

$ Net MRR = $ Existing MRR + $ New Business + $ Reactivation + $ Expansion – $ Churn – $ Contraction

Then, calculate the Growth Rate Percentage:

$$\text{\% MRR Growth Rate} = \frac{(\text{\$ Net MRR Month B} - \text{\$ Net MRR Month A})}{\text{\$ Net MRR Month A}} \times 100$$

KPI #2. Average Revenue Per Account (ARPA)

The average revenue per account (ARPA) shows approximately how much revenue each customer is bringing in per year or month. Investors like this metric because it shows a company's success at a per-unit level and highlights which type of customers generate the most and least revenue.

To calculate the ARPA, use this formula:

$$\text{\$ ARPA} = \frac{\text{\$ Net MRR}}{\text{Total \# of Customers}}$$

KPI #3. Net MRR Churn Rate

The net MRR churn rate is the measure of lost revenue month over month (due to cancellations and account downgrades) after factoring in revenue expansion from existing customers. Investors are looking for a number that's as close to zero as possible, or even in the negatives.

Here's how to calculate your Net MRR Churn Rate:

$$\text{\% MRR Churn Rate} = \frac{(\text{\$ MRR Churn} - \text{\$ Expansion MRR})}{\text{\$ Total MRR at the Start of the Month}} \times 100$$

KPI #4. Customer Churn Rate

The Customer Churn Rate measures the number of customers who cancelled or didn't renew their subscriptions in a given period. Churn happens naturally in every business. However, a high churn rate can negatively impact your cash flow and operations.

Here's how to calculate your customer churn rate:

$$\text{Customer Churn Rate} = \frac{(\text{\# of Customers Beginning} - \text{\# of Customers Ending})}{\text{\# of Customers Beginning}} \times 100$$

KPI #5. Lead Velocity Rate (LVR)

The lead velocity rate (LVR) measures your pipeline development by showing the growth of qualified leads month over month. By looking at how many quality potential customers you're working on converting, investors can have a sense of future growth projections.

You can determine your lead velocity rate using this formula:

$$\text{\% Lead Velocity Rate} = \frac{(\text{\# Qualified Leads This Month} - \text{\# Qualified Leads Last Month})}{\text{\# Qualified Leads Last Month}} \times 100$$

KPI #6. Customer Lifetime Value (LTV)

The customer lifetime value (LTV) is the average revenue a single customer is predicted to generate over the duration of their account. It shows how much you expect to earn from a customer during the time they're with your company and there are several ways to calculate LTV.

For startups who are just gaining traction, this is a simple way to do so:

$$\$\text{ LTV} = \frac{\$\text{ Average Revenue Per Customer}}{\text{Customer Churn Rate}}$$

KPI #7. Customer Acquisition Cost Payback Period

The customer acquisition cost (CAC) payback period determines how long it will take you to pay back the cost of acquiring a single customer. It's one of the best ways to measure your company's capital efficiency and can help you figure out how much money your company needs to grow. The general benchmark for startups to recover CAC is 12 months or less, otherwise your company will require too much capital to grow. High performing SaaS companies have an average CAC payback period of 5-7 months.

Before you calculate your CAC payback period, you need to first calculate your CAC:

$$\$\text{ CAC} = \frac{\text{(Total Sales Expense + Total Marketing Expense)}}{\text{\# of New Customers}}$$

Here's how to calculate your CAC payback period:

$$\text{\# Months to Recover CAC} = \frac{\$\text{ CAC}}{\$\text{ ARPA} \times \text{Gross Margin \%}}$$

KPI # 8. LTV: CAC

The LTV:CAC metric determines whether a customer is worth more than what it costs to acquire them. LTV:CAC is important once the growth process of your company is repeatable and scalable. LTV should be about 3 x CAC for a viable SaaS recurring revenue model.

To determine this metric, simply compare the LTV to the CAC like so:

$$\text{LTV : CAC} = \frac{\text{LTV}}{\text{CAC}}$$

KPI #9. Gross Profit Margin

Your gross profit margin measures your total revenue minus cost of goods sold (COGS). For SaaS startups, this will mostly be network and delivery costs. One of the reasons investors love the SaaS industry is that it has high gross profit margins. While it's normal to have high upfront costs and limited revenue when building your startup, your gross profit margin should reach the 75% – 80% range as it matures.

Here's how to calculate your gross profit margin:

$$\text{Gross Profit Margin \%} = \frac{(\text{Net Sales} - \text{COGS})}{\text{Net Sales}}$$

KPI #10. Compound Annual Growth Rate

Compound Annual Growth Rate (CAGR) is the mean annual growth rate of your company over a specific period of time. Investors might calculate the CAGR over 3 years, for example, to measure how their investment in a startup has paid off over that time period. Startups should aim for 20% CAGR.

Here's how to calculate CAGR:

$$\text{\% CAGR} = \left(\frac{\text{Ending ARR}}{\text{Beginning ARR}}\right)^{\frac{1}{\text{\# Years}}} - 1$$

Step 2: Develop Your Pitch Deck

A successful pitch deck needs to give your audience a reason to pay attention in the first 2-3 slides. Here's what you should include in your pitch deck:

1. Your Company Information
Include your logo, company name, and contact information on the opening slide. All should be easily visible.

2. The Concept
This can usually be communicated on the opening slide with a high-resolution image that represents the business or shows the product in action and a powerful tagline.

3. The Problem
What is the problem that you're trying to solve? Why now, and why you?

4. The Solution
How is your company solving the problem?

5. Market Size
Show the research you've done into the market. Reveal any gaps and the potential size of the opportunity. Use metrics and reference credible sources.

6. The Competition
You need to be aware of which other companies are vying for market share.

7. Your Competitive Advantage
Show your advantages over your competition. What are you doing better and differently than they are that will get you customers?

8. The Product
What does your software do? Include screenshots or clips of your product in action. This should be easy-to-follow and comprehensible.

9. Your Traction
What testing have you done? What feedback have you gotten? How many paying customers have you onboarded? What does your growth trajectory look like?

10. Your Business Model
What is your basic business model for acquiring customers and generating revenue? Show your payment model, plans and pricing.

11. Your Basic Financial Forecast
This is one of the most important slides in your pitch deck. Show off key metrics, like your CAC, LTV, CAGR and Net MRR Growth Rate.

12. Other Investors
Whether you've received Pre-Seed investments from friends and family or Seed investments from angels, your pitch deck should include social proof that you're a worthwhile investment.

13. Use Of Funds
Show your plan for using the money, and what it will help you accomplish.

14. Your Leadership Team
Who is your core team and what is their industry and business experience? Who, if any, are your advisors?

Although you should be focused on the content, strong design and compelling graphics will give you a leg up.

Look at successful SaaS startup pitch decks for inspiration, and remember to practice your pitch before you go in. You should be prepared to answer questions like what is your ultimate goal for the business, which marketing channels get you the highest ROI, and how will you allocate funding?

Step 3: Assemble Your Documents

A pretty pitch deck will take you far – just not all the way. Be sure to have these documents prepared when going into a meeting with an investor:

- ☑ Company Valuation
- ☑ Financial Projections
- ☑ Cap Table
- ☑ Organization Chart
- ☑ Financial Statements
- ☑ Intellectual Property Legal Documents
- ☑ All Material Agreements

Company Valuation

Whether or not your startup is currently profitable, you're going to need to go into your investment meeting with some form of valuation. There are a few ways to value SaaS companies:

1. **Seller Discretionary Earnings (SDE).**
   SDE measures what is left after the owner has paid all expenses, such as payroll, software expenses etc. This is the best way to value early-stage startup businesses making under $5 million in annual revenue:

SDE = Revenue - Cost Of Goods Sold - Operating Expenditures + Owner Compensation

2. **Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA).**
   EBITDA is a better and more accurate valuation for mature businesses that make over $5 million in ARR. The way to calculate EBITDA is simple, and is reflected in the name of this method:

EBITDA = Net Income + Interest + Taxes + Depreciation + Amortization

You can also calculate the EBITDA margin and compare it with your industry average to see where you stand:

$$\text{EBITDA Margin} = \frac{\text{EBITDA}}{\text{Total Revenue}}$$

3. **Revenue.**
   Revenue-based valuation is done using the MRR and ARR to forecast future growth. To use this model, you should have an ARR of at least $2 million, and strong indicators of 50% growth year-over-year. Your startup should also be at a stage where you can prove that founder involvement is not critical. This method will give you a higher multiple than SDE valuation, and is great for Pre-Seed and Seed startups.

Financial Projections

Financial projections are as necessary for VC investments as they are for bank loans. Short-term projections usually cover a year and are typically broken down by month. Long-term projections typically cover the next 3-5 years and are an important strategic roadmap for investors. Expenses, revenue, and growth patterns should all be outlined in your projection. Enkel can help you generate a cashflow forecast to show investors or lenders.

Cap Table

A cap table (also called capitalization table) is a spreadsheet that indicates each investor's percentage of ownership in a company, the value of their securities, and dilution over time. Cap tables quickly become complex after a few rounds of funding, eventually expanding to list potential sources of funding, initial public offerings, mergers and acquisitions, and other transactions. Apart from recording transactions, a cap table also comprises many legal documents such as stock issuances, transfers, cancellations, conversion of debt to equity, and more. Startup founders must manage all these transactions and documents consistently and accurately to show the events since the company's inception.

Organization Chart

Your organization chart gives investors a quick and easy look into the inner workings of your startup by showcasing your team members in the form of a flowchart. Like a family tree, the organization chart shows who is the president of the company, who is under them as vice president, who the managers are, and so on. They spell out complicated duties by linking team members to show who they collaborate with and report to.

Financial Statements

Up-to-date financial statements are non-negotiable when speaking with investors or lenders. A Balance Sheet (BS), Income Statement (P&L), and Cashflow Statement can all give backers an accurate financial portrait of your startup. Tech financial experts can help you streamline your bookkeeping process and navigate your financial statement audit.

Intellectual Property Legal Documents

Investors and VC firms will often evaluate the value of your IP portfolio when making decisions about funding. Startup founders should have complete ownership of all IP assets in writing not only to secure funding, but also to avoid costly claims and companies trying to replicate your business model.

All Material Agreements

Any material agreement, such as a partnership agreement with external firms that contribute significantly to your revenue, should be documented in writing and accessible for investors reviewing your startup's portfolio.

A Final Word

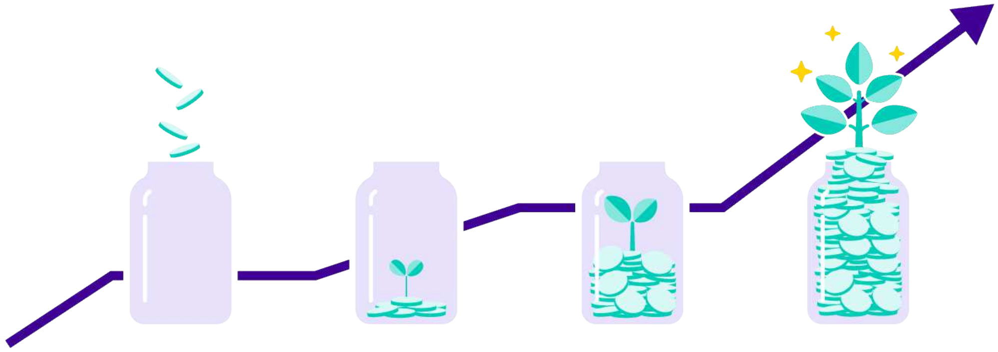
On a good day, fundraising can feel wildly validating. On a bad day, it can feel like the hardest part of building your company.

The key to securing funding is to stay excited enough about it to keep the experience positive and interesting. To do that, it's critical that you understand your company's performance early. Thorough documentation of your startup's finances will do more than just improve your pitch and satisfy investors. Understanding your company's net worth can also help you secure better interest rates, investment deals, and tax credits.

By beginning your journey with solid financials, you can cut significant headache and doubt out of the fundraising process. Dan Pichette, VP of Business Development for Output Co, tells how this step uplifted his company...

"We're now better prepared for discussions with investors and VCs because we have a clear picture of forecasts, burn rate, customer acquisition cost, true cost of services, and business runway. It's visibility we just didn't have before."

If your company is struggling to stay up to date with bookkeeping or lacks the financial leadership required to support your fundraising efforts, Enkel can help!



Get Your Financials Ready For Funding

Enkel can help you manage your back office accounting tasks so you don't have to hire a bookkeeper, controller, payroll professional, or AP clerk. Our team of experienced professionals help SaaS startups fill their bookkeeping and accounting gaps so you can focus on running, funding, and growing your business.

We can help with:

- ✓ Accurate monthly bookkeeping and deferred revenue tracking
- ✓ Reliable investor and covenant reporting
- ✓ Budgeting and forecasting one-on-ones with a professional controller
- ✓ Hassle-free payroll processing
- ✓ Optimized chart of accounts for easy SR&ED expense tracking

Book a meeting with us today to learn how Enkel can keep your books up to date and investor ready!

BOOK A MEETING

www.enkel.ca | info@enkel.ca

Additional Resources

Fundraising Tips

- How to Prepare Your Startup Finances for Fundraising Success
- How To Be Investor Ready
- How Bookkeeping Supports a Merger or Acquisition

Canadian Grants & Tax Incentives

- 7 Government Grants Every Tech Entrepreneur Should Know About
- SRED or SR&ED: Either Way, it's Easy Money in the Bank if Done Right
- IRAP Funding: What You Need to Know

Strategy & Growth

- Building Accounting Functions That Scale with Your SaaS Company
- How to Use Your SaaS Success Metrics to Grow Your Business
- 11 SaaS Metrics to Track Growth

Accounting Process Optimization

- 8 Top Accounting Software & Tools for SaaS Companies
- 7 Tips to Optimize Your SaaS Bookkeeping Process