

The UK has a problem:

Our most innovative companies
can't borrow against the very thing
that makes them successful.

Our mission

The value of intellectual property and other intangible assets to the UK economy needs to be untapped. The Intellectual Property Assets Coalition (IPAC) is on a mission to enable greater access to intangible asset finance, **accelerate economic growth and drive Britain's global innovation and investment.**

Did you know?

Many innovative early-stage scale-up firms struggle to access finance due to a lack of tangible assets to lend against.

Existing prudential rules mean many of our most innovative businesses can't borrow against their IP, locking them out of key growth capital they need to **contribute, scale and boost** the innovation and investment ecosystem across the UK.

70–80%

of the average UK business value is made up of intangible assets

£15 Billion

Growth capital gap facing companies across the UK

50%

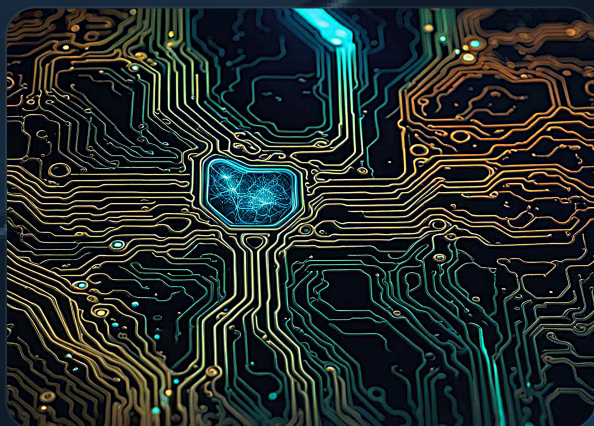
of 2023 UK SME turnover was generated by scale-ups



The Problem

Across the UK, banks face barriers to lending against intangible assets. Prudential capital rules, set by the **Prudential Regulation Authority (PRA)** and based on the Basel framework, do not recognise IP as eligible collateral.

Lenders therefore get no capital relief for security taken over IP, and loans to SMEs without hard assets are treated in capital terms as unsecured. Combined with the traditional difficulty of valuing IP and realising its value on default, this has historically discouraged banks from lending against these assets, despite their **potential value and economic contribution**.



The Solution

To make an intangible asset tangible, we have a solution which turns IP into a formal, fundable asset – the **Digital Novel Asset (DNA)**. This turns a company's IP and know-how into a physical and tangible item. It's physically secured, independently valued and, crucially, bankable in the UK.

The result is a real asset that meets the tests a lender and an insurer actually apply: **existence, ownership, valuation and control**.

This innovation could unlock billions across the UK and Europe and close the credit gap for IP-rich companies.

The Opportunity

Major change is on the horizon. **The Property (Digital Assets etc) Act 2025** strengthens the legal basis for digital property to be used as formal, legally binding collateral for loans. The move towards the **FRS 102 accounting standard** (fair-value aligned) also permits companies to capitalise development costs as intangible assets.

In her final Mansion House speech, former Chancellor Rachel Reeves announced **£500 million** for an IP-lending pilot with the **British Business Bank** over the next 12 months, increasing the availability of finance for IP-rich businesses and building stronger lender capability to assess IP-driven business models.

Intangible asset lending is now beginning to be seen for its immense potential, and **the UK is in a position to be the first country in the world to make this work at scale.**

Now is the time to...

- 01** **Scale up the ENABLE Guarantee** to lend against Intellectual Property, building on the momentum already created by the Property (Digital Assets etc) Act 2025.
- 02** **Support the PRA to modernise the prudential rules**, allowing IP-rich firms to stay, scale and grow the UK's global innovation and investment advantage.
- 03** **Endorse an open standard for the Digital Novel Asset** to untap the potential of IP-backed finance.

Support us and help us close the assets gap

To join IPAC and to find out more, please contact IPAC via Sam Whyte:

Sam@devoagency.co.uk

