

Meet CIRCA5000, the impact investing app aimed at the next generation of investors

As part of our quick fire questions series – or QFQs – we spoke to Tom McGillicuddy, cofounder of CIRCA5000, about impact investing, new market demographics, and powering the retail investment universe.

What was the catalyst for launching CIRCA5000?

Matt and I met working in the investment management industry, and quickly realised that the industry was broken on two fronts: Everything seemed unnecessarily complex, and this was keeping ordinary people from investing for their future; and nobody seemed to care about the real world impact of the investments they were making. It was purely profit and returns driven, without a consideration for what the investments were actually doing to the world, and what future these investments were building.

The second realisation led us to discover and become obsessed with impact investing: investing for financial return, into businesses building the future we wanted to see. And because of the feel good factor of this form of investing, we realised that it could be the tool to tackle the first issue we came across:

getting people to start investing for their future, because it means something to them and they can understand it. This led us to start CIRCA5000.

Tell me about CIRCA5000?

At its core, CIRCA5000 is a thematic impact investing app aimed at the next generation of investors. Our investors have a few simple choices to make:

Investment theme – people, planet or people and planet together

Risk level – high, medium & low

Account type – ISA, JISA, SIPP, GIA

Once in the app, we send investment updates, investment education, impact news, and impact reporting so that our customers are always informed. We also have tools to help our investors invest more and stay the course, like our projections calculator & roundups. The idea being to make investing for your long term future really easy.

We now have over 170K customers in the UK, and the vast majority of customer growth has come from word of mouth and referrals. This has produced a customer base with powerful demographics that shows we are creating a new market:

31 years old on average

Near 50/50 gender split

80% based outside of London

Investing >£3K per year

How has the business evolved since its launch?

The first version of the app went out to family and friends in 2019. The in app experience is now unrecognisable to the one that we launched, with the user experience now full of features and account types that didn't exist back then. What hasn't changed – and never will – is our DNA: we aim to do one thing exceptionally well: impact investing. That was the bedrock of our first ever app, it still is today, and will be in 10 years.

How are you funded?

We have raised over £10M in funding so far, from venture funds such as Ada Ventures, industry figures like Peter Hetherington who was the CEO of IG Group, to our customers, with thousands of them investing in our most recent round of funding via Crowdcube.

What has been your biggest challenge so far?

COVID hit us at the worst possible time, as we were about to close a funding round when the venture investing community went into retreat mode in March 2020. Overnight, we had to cut our team from 18 to 4 people, and our monthly expenditure by 90%, just to survive. For around eight months, the business was on hibernation mode and we genuinely thought we were going to go under.

Despite this, the core business continued to perform well and most of our metrics improved. We made some key long-term product decisions during this time to boost revenue and bring forward features we'd been delaying launching. Off the back of this, we made progress with no money in the bank, which led to eventually raising some funding, brought the team back together, and from the start of 2021 we resumed our growth path. It was a tough period, but it made us the people and the business we are today.

How does CIRCA5000 answer an unmet need?

We sit at the heart of four key megatrends that are accelerating today:

1. We are in the midst of a \$68T wealth transfer to millennials and Gen Z
2. These generations are now coming to invest in numbers never seen before
3. They vote with their money & spend money with businesses with similar values to them
4. They also care more than any other generation about issues like climate change & inequality

We are the only investing app that invests the way we do. And it's all that we do.

What's in store for the future?

Later this year, we will be launching our own branded CIRCA5000 investment funds into the wider market. This is a huge moment for the business and was a key part of our founding vision. This will introduce a range of five funds into the market that are designed from the ground up by us, with them being built with the highest impact standards. This will give our customers even more transparency and control of their money, and it will open up global distribution potential for us, as the funds will sit across the retail investment world, with the goal of us being the impact investing layer that powers the retail investment universe.

What one piece of advice would you give other founders or future founders?

The best advice I've received since starting out is you are either ahead or behind, but as long as the business is still alive, keep moving forward, keep making good decisions, and keep making progress.

Tom McGillicuddy is the cofounder of [CIRCA5000](#).

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