

Building deeper client relationships with an all-round Capital Advisory service

“Adding Capital Advisory to our service offering has meant that we can now help clients create and act on opportunities to grow their business and improve their cash flow” - Pamela Phillips, Co-Founder and Managing Director, de Jong Phillips

Capital Advisory formed the backbone of the engaged advisory service Pamela Philips, Co-Founder and Managing Director at de Jong Phillips, believes is a must-have for any accountancy firm.

Not only does this benefit clients, giving them the reliable information they need to make good business decisions, but it’s also good for the accountant, who can work in a way that’s more rewarding, more interesting and ultimately more profitable than traditional accountancy.

Pamela co-founded de Jong Phillips, an accountancy firm that specialises in working with agencies with this objective in mind – but she needed a way to bring this approach to the firm’s provision of advice on capital too.

Through Capitalise, de Jong Phillips has been able to provide PR firm Cascade Communications and several other clients with a comprehensive Capital Advisory service.

FINDING THE MISSING PIECE

With a background in investment banking and big-four accountancy, Pamela started de Jong Phillips because she had realised many smaller business owners were operating with little to no strategic financial support.



FAST FACTS

Accountant

de Jong Phillips

Location

Surrey

Size

7 specialists

About de Jong Phillips

An award winning, tech-focused accountancy firm with a commercial mindset, specialising in helping agencies thrive and scale.

We’ve been able to introduce lenders to our clients and help them access capital they wouldn’t have

She wanted to start offering those businesses the kind of finance function you'd see in a much larger firm, working not just as a traditional accountant but as an extension of their team and offering advice to help them develop and grow.

From the start, technology was at the heart of this approach, enabling de Jong Phillips to give its clients informed advice based on real-time data.

But something was missing. Pamela and the team could help clients to monitor their cashflow and apply for funding where necessary, but their involvement would always end there.

They knew there was more they could be offering to clients beyond directing them towards a third party or referring them to a lender. They wanted to be more involved in their clients' management of capital throughout the whole of the business lifecycle.

When Pamela heard about Capitalise, she was intrigued. As an all-in-one platform for raising, recovering and monitoring clients' capital, it was the ideal solution to expand their offering into a full Capital Advisory service.

PROPERTY FINANCE, DEBT RECOVERY AND CBILS, ALL IN ONE PLACE

Towards the end of 2020, de Jong Phillips and Capitalise helped Cascade Communications achieve one of its biggest business goals – the purchase of its dream office in Soho.

Cascade had been trying to access the finance needed for the property through traditional avenues, but progress was slow and the seller wasn't prepared to wait.

After conversations with Cascade, de Jong Phillips suggested they try seeking the short-term finance they needed through Capitalise.

By filtering through its extensive list of lenders, Capitalise was able to find the most suitable option for Cascade. The firm was then put in touch with a lending specialist, who supported them through the process of securing the loan, keeping both de Jong Phillips and Cascade in the loop at each stage.

Because of its technology-led approach, de Jong Phillips already had the detailed financial information that's required for this type of loan, and was able to provide it promptly, ensuring a smooth process and a delighted client as a loan of £700,000 towards the £2 million property was secured.

We now have all the right tools in our toolbox. We've got software for credit control, cashflow forecasting, accounting records and insights – then when you add Capitalise to that, we've got a really strong finance function.

Pamela Phillips, Co-Founder and Managing Director, de Jong Phillips



In the end, the process from initial request to completion took just under six weeks.

“For us, that was a very exciting first transaction with Capitalise because it wasn’t just about getting funding, it was about helping move their business forward,” said Pamela.

THE NEXT CHALLENGE WAS THE RECOVERY OF BAD DEBT

Cascade had been chasing a debt of £30k for some time, with no response to their usual credit control process and weekly emails. At this stage, many small businesses have to make a tough decision – do they spend more money, and more time, chasing that debt, or do they write it off?

The Recovery service through Capitalise offered an alternative option. In this service, Capitalise works with specialist debt recovery experts at Escalate to take each case from the initial information-gathering and engagement stage, through negotiations with the debtor, and eventually to litigation where necessary.

Early settlement is always a priority, however, and because Escalate operates a ‘no win no fee’ policy, there’s no risk to the firm or their client. In this case, the issue was resolved swiftly and favourably for all parties. After two letters from Escalate, the debtor agreed to repay their debt over three monthly instalments.

With a 27% fee going to Escalate and a 3% success fee for de Jong Phillips, that meant Cascade saw a 70% recovery of bad debt where they would otherwise have seen no payment at all.

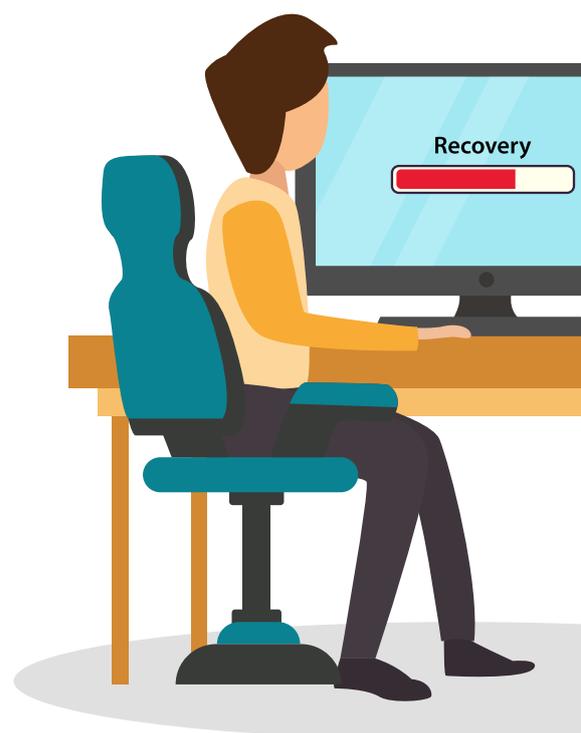
After the success of this case, de Jong Phillips has encouraged more clients to go down the debt recovery route and access the capital they might previously have written off.

Finally, whilst Cascade had been performing well in spite of the challenges of Covid 19 and the future looked bright, with the purchase of the commercial property, coupled with the disruption of Covid 19, the business wanted to bolster working capital.

de Jong Phillips suggested Cascade should apply for the coronavirus business interruption loan scheme (CBILS).

We’ve been able to introduce lenders to our clients and help them access capital they wouldn’t have otherwise, or access it faster than they would

Pamela Phillips, Co-Founder and Managing Director, de Jong Phillips



The scheme, which offered unsecured loans of up to £250,000 with no repayments, fees or interest in the first 12 months, would offer a vital safety net so they could continue to invest in growth.

There was limited time before the scheme closed for new applications on 31 March, however, and applications for the scheme through traditional banks were generally taking up to two months to process.

Thanks to the experience of the team at Capitalise, their credibility as a platform, and the efficient information-gathering de Jong Phillips had already carried out, the loan instead took only seven days to reach Cascade's account.

AN EASIER WAY TO DO MORE

Working with Capitalise meant de Jong Phillips could give its clients the choice of a much wider variety of products and lenders, but it also meant it could be more proactive and involved in accessing those services.

"We've been able to introduce lenders to our clients and help them access capital they wouldn't have otherwise, or access it faster than they would have.

"It just makes the whole process easier for them because we can manage it in-house, we can coordinate the conversations, and we're involved in the sharing of information since Capitalise can connect with their accounting system."

The firm's depth of knowledge and strong relationships with clients, combined with the expertise of the team at Capitalise, means the process is also much faster and more streamlined than simply handing clients over to a third party.

And because it's straightforward, with a single point of contact, the client managers at de Jong Phillips can handle it independently, saving Pam and other senior members of the team valuable time.

"We now have all the right tools in our toolbox," said Pam. "We've got software for credit control, cashflow forecasting, accounting records and insights – then when you add Capitalise to that, we've got a really strong finance function."

FIND OUT MORE ABOUT CAPITALISE

Your capital advisory platform, ready made.

Enabling you to build strength and resilience in your clients' businesses by helping them raise, recover and protect their capital.

Headquartered in London, Capitalise is the trusted platform of over 2,000 accounting firms, advising on £850million of approved capital to their clients.

Capitalise enables you to raise capital through lending and innovation grants. Recover capital through debt recovery, dispute resolution and R&D, whilst protecting working capital through credit improvement. Through a single platform, you can build out your capital advisory service line, increase revenue per client and attract new ones.

In partnership with the ACCA, CIMA, 2020 Innovation, Microsoft Accelerator integrated with Xero, Quickbooks and Sage.

More information

Capitalise.com
ask@capitalise.com
020 3696 9700