

PKF FUNDING SOLUTIONS

a guide to finance
for SMEs

WE CAN HELP YOU FULFIL YOUR BUSINESS'S POTENTIAL

Do you have the right funding to help your business make the most of the opportunities and take-on the challenges that lie ahead?

The range of funding options has increased dramatically over the past few years and there are now over 350 lenders in the UK. But 50% of SMEs still only contact one finance provider when looking for funding, meaning that they're unlikely to have secured the best source of finance to allow them to unlock their potential.

That's why the PKF Funding Solutions team has partnered with Capitalise, an innovative business finance platform.

PKF Funding Solutions brings together trusted advice and financial expertise with access to a wide range of lenders: you benefit from PKF's Littlejohn's highly-respected client support and in-depth understanding of the requirements of SME businesses; and the Capitalise platform enables you to compare a broad selection of finance products from the UK's leading mainstream and independent lenders.

PKF can support you every step of the way, assessing your requirements, preparing your business, guiding you through the application, explaining your options and negotiating with lenders to help you to secure the right finance deal. We will work with Capitalise to match your business with lenders who can provide the finance you need and who fully understand the unique financial demands of your industry.

This approach enables us to get a deal that suits your business, saving you money, time and hassle, and enabling you to get on with running your business.

We've produced this guide to explain the range of funding options that we can help you access – everything from advances on your credit card transactions through to bridging loans for property purchases. Contact us or read on to learn how to secure finance for your business.

THE FUNDING PROCESS

Funding success requires more than just completing an application. We can support you every step of the way, from working out exactly what funding your business needs through to negotiating with lenders on your behalf.



TYPES OF FINANCE

By looking at the funding products from High Street banks, alternative lenders and finance specialists, we can find the right match for your business with the following types of finance:

ASSET FINANCE

Purchasing new assets such as IT equipment or machinery can present cash flow problems for SMEs, particularly those in capital intensive industries. By using asset finance, lenders are able to either purchase the asset on your behalf and allow you to spread the cost through regular repayments, or they simply lease the equipment to you for as long as it's needed.

Most appropriate where:

- Large upfront capital requirements need to be spread over time
- Capital intensive businesses want to expand
- Funds are required quickly



TRADE FINANCE

One of the biggest stumbling blocks faced by many growing businesses is the ability to finance the up-front costs of large orders. With trade finance, the lender will be able to fund up to 100% of the stock that your business needs, paying your supplier directly and securing the finance against purchase orders and the finished product.

Most appropriate where:

- High purchase order volumes require significant up-front finance
- Imports are purchased on unfavourable supplier payment terms
- Import-export businesses are expanding rapidly



WORKING CAPITAL FINANCE

A multi-purpose short-term business loan that can help you keep on top of day-to-day running costs - everything from staff wages and stock purchases to utility bills and premises rental.

Most appropriate where:

- Revenues are growing and the business is profitable
- Funds are needed quickly
- The business is asset light



INVOICE FINANCE

Access immediate funding by securing a loan against your invoices. In return for giving up a percentage of the value of the invoices, you no longer need to wait for the money that you're owed by your customers.

Most appropriate where:

- There is a large book of invoices and other receivables
- Large clients are slow in paying
- Up-front operating costs are high



PROPERTY FINANCE

Bridging loans, development finance and commercial finance for property developers, investors, or businesses buying new premises.

Most appropriate where:

- Property acquisitions require a quick turnaround
- A growing business wants to purchase larger office space
- An established business is looking to acquire its rented facilities



MERCHANT CASH ADVANCE

If you take regular payments through a credit or debit card terminal, you may be eligible for a merchant cash advance. You receive a lump sum based on the monthly volume traded through your card terminal, and this is repaid each time you take a credit or debit card payment, meaning that your repayments are linked to your income.

Most appropriate where:

- A high percentage of sales are made using credit/debit card terminals
- Revenues are seasonal
- Funds are needed quickly



FAQs

WHAT TYPES OF FINANCE CAN YOU HELP ME FIND?

We can help you find the following types of finance: invoice finance, asset finance, trade finance, merchant cash advance, working capital finance and property finance. This guide provides more information about each of these funding products.

SHOULD I STILL TALK TO MY REGULAR BANK ABOUT A LOAN?

We understand that long term relationships with your existing funders are important, but you may be able to get a better deal by talking to other lenders. We'll compare a wide range of finance products from the UK's leading mainstream and independent lenders using the Capitalise platform.

CAN YOU HELP ME PREPARE FOR FUNDING?

PKF Littlejohn understands how SME businesses operate so we're ideally placed to help you prepare your business for funding. We can assess your current operations against lender requirements and best practice, make recommendations and support their implementation, and guide you through the application process. But our support doesn't stop there – we can also explain your options and negotiate with lenders on your behalf.

CAN I COMPARE DEALS MYSELF?

In our experience, success depends on good preparation and an understanding of how each option matches your requirements. If you're funding ready and confident that you have the skills to assess the funding options and negotiate with lenders yourself, then we can set you up on the Capitalise platform and you can take it from there. If you've not been through the process before or would prefer to have an expert to support you, the PKF Funding Solutions team is here to help.

I NEED TO MOVE QUICKLY. HOW LONG DOES THE PROCESS TAKE?

We know that SMEs can't afford to wait. We'll remove the hassle and can get a loan approved in as little as a week.

The PKF Funding Solutions team is here to support you.

For more information, contact:



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