

# Factoring

## Take the effort out of collecting unpaid invoices and boost your cashflow

If you have a turnover of over £250,000, factoring could help you inject cash into your business. Factoring also means we handle the administration of collecting payments on your behalf.

### Your needs

It can be frustrating waiting for the cash tied up in unpaid invoices. Chasing those payments also uses valuable time and resources. Waiting for invoices to be paid slows down your whole operation and limits your ability to invest, boost capacity and take on new orders.

### Our solution

With Factoring, we can help you access your cash and save you time. We'll release up to 90% of the value of your eligible invoices within 24 hours and we'll chase invoices on your behalf, effectively becoming your credit control service. This means your business can instead focus on areas such as growth, innovation and recruitment.

### Benefits

- Get up to 90% of the value of sales ledger balances within 24 hours, with the rest being paid when the invoices get settled.
- We collect payments on your behalf, meaning your business isn't affected by the administrative hassle of running a sales ledger.
- 24/7 online access to your own account so you can manage invoices and track payments.

### Considerations

- Invoices must be business to business and on credit terms
- This is a whole turnover product, meaning all invoices must be raised through this product
- Security is provided by the debtor book

### Is Factoring right for you?

You might consider Factoring if you want:



Quick access to cash



To reduce the amount of time spent on admin in your business



A convenient way to manage your invoices

### How it works

#### Initial Discussion

A Business Development Manager (BDM) discusses options available to you



#### Application

The BDM will send you an indicative offer, details of the survey and some more information. Once the survey is complete, we go through our approvals process



#### Outcome

If approved, our documentation team sends you an offer letter and formal documentation to review and complete



#### Completion

Once documentation is returned, your BDM talks you through the on-boarding process, including making a first payment to you. We also introduce your Client Manager, provide you with training on our online management system FacFlow and send you a welcome pack



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## Working with you

When you become a customer you'll be assigned a dedicated Invoice Finance Client Manager, who will act as your first point of contact.

## Product Specifications

- **Term:** Facilities are typically 12 months with an annual renewal
- **Debtor Collection:** We collect on your behalf
- **Currency:** GBP, USD or EUR
- **Turnover:** Minimum Annual Turnover of £250k, Maximum Annual Turnover of £6.5m

Your Challenges	Our Solution
<ul style="list-style-type: none"><li>• You have money tied up in outstanding invoices which can restrict your ability to grow, adapt or continue to manage day-to-day requirements.</li><li>• Managing a sales ledger takes time and costs money</li><li>• You need a quick and simple way of managing your invoices &amp; tracking payments</li></ul>	<ul style="list-style-type: none"><li>• Factoring enables you to release funds early. This also means you can offer a wider range of credit terms to your customers</li><li>• We will act as your "credit control function" and handle the administration of collections</li><li>• We offer 24/7 online access, and will provide you with a dedicated Client Manager</li></ul>

Additional Information	Explanation
<ul style="list-style-type: none"><li>• Discount Margin</li><li>• Service Charge</li></ul>	<ul style="list-style-type: none"><li>• Discount Margin (i.e. interest) is a charge payable on the drawn amount. It's calculated and accrued daily, and debited either daily or monthly. The Discount Margin is calculated based on the customer's risk profile and is unique to each business.</li><li>• The annual service charge (payable monthly in arrears) is a flat non-discretionary monetary fee based on the customer turnover segment and number of factored accounts to cover the administrative elements of the facility. There is an additional £2,000 added to the annual service charge for customers with ledgers in currencies other than domestic.</li></ul>

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Invoice Factoring is for businesses with a minimum turnover of £250k up to £6.5m. You must be prepared to outsource your credit control function and happy to use your debtor book as security.

Security may be required. Product fees may apply. Subject to status, business use only.

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