

Keeping the cash flowing

Cash flow is a reoccurring headache for many businesses, large and small, but there is a solution you may not have considered – invoice finance.

Invoice finance, also known as invoice discounting, is a business finance product which is growing in popularity and is offered by the big banks as well as specialist lenders.

Invoice finance provides immediate cash for up to 80% of the money owed to you by debtors for products or services based on your invoices. The remaining 20%, less the lending institution's fee, is paid to you once you have received payment for these invoices.

The fees charged depend on how quickly your invoices are settled – the longer you wait for payment from your debtors, the more you pay in fees.

Invoice finance means that you can have the funds in a couple of days rather than waiting weeks or months for payment of your invoices.

For some businesses it makes sense to use invoice financing rather than sustain the loss of business as a result of a cash shortfall which may stop you from growing your business, riding out seasonal peaks, exploring new opportunities or delay recovery from a downturn.

Unlike overdrafts, there is no long-term commitment for invoice finance making it a fast, flexible and attractive alternative to traditional finance options. Also, while lending is based on your invoices, your debtors' confidentiality is maintained as you remain responsible for collecting monies owed.

Let us help you determine whether this is the best or most effective business solution for your circumstances.

For more advice call Zenith Finance on (02) 9572 8200
or visit www.zenithfinance.com.au