

Invoice Factoring

OVERVIEW

Invoice factoring allows your business to sell its invoices to a specialist factor, who advances a percentage of their value and takes over credit control on your behalf. The factor handles chasing and collecting payment from your customers — freeing your team to focus on running the business. Unlike discounting, customers are aware of the arrangement.

HOW IT WORKS

01

Assign your invoices

Raise invoices as normal and assign them to the factor under the agreed arrangement.

02

Receive your advance

The factor advances 75–90% of the invoice value.

03

Factor manages collections

The factor contacts your customers directly to collect payment as part of the service.

04

Customer pays the factor

Once your customer pays, the remaining balance minus fees is released back to you.

05

Ongoing debtor management

Credit control and debtor administration are handled by the factor on a continuing basis.

IS IT RIGHT FOR YOUR BUSINESS?

- Smaller B2B businesses that lack resource for credit control
- Businesses with payment terms of 30–120 days
- Fast-growing companies needing to outsource debtor management
- Sectors where factoring is standard practice: recruitment, haulage, labour supply
- Companies where customer confidentiality is not a primary concern

INDICATIVE TERMS

Advance rate	75–90% of invoice face value
Factoring fee	0.75–2.5% of invoice value
Discount charge	1.5–3% over base rate (daily)

Ready to explore Invoice Factoring?

We'll review your debtor book and identify the right factor for your sector and circumstances.
No obligation.

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