

Could invoice finance be the way forward for you?

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With the once contentious form of financing your business (<http://www.targetbusinessassist.co.uk/invoice-factoring/>) becoming more and more popular every day, invoice finance is making a comeback as the saviour for small and medium sized enterprises (SMEs). It can not only boost your cash-flow if you are struggling to keep your head above water but also help your business grow.

The key to a successful business is of course cash-flow, cash-flow, cash-flow. It is imperative to keep a regular flow of income into your business for rent, utility costs, wage and VAT, etc.

With the economy under pressure and many banks refusing loan applications and overdrafts it is becoming increasingly difficult for SMEs to get funding from traditional lenders. Without this, many businesses are struggling to survive. This is where you need to look at a more flexible and accessible solution such as invoice finance.

Invoice factoring (<http://www.targetbusinessassist.co.uk/invoice-factoring/>) allows you to release a large percentage of cash from your unpaid invoices, generally between 80-90% and this can often be released within 24 hours. This doesn't mean you have to have an exemplary credit report or involve lengthy credit checks as it is your sales ledger that is used to provide security. So, the good news is that often businesses who have a bad credit history or have been turned away from traditional lending methods may still be eligible.

While this method of lending was once seen as a facility just used by struggling businesses, over 43,000 companies in the UK are currently using such funding. And with lenders offering more and more competitive rates and flexible options such as trial periods there is no better time to look at what is available to you.

The key is to take control and put systems in place before disaster strikes and cash runs out. With many businesses simply failing because of cash flow problems it makes sense to pre-empt the problem and prevent the damage.

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