



25 YEARS

STERLING
Commercial Finance

FUNDER UPDATE

INVOICE FINANCE WITHOUT CLIENT ACCOUNT

At Sterling Commercial Finance, we constantly seek innovative and alternative finance providers for our clients.

Most businesses are aware of the benefits of using invoice finance for accelerating cash flow.

However, some clients resist this form of funding due to the prerequisite to operate a client account, whereby debtors pay into this rather than the business current account.

One of our panel funders is offering a debtor linked facility without a client account. As with Invoice Finance, the facility level increases/decreases in line with the level of the receivables. Unlike Invoice Finance, there is no requirement for weekly reconciliations, no Trust Account is needed, and it remains confidential. More importantly, for many clients – there is no Personal Guarantee requirement.

Features

- Drawdown what you require. Interest only charged on the outstanding balance
- Rates from 0.5% p.m. depending upon credit status and quality of Aged Debtor book
- No fixed duration, three month commitment period; after that, monthly rolling facility

Benefits

- Competitive pricing and no hidden fees
- No personal guarantees required
- No floating charge. Facility secured only by charge over debtor book
- No weekly reconciliation of invoices, no trust account and completely confidential

Credit Criteria

- **ANNUAL TURNOVER:** At least £1m in past 12 months
- **BUSINESS TYPE:** Limited and PLCs only
- **TRADE RECEIVABLES:** £300k
- **YEARS TRADING:** Minimum 3 years
- **ACCOUNTS:** Ideally a solvent Balance Sheet

Security

- Fixed First Charge over Trade Receivables
- Unperfected assignment over bank accounts(s)
- No Personal Guarantee required
- No Floating Charge required

If you think this could work for your business, please do not hesitate to contact either
David Griffiths on david@sterlingcommercialfinance.co.uk - Tel: 07850 188046
John Laycock on john@sterlingcommercialfinance.co.uk - Tel: 07794 936018
and we can assess the “art of the possible” for you.

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