

INTERMEDIARIES PRESENTATION

Unlocking cash flow: *invoice finance* *explained.*

How invoice finance turns unpaid invoices into working capital,
and how to spot it, explain it and refer it with confidence.

BJORN LAKU · DIRECTOR & CMO, CASHBOOK FINANCE

INVOICE · INV-2048

£50,000

Payment terms 30 days

Advanced, once set up Up to 90%

Typically within 24-48 hours

What you'll *take away*.

- 01 Explain what invoice finance is, in plain English
- 02 Recognise which businesses it suits, and which it doesn't
- 03 Compare it confidently with a bank loan
- 04 Spot the opportunity signals in everyday client conversations
- 05 Explain it to a business owner in thirty seconds

THE PROMISE OF THIS HOUR

“By the time we finish, you’ll be able to explain this product to a client in thirty seconds flat.”

The next hour, *at a glance.*

01 The problem hiding in plain sight

Why B2B trade traps cash, and why growth makes it worse

02 What invoice finance actually is

The plain-English mechanics, the two flavours, and who we are

03 Who it fits, and who it doesn't

The checklist, the sectors and six situations you'll recognise

04 Invoice finance vs the bank

The honest head-to-head, the limits and a £50,000 worked example

05 Your toolkit for Monday morning

Triggers, opening questions and the 30-second explanation

How familiar are you *with invoice finance*?

a I could explain it confidently

b I know roughly how it works

c I've heard of it, but couldn't explain it

d It's completely new to me

The problem hiding *in plain sight.*

Why almost every B2B client lends money to their customers

The funding gap: structural, not a red flag

Why growth makes it worse, not better

01

The cash-flow problem *every SME recognises.*

01

Win the work, deliver it well, raise the invoice...

Most B2B sales are on credit: 30, 60 or 90-day terms, and often paid late.

02

...then wait, while the costs keep leaving.

Wages, suppliers, rent and VAT all go out before the cash from the sale arrives.

A LEDGER TRUTH

Every unpaid invoice is a loan

Made by **Your client**

.....
To **Their customer**
.....

Interest **0%**

Your clients are already in the lending business, just on the wrong side of it.

Thirty days in the life *of one invoice*.



Money out is certain and scheduled. Money in is late and optional, or at least it feels that way.

Ask the room · What are the longest payment terms you've seen a client put up with?

Profitable on paper, *cash-poor in reality.*

01

Profit $\neq$ cash

Profit is recorded when you invoice; cash arrives when the customer pays. The two can be months apart.

02

Growth eats cash first

Every new sale on credit consumes cash up front, materials and wages, and returns it later.

03

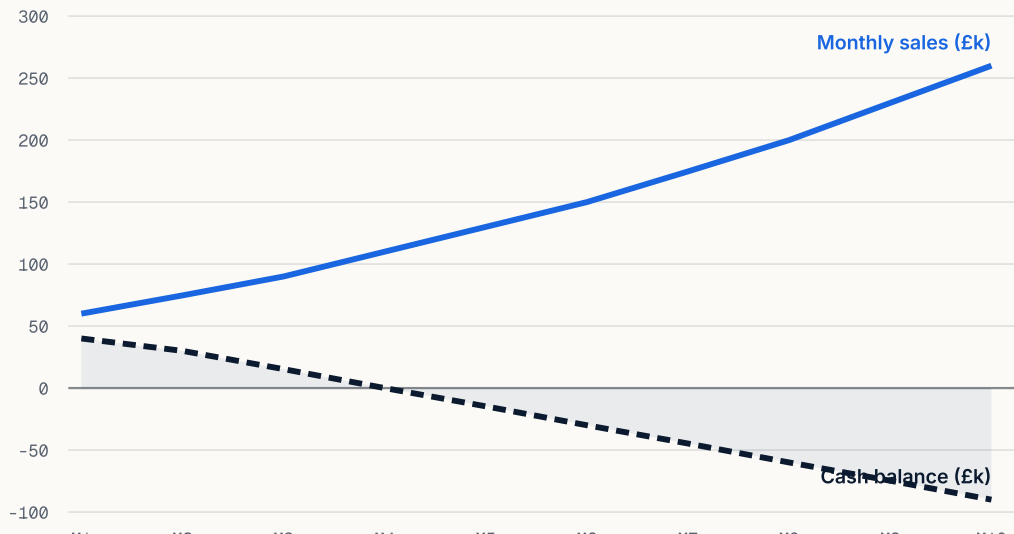
Success tightens the squeeze

The faster a business grows, the more cash gets trapped in unpaid invoices.

“Overtrading”: healthy businesses failing for lack of cash, not lack of orders. It has a name because it happens so often.

What growth does *to the bank balance*.

ILLUSTRATIVE · A GROWING B2B BUSINESS
ON 30-DAY TERMS



The gap grows with success

Sales climb, but every new order locks more cash into the ledger.

The natural answer

A funding line that grows with sales, which is exactly what comes next.

What invoice finance *actually* is.

The plain-English definition, and the jargon translated

How a facility works, from setup to the revolving cash cycle

The two main flavours, the useful variations, and who we are

02

What invoice finance is.

A funding facility that releases most of the value of unpaid invoices, usually within 24–48 hours of submitting them once the facility is live.

01

The business invoices

As normal, on normal credit terms.

02

Most of it, now

Typically 70–90% advanced within 24–48 hours.*

03

The rest on payment

The balance, minus fees, when the customer settles.

It converts a sale into cash at the point of invoice, not the point of payment. What it is not: a lump-sum loan or new long-term debt. The business is bringing forward money it has already earned.

*Illustrative market range. Cashbook Finance advances up to 90% of eligible approved invoices.

Three terms, *in plain English*.

DEBTOR BOOK

The pile of invoices your customers haven't paid yet.

The asset this whole product is built on.

ADVANCE RATE

The percentage of each invoice released up front.

The rest follows when the customer pays.

FUNDER

The invoice finance provider.

Banks, independents and specialists all play here.

House rule for client conversations: say the plain-English version first, the technical term second.

How it works: *getting set up.*

01

Setup

The funder reviews the business, its customers and its ledger; agrees the advance rate, limits and pricing.

TIMING

Once · typically days to a week

02

Trade as normal

Deliver goods or services and raise invoices exactly as before. Nothing changes day to day.

TIMING

Every day, as usual

03

Notify the funder

Invoices upload or sync across, often automatically from cloud accounting software.

TIMING

Seconds per invoice

Day-to-day admin, in full: raise invoice → upload → draw funds. The funder does the heavy lifting at setup, not the client.

How it works: *the cash cycle.*

04

Advance paid

The agreed percentage lands in the business's account.

TIMING

05

Customer pays

On normal terms, into a nominated account controlled by the funder.

TIMING

Nothing changes for the customer

06

Balance released

The remainder is paid over, minus fees, and headroom refreshes.

TIMING

Ready for the next invoice

The quiet superpower of step 5: repayment comes from the customer's payment, not from the business finding cash for monthly repayments. The facility is self-liquidating, and the cycle repeats with every new invoice.

The two *main flavours*.

	FACTORING	INVOICE DISCOUNTING
Who chases payment	The funder runs credit control and collections	The business keeps its own credit control
Do customers know?	Yes: disclosed, by notice of assignment	Usually confidential
Typically suits	Smaller firms, or anyone outsourcing collections	Established firms with credit control in-house
What's bundled	Funding plus sales-ledger management	Funding only; the business keeps customer contact

One sentence to remember: "Factoring is funding plus a collections service, and customers know. Discounting is funding only, and customers usually don't."

Two variations *worth knowing.*

SELECTIVE / SINGLE-INVOICE FINANCE

Fund only the invoices you choose

One big contract, one slow payer, priced per use, with no whole-ledger commitment.

WHY IT MATTERS

The low-commitment way in: an ideal first taste for cautious clients.

BAD-DEBT PROTECTION

Cover if a customer becomes insolvent

For an extra fee. Standard facilities are “with recourse”: unpaid invoices eventually reverse.

WHY IT MATTERS

Turns cash-flow acceleration into credit-risk cover as well.

Jargon check, “with recourse”: if the customer doesn’t pay within an agreed period, commonly around 90–120 days past due, the advance on that invoice reverses.

Cashbook Finance, *in brief.*

CASHBOOK FINANCE LIMITED

Company statement

FCA register	FRN 782472
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Lending since	2019
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Funded to date	£30m+
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Facilities	£10k - £1m
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Advance	Up to 90%
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Decided by	2 directors
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Who we are · A UK, FCA-registered lender headquartered at Hay's Galleria, London SE1

What we fund · Invoice finance, discounting, factoring, selective, timesheet and trade finance, plus short-term business bridging

Speed · Eligible invoices typically funded within 24–48 hours once the facility is set up

Who we help · UK businesses invoicing other businesses on credit terms, typically £50k+ turnover and 6+ months trading

Sectors · Healthcare, recruitment, wholesale, manufacturing, exporters and construction, among others

How we work · Initial fit, due diligence and documents, then funding

Working with *industry members*.

Referral route

Contact a director

Introduce a client by contacting either company director directly, by email or phone.

Support you get

Kept informed

You're kept informed throughout, with marketing support: this deck, client handouts and the introducer pack.

Remuneration

20% of net income

20% of Cashbook Finance's net income received, paid on completion, under written introducer terms.

Compliance note: members should confirm their requirements for introducing commercial finance, including commission disclosure, before using these materials with clients.

Who it fits, *and who it doesn't.*

The five-point good-fit checklist

The sectors where it thrives, and the honest exclusions

Six client situations you'll recognise immediately

The good-fit *checklist*.

- **Sells B2B on credit terms** · 14 to 120 days; the gap is the raw material
- **Invoices after delivery or completion** · funders fund completed, unconditional invoices
- **Creditworthy customers** · ideally a spread, not one dominant name
- **Clean paperwork** · order → delivery → invoice, easy to evidence
- **Growing, seasonal, or cash-tight despite profit** · the classic profiles

One screening question does most of the work: “Do you invoice other businesses, and then wait to be paid?”

Where it thrives, *and where it doesn't.*

TYPICAL SECTORS

Recruitment

Healthcare

Haulage and logistics

Wholesale and distribution

Manufacturing

Exporters

Printing and packaging

Professional services

LESS LIKELY TO FIT

- ☐ B2C or cash businesses: no B2B invoices to fund
- ☐ Sale-or-return, or heavily conditional billing
- ☐ Milestone or stage billing without completed invoices
- ☐ Very small ledgers, where minimum fees bite

Construction: fundable, but specialist. Applications for payment, retentions and contract terms need the right product. Treat it as “refer for specialist review”, never “no”.

Situations you'll recognise *(1 of 2)*.

The growth business

Order book up 40%, but every new sale waits 60 days to become cash.

THE FIT

Funding that grows with the ledger, automatically.

The squeezed middle

Suppliers want paying in 30 days; customers pay in 75. The business funds the gap from its own pocket.

THE FIT

Releases the cash trapped between the two.

The big contract win

The dream contract doubles invoicing, but wages and materials are paid long before the cash lands.

THE FIT

The contract itself becomes the basis of the funding.

Three more on the next slide.

Situations you'll recognise (2 of 2).

The payroll-heavy sector

A recruiter pays temps every Friday while clients pay in 45 days. Cash out weekly, cash in monthly, forever.

THE FIT

Why recruitment is among the heaviest users.

The seasonal trader

Stock builds and invoicing surges in season; a fixed overdraft can't flex with it.

THE FIT

Funding rises with the ledger in season, falls back after.

Profitable but tight

Healthy margins, a full order book, and a permanently nervous bank balance.

THE FIT

Releases working capital without new term debt.

Keep your favourite in mind.

Which of these *do you see most often?*

Thinking about your current client base, which situation comes up the most?

1 The growth business

2 The squeezed middle

3 The big contract win

4 The payroll-heavy sector

5 The seasonal trader

6 Profitable but tight

Why this matters: the most common answer in the room is usually the easiest first referral.

If you only remember *three things* so far...

01

The gap is structural

Waiting 30–90 days to be paid is built into B2B trading. It isn't a sign of a badly run business.

02

It releases money already earned

An advance against invoices already raised, not a lump-sum loan repaid from future cash flow.

03

Funding scales with sales

As invoicing grows, the available cash grows with it, with no fresh application.

Coming up: how it stacks up against the bank, including the honest drawbacks.

Invoice finance *vs the bank.*

Why businesses choose it: six advantages in two minutes

The honest head-to-head with a term loan

Misconceptions, limits, and the £50,000 worked example

04

Why businesses *choose it*.

01

Speed

Cash within 24–48 hours of invoicing, once the facility is live.

02

Built on the debtor book

Often viable where there's no property to pledge.

03

Scales automatically

More sales, more headroom, with no reapplication.

04

Self-liquidating

Customers' payments repay the advances: no monthly repayment drag.

05

Optional extras

Credit control (factoring) and bad-debt protection, if wanted.

06

Discipline benefits

Sharper ledger visibility; customers credit-checked before terms.

The common thread: every advantage flows from the same design. Funding follows the sales ledger, not property or projections.

Invoice finance *vs a bank loan.*

	INVOICE FINANCE	TRADITIONAL BANK TERM LOAN
Speed to cash	Facility live in days; then 24–48 hrs per invoice	Often weeks of underwriting before drawdown
Amount available	A % of the debtor book; grows with sales	Fixed lump sum based on historic accounts
Security	The invoices themselves, plus a book-debt charge	Often property or all-asset security, plus guarantees
Repayment	Self-liquidating: customers' payments repay it	Fixed monthly capital and interest
Flexibility	Revolving: draw as needed against invoices	Drawn once; top-ups mean a new application
Link to growth	Rises automatically with invoicing	Static: growth requires renegotiation
Naturally suits	Trading and growing B2B businesses	One-off assets: kit, vehicles, property

Overdrafts sit between the two: flexible, but typically modest, repayable on demand and increasingly hard to obtain at meaningful levels.

When each *option wins*.

INVOICE FINANCE TENDS TO WIN WHEN

- 01 The need is working capital tied to trading
- 02 Sales are growing, seasonal or lumpy
- 03 Tangible security is thin, but the ledger is strong
- 04 Speed matters
- 05 Fixed repayments would strain future cash flow

A TERM LOAN TENDS TO WIN WHEN

- 01 The need is a one-off asset: kit, vehicles, property
- 02 The business is consumer-facing or raises few invoices
- 03 Long-term cost certainty is the priority
- 04 Genuinely cheap secured debt is available

Often the answer is both: a term loan for the asset, invoice finance for the trading cycle.

Five misconceptions *to retire.*

THE MYTH

THE REALITY

“It’s for struggling businesses.”

Growth finance. Funders want healthy ledgers; fast-growing firms are the heaviest users.

“It’s just a loan.”

No lump sum, no monthly repayments. Sales create it; customers’ payments settle it.

“Customers will always know.”

Discounting is confidential. Disclosed factoring is routine: big customers process it daily.

“It’s too complicated.”

Raise invoice, upload, draw funds. The funder does the heavy lifting at setup.

“It’s only for big companies.”

Facilities run from single-invoice level upwards. The way in can be one invoice.

Where it doesn't work, *and why saying so builds trust.*

The cost

A service fee plus a discount charge on funds in use. Compare like-for-like, including credit-control value.

Invoice quality is everything

Only valid, unconditional invoices for completed work fund well. Staged billing needs specialist handling.

Debtor risk remains

With recourse, invoices unpaid after ~90–120 days reverse. Bad-debt protection costs extra.

Concentration limits

Heavy reliance on one customer can cap how much of the ledger is funded.

Commitments apply

Minimum fees, notice periods and audits; disclosed facilities are visible to customers.

Timing, not fundamentals

It fixes when cash arrives, not whether. It won't rescue poor margins or chronic bad debts.

Invoice finance is not suitable for every business. Suitability depends on the business model, invoice quality, debtor profile, contract terms, cost and funding requirements. Professional advice and provider-specific terms should always be reviewed.

Worked example: *the £50,000 invoice.*

30-DAY TERMS · ILLUSTRATIVE

INV-2048

Day 0 · invoice raised	£50,000
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Day 1-2 · 90% advanced	+£45,000
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Day 30 · balance less fee	+£4,000
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Received in all	£49,000
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ADVANCED

£45k

In 24-48 hours

BALANCE

£4kWhen the
customer pays

COST

≈ 2%

About £1,000

The point: £45,000 arrives about a month earlier than waiting to be paid. The fee is the price of that month.

Illustrative only. Actual advance rates and pricing vary by business, sector, customers and facility type, and are agreed in writing before signing.

Your toolkit *for Monday morning.*

Five trigger phrases to listen for

Seven questions that open the conversation

The 30-second explanation, ready to use word for word

Listen for *these five triggers*.

WHAT YOU HEAR

WHAT IT USUALLY MEANS

“Can we extend the overdraft?”

Asking about, or leaning on, short-term borrowing.

“We’ve just won a big contract”

Growth, or a major win that needs funding before it pays.

“Payroll week is always tight”

Wages go out weekly; customer payments arrive monthly.

“The bank said no: not enough security”

Declined on security grounds despite a strong order book.

“We’re juggling the VAT and the suppliers”

Stretching creditors to bridge the gap.

You don’t need to be a product expert. Your job is pattern recognition plus a warm introduction; we do the rest.

Seven questions *that open the conversation.*

- 01 Do customers pay you on credit terms?
- 02 How long do you usually wait to get paid? ← BEST OPENER
- 03 Are unpaid invoices limiting growth?
- 04 Do you need cash for suppliers, wages or new work?
- 05 Are you relying on overdrafts or short-term borrowing?
- 06 Are sales growing faster than your available cash?
- 07 Have you ever turned down work because of cash flow? ← BEST OPENER

Rule of thumb: two or more “yes” answers is a conversation worth having.

“You know how you wait 30, 60, sometimes 90 days for customers to pay? Invoice finance releases that money early. When you raise an invoice, a funder advances most of its value, typically within a day or two. When your customer pays, you receive the rest, minus a fee. It isn’t a loan you repay out of future cash flow: your customers’ payments settle it. And because it’s based on your invoicing, the funding grows as your sales grow.”

The one-liner: “It turns your unpaid invoices into this-week cash, and it grows as you grow.”

Five things *to remember*.

- 01 **Cash-flow gaps are structural** · even profitable, well-run B2B firms have them.
- 02 **It releases cash already earned** · an advance against issued invoices, not new debt repaid from future cash flow.
- 03 **Funding scales with sales** · built for growth, seasonality and big contract wins.
- 04 **The fit is specific** · B2B, credit terms, clean invoices, decent debtors. Not B2C or heavily conditional billing.
- 05 **The opportunity is in conversations you're already having** · listen for the triggers.

Spot the cue, make the introduction. That's the whole job.

What happens *next*.

Step 01

Book a 15-minute intro call

020 3239 0699
info@cashbookfinance.co.uk

Step 02

Got a client in mind?

Send a short, no-obligation
outline for a quick view on fit,
nothing formal.

Step 03

In your inbox today

This deck, the client product
sheets and the introducer pack.

*“Bring us one client conversation this month. That’s
the whole ask.”*

20% OF NET INCOME · ON COMPLETION

Your *questions.*

Anything we can't verify live, we'll confirm in the follow-up email.

FCA 782472

Companies House 10723098

ICO ZB545200

Invoice finance is not suitable for every business. Suitability depends on the business model, invoice quality, debtor profile, contract terms, cost and funding requirements. Professional advice and provider-specific terms should always be reviewed. All finance is subject to eligibility, due diligence, credit approval and agreed terms.

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