

As products, Factoring and Invoice Discounting provide flexible alternative financing solutions for businesses that require help with their cash flow. Factoring and Invoice Discounting provide robust financial solutions for businesses struggling to stay on top of their finances in this difficult economic environment. The Asset Based Finance industry provides finance to firms employing over 1.4 million people in the UK.

This Deal Sheet was produced by the Invoice Finance Committee, part of the ABFA, which aims to increase understanding and raise the profile of Factoring and Invoice Discounting in the UK and Ireland.

The Asset Based Finance Association (ABFA) is an Association which represents the Asset Based Finance industry (which includes Factoring and Invoice Discounting) in the UK and Ireland. Currently over 46,000 businesses are benefiting from over £15 billion in lending from this industry.

To find out more about Factoring and Invoice Discounting products, or to read more Factoring and Invoice Finance deals, please visit [www.abfa.org.uk/public/industryInformation.asp](http://www.abfa.org.uk/public/industryInformation.asp)

### SME INVOICE FINANCE - DRIVING BUSINESS

Motor Factors Group supplies replacement car parts to the garage trade. Previously self-funded, the Group's principal objective was to meet a short-term cash flow requirement, together with the financial headroom to accommodate its long-term expansion plans.

In order to achieve these goals, a hurdle first needed to be overcome. The group has a centralised administration base, supporting six distribution hubs, previously established as separate Limited Companies. This had made the transaction too complex for their bankers, who insisted on treating each of these strategic business units as separate ledgers - with a fee structure to match. SME arranged for a header company to be set up with cross company guarantees. The result: One consolidated ledger, one relationship, one agreement.

Stephen Horner, managing director, comments: "This is the first time we have had any direct experience of Confidential Invoice

Discounting and it has been a positive experience. SME Invoice Finance delivers on its promises. The area that most exceeded my expectations was the ease of implementing the facility. They took a process, which could have been very complex and made it operationally straightforward. To be honest, I thought that we would need to employ someone to manage the finance programme and keep track of the facility at our end but such is the strength of our working relationship with SME Invoice Finance that we have not found this necessary."

Motor Factors and SME Invoice Finance are greater than the sum of their parts.

t: 01483 531100  
e: [info@smeif.com](mailto:info@smeif.com)  
[www.smeif.com](http://www.smeif.com)