Title:
Can You Predict Your Cash Flow?

Word Count:
322

Summary:
If you provide terms for your products or services to your customers, it can be a challenge to predict how your cash flow will be from day to day. You are actually providing financing for your customers. I hope you understand that is what takes place, you are being the bank.

Terms are a necessity in today's business environment and to land some accounts, it is an absolute. Even though the agreed upon terms are 30 to 60 days or more, it does not always come in on time, howe...

Keywords:
Factoring, factoring companies, accounts receivable factoring, accounts receivable financing

Article Body:
If you provide terms for your products or services to your customers, it can be a challenge to predict how your cash flow will be from day to day. You are actually providing financing for your customers. I hope you understand that is what takes place, you are being the bank.

Terms are a necessity in today's business environment and to land some accounts, it is an absolute. Even though the agreed upon terms are 30 to 60 days or more, it does not always come in on time, however an inconsistent and unstable cash flow does not have to exist.

If you are struggling with inconsistent cash flow, you need to look into factoring. It is a very powerful form of finance that will allow you to predict your cash flow, and grow your company at a rapid pace. You do this by selling your credit worthy accounts receivable to a factoring company. This allows you to get an immediate injection of cash. The factoring company will wait for your customers to pay the invoices while you use your money to meet your cash flow demands.

Factoring is one of the oldest forms of commercial finance, however it remains unknown or misunderstood in the commercial finance market place. Factoring is also known as accounts receivable financing and can be the perfect solution for start ups as well as seasoned and rapidly growing companies.

A start up company can qualify for factoring due to the fact that the invoice is the asset being used. As long as the invoice is to a credit worthy company the invoice then becomes an asset that can be sold to a factoring company for immediate cash. The factor waits on the customer to pay the invoice instead of you waiting on the payment. It is as if you are turning all of your term invoices into COD without taking away your terms to the customer.

Thanks for reading.