

## Kriya Invoice Finance vs. factoring

### Know the difference

#### Kriya Lending

#### Factoring

##### Credit control

We **don't chase your debtors** for payment so you maintain full ownership of those relationships.

You'll need to **hand over credit control** to your provider so they can chase your debtors for payment.

##### Cost

Invoice finance tends to be more **cost-effective** and comes with the promise of **no hidden fees**.

Providers often quote favourable rates at the outset but then add **extra fees** every month, making it considerably more **expensive**.

##### Contracts

It's a **flexible** solution. You can choose to finance some - or all - of your outstanding invoices and whether you'd like a pay-as-you-go or subscription option.

You'll likely get locked into a **rigid** long-term contract and could be forced to factor all the invoices in your ledger.

##### Confidentiality

For invoice finance, we use a **discreet** online tool to verify invoices and call on your behalf when we need to verify by phone. We set up a trust account in your name, so your customers pay invoices to your business, not to Kriya Lending.

Factoring facilities are generally **disclosed**. That means your customers will know that you're using a factoring facility and pay invoices to your provider rather than to your business.