

INVOICE DISCOUNTING ANALYSIS

Invoice Discounting Analysis (IDA) automatically calculates ineligible and disapprovals from ledgers received electronically, or extracted from a client's accounting system.

In addition to the calculation of reserves and disapprovals, the IDA module provides valuable risk intelligence about re-aged and round sum invoices, sanctioned countries, new debtors and debtor concentrations, to help lenders proactively investigate possible fraud.

EQ Riskfactor IDA Features

Automated calculation of reserves can be achieved from ledgers received electronically, or from data automatically extracted from a client's accounting package.

Reserve parameters are defined as part of a one-time template build. Reserves for all subsequent ledgers received will automatically be calculated using this template.

The reserve parameters include:

- Recourse period (60, 90, 120 days)
- Concentration (percentage and amount) at a debtor, debtor group and ledger level
- Cross ageing
- Export debt
- Manual retentions e.g. retrospective discounts
- Contrás

All parameters are fully configurable. EQ Riskfactor will generate a reserve report at both summary and detail level. The reports are saved and create a history that all users can access.

Automating the reserve calculations will also remove human error in calculating the disapproval amounts manually.

IDA also provides important information for robust risk management by easily identifying transactions that a manual process may not; for example re-aged invoices, round sum invoices, weekend postings and new debtors, to help Lenders proactively investigate unusual or fraudulent activities.

Additional features include the ability to assess a prospect's suitability for a facility pre-survey, and once sanctioned the efficient take-on of a new client. This can reduce the Lender's cost of client acquisition, reduce the lead time to fund and enhance the customer experience.

ALPHAGARY LTD (D0000343)	
L Alpha-gary Ltd (D0000012)	
53% contra match	90% match (name only)
Debtor	Creditor
Name: ALPHAGARY LTD	Alpha-gary Ltd
Address line 1: Unit 258	Resolution Road
Address line 2: Resolution Street	Flag Staff 42
Address line 3: Flag Staff 41	Goudhurst Road
Address line 4: Gourdherst Rd	Kent
Address line 5: Kent	Flag Staff 42
Address line 6: TN12 8AS	Goudhurst Road
Address line 7:	Kent

Invoice Discounting Analysis benefits

- Provide a 'Factoring View' of all Invoice Discounting clients giving greater visibility of client's ledgers and key trends
 - Receive report files generated by clients or data files extracted from the client's accounting system
 - Consistent calculation of reserves after one time configuration
 - Reduced potential for human error through incorrect calculation or input of reserves into the core system
 - Significantly reduced cycle time between receipt and processing time of ledgers
 - Client quickly accesses increased availability from reduced reserves, enhancing the client experience,
- or the Lender protects their position where reserve levels increase significantly
 - Ability to automatically identify certain types of debt e.g. sanctioned countries, contras, inter-company debt and potentially fraudulent invoices
 - Adopt a risk based approach to the Reconciliation process, rather than processing on a 'first come first served' basis
 - Reports can be distributed to clients to provide transparency on how reserves have been calculated and reduce inbound calls
 - All current and historical reserve calculations remain within the EQ Riskfactor history to improve the governance of this process.



Contact us

To find out how our IDA module can help your business please contact us for a demonstration.

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