



A plain-English overview of practical funding and refinancing routes for businesses facing cashflow pressure.

1. When to Consider Refinancing

- You're struggling to pay suppliers, staff, or taxes on time.
- Your cashflow forecast shows you'll run out of cash in under 30–60 days.
- You're up to date with payments but need breathing space to stabilise or grow.
- You want to consolidate debts into fewer, more manageable payments.

2. Common Refinancing Options

• ****Overdraft or Working Capital Loan****

Short-term facility from your bank to cover operating cash needs.

• ****Invoice Finance / Factoring****

Release cash from unpaid invoices by borrowing against them.

• ****Asset Refinance****

Raise funds by refinancing vehicles, equipment, or property you already own.

• ****Short-Term Business Loan (Unsecured)****

Quick funding — often higher interest but can be used to plug gaps or fund recovery.

• ****Time to Pay Arrangement (HMRC)****

Agree a repayment plan with HMRC for overdue taxes to ease pressure.

3. Things to Watch For

- Interest rates and fees — always check the full cost, not just the monthly amount.

- Repayment terms — can you realistically meet them based on current cashflow?
- Personal guarantees — many lenders will ask for one. Know the risk.
- Be wary of funding your way into a deeper hole. Borrow with a purpose and plan.

4. What to Do Next

- Speak to your accountant or a broker — they may have access to options you don't.
- Clarify what you actually need — how much, how long for, and what it's funding.
- Compare at least 2–3 options before deciding.
- Build repayments into your cashflow forecast to stress-test your plan.