



**FIRST VANCOUVER
FINANCE**

Cash Flow for Emerging Companies

Our Mission

To provide a complete package of financing and services for qualified companies at a competitive cost enabling those with real potential to achieve it.

Who Needs Factoring?

- Undercapitalized or new companies
- Growth oriented companies
- Companies that cannot get adequate bank financing
- Companies with tax problems, liens or working through a bankruptcy
- Companies with negative net worth

What Factoring Does...

- Improves cash position
- Increases purchasing power
- Works to improve credit rating
- Makes it possible to increase production and sales
- Provides professional credit checking on your customers
- Provides complete accounts receivable portfolio management

What's the difference?

When you borrow:

- Lender seeks collateral equal to a minimum of 3X the loan amount
- Your flexibility is reduced
- You must meet monthly payment obligations
- Additional funds are unavailable without renegotiating the loan

When you factor:

- You don't borrow money
- There are no monthly payments
- Mailing expenses and cost associated with follow-up management on accounts is eliminated

How Much Does It Cost?

Four factors that determine cost are:

1. **Risk:** Overall risk associated with the transaction and credit worthiness of your customers
2. **Maintenance:** Work required to administer and manage the collateral
3. **Time:** The average number of days funds are in use
4. **Volume:** As you grow we can save you money by passing economies of scale through to you

Show Me the Money!!!

Without Factoring

Manufacturing days	15
Shipping days	4
Collection days	30
Days in the cycle	49
Gross profit margin	30%
Cycles per year	7
Gross Profit	\$24,284

With Factoring

Manufacturing days	15
Shipping days	4
Collection days	2
Days in the cycle	21
Gross profit margin	30%
Cycles per year	17
Gross Profit	\$198,535

Numbers assume a capital investment of \$10,000.00 and the ability to sell all you can produce

See our interactive screen on our website at www.fvf.ca

Who are our clients?

Manufacturers, wholesalers, distributors and service companies of all types; generally with annual sales ranging from \$120,000 to \$25 Million

Typical industries would include:

Trucking

Auto Parts

Temporary Employment

Injection molding

Commercial Printing

Commercial Cleaning

Wholesale distribution

Who Isn't Our Client?

We specialize in providing financial assistance to most types of companies but cannot accommodate

- Retail stores
- Fee generated receivables
(insurance/medical/real estate/legal)
- Construction receivables as they relate to sub contract trades