

10 TIPS

FOR IMPROVING CASH FLOW

There are many areas in business that can affect the amount of cash you have available. By controlling your expenses and increasing your profits, you can improve your cash flow to keep growing your business.

- 1. Increase Income** – Use Advertising, review your pricing, and improve your customer service.
- 2. Review your Accounts Receivables (debtors)** – Chase up any overdue accounts and enforce your trading terms. Do not give extended credit to customers and remember, the older the debt, the harder it is to recover.
- 3. Make it convenient for your customers to pay you** – Do you have EFTPOS, internet banking or direct debit solutions available?
- 4. Reduce your overheads** – Check staff overtime, and control your overheads. Review mobile phone plans and insurance policies. Become environmentally friendly by reducing the cost of power and water bills, reduce wastage, and inform your staff of your new policies and get them on-board too.
- 5. Review banking products** – Are you being charged too many bank fees? Is the interest too high on any loans you may have? A review of this could save hundreds or even thousands of dollars a year.
- 6. Monitor your stock levels** – Over ordering and tie up your cash as valuable stock may be sitting in a warehouse waiting to be sold. Have a good stock control system in place so you can only order what you need and what is selling well.
- 7. Seek advice** – A professional bookkeeping expert can tell you how your business is actually going. Are your wages too high compared to your sales? What is your break- even point? Are you making enough profit.
- 8. Have a registered bookkeeper do your accounts** - We are fully trained to provide accurate accounts so business decisions can be made.
- 9. Hire a contracted bookkeeper** - It is less expensive and more cost-effective to hire a contract bookkeeper, rather than have a full-time bookkeeper on staff, costing \$60,000 - \$65,000 a year (minimum). Contract bookkeepers work as little or as much as you and your business needs.
- 10. Have a budget prepared** - Check your actual figures against your budget regularly, at least each month, to ensure you are staying on track with your financials and not overspending.

**If cashflow is an area you need help with – please let us know.
This is one of our specialty areas and we thrive on saving you money!**

For more information, please contact **Judy Carse** to arrange an appointment and ask if you qualify for our **FREE** Data File Health Check:

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