



B A L A N C E

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Cash Resources Help **Temp Agency** *through stormy waters*

When a Sydney temporary employment agency fell on troubled times they turned to Cash Resources for assistance.

The company specialised in providing temporary staff to major hotels, restaurants and caterers in Sydney as well as Newcastle and Wollongong.

Since the business was established, the company experienced the highs of the Olympic period but then suffered at the hands of a downturn in the tourist industry.

In the lead up to the 2000 Olympics the business flourished. As one of the directors explained, "We started out with only a handful of clients but this grew rapidly and soon we had expanded our operation to Newcastle and Wollongong."

"We both had considerable experience and recognised the potential dangers that

comes with rapid growth in a personnel business", she said.

"Credit control and cashflow management is vital in our industry, bad debts and slow payers can absolutely kill you."

"Our contractors must be paid weekly and we simply cannot wait 60 days to be paid by our customers."

However, the real cruncher for their business along with many others was September 11. Tourism was

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drastically affected and as a result, major hotels staff requirements were severely cut back.

"We underestimated the effect that

September 11 would have on our business and we were slow to react."

"It was obvious that we needed to realign our business and tap into other non-affected industries. However, our focus had been on sales and we had neglected our financial position."

With both directors focussing on sales they were able to secure some promising new accounts, however, they desperately needed cash to continue.

Enter Cash Resources who provided an Invoice Discounting facility where they continue to bill their customers as normal. They then send copies of their invoices to Cash Resources and receive up to 80% of the funds usually within 48 hours. The balance, less Cash Resources small fee is paid when collections are received from customers.

"This a perfect arrangement for us. Cash Resources service is completely confidential, the fees are very reasonable and there are no long term contracts or security."

"Importantly, Cash Resources service has not only saved our business but has enabled it to grow again", the director said.



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Can't Find Enough Hours In A Day?

We all have 24 hours in a day, 7 days in each week, giving us 168 hours per week. Take away the 56 hours (on average) that we sleep and we are left with only 112 hours. Not much is it? Time is precious resource that needs to be managed very carefully.

If you can recapture a wasted hour here and there and redirect it to a more productive use, you can make great increases in your daily productivity.

Here are five Time Management tips, which may help you to get at least one more hour out of your day.

1. Maintain balance

Your life consists of Seven Vital Areas: Health, Family, Financial, Intellectual, Social, Professional, and Spiritual. You will not spend equal amounts of time in each area or time every day in each area. But, if in the long run, you are spending a sufficient quantity and quality of time in each area, then your life will be balanced. But ignore any

one of your areas, and you will get out of balance and potentially sabotage your success. Fail to take time now for your health and you will have to take time for illness later on. Ignore your family and they may leave you and cost you a lot of time to re-establish relationships.

2. Get the power of the pen

A faint pen has more power than the keenest mind. Get into the habit of writing things to do down using one tool (a Day-Timer, pad of paper, Palm Pilot, etc.) Your mind is best used for the big picture rather than all the details. The details are important, but manage them with the pen. If you want to manage it you have to measure it first. Writing things down helps you to more easily remember all that you need to accomplish.

3. Do daily planning

It is said that people do not plan to fail but a lot of people fail to plan. Take the time each night to take control of the

most precious resource at your command, the next twenty-four hours. Plan your work and then work your plan each day. Write up a To Do list with all you have to's and all of your want to's for your next day. Without a plan for the day, you can easily get distracted, spending your time serving the loudest voice rather than attending to the most important things for your day that will enhance your productivity.

4. Prioritise it

Your To Do list will have crucial and not crucial items on it. Despite the fact most people want to be productive, when given the choice between crucial and not crucial items, we will most often end up doing the not crucial items. They are generally easier and quicker than crucial items. Prioritise your To Do list each night. Put the No 1 next to the most important item on your list. Place the No 2 next to the second most important item on your list, etc. Then tackle the items on your list in order of their importance. You may not get everything done on your list, but you will get the most important things done. This is working smarter, not harder, and getting more done in less time.

5. Control procrastination

The most effective planning in the world does not substitute for doing what needs to be done. We procrastinate and put off important things because we don't sense enough pain for not doing it or enough pleasure to do it. To get going on something you have been putting off, create in your mind enough pain for not doing it or enough pleasure to do it. I prefer the pleasure approach. Work with one thing in front of you at a time so other things won't distract you. Break it down to little bite-sized, manageable pieces. Get it started, take the first step and you will likely continue it to completion.



Cash Resources Sponsor

CPA Events in NSW

In line with our commitment to support the CPAs, Cash Resources have sponsored a number of CPA events throughout NSW.

The first was the Newcastle Convention at the West Leagues Club in Newcastle. The event attracted over 200 attendees

The three day conference provided accountants with expert information from leading practice management specialists.

from the Hunter Valley region and as far up as Gosford.

In addition Cash Resources sponsored the annual CPA Public Practitioners Conference held at Peppers Fairmount Resort Leura in the Blue Mountains. The three day conference provided

accountants with expert information from leading practice management specialists.

Each event featured a Cash Resources exhibit where accountants were invited to test their 'sporting' skills. In Newcastle accountants competed in the mini Grand Prix driving remote cars, while at Fairmount Resort they tested their putting skills on the Cash Resources putting green.



From left: Alan Turner - Business Finance Manager, Enzo Kuleschow - Business Finance Manager, Cam Doan - Nicholas Samios's Assistant and Nicholas Samios - NSW State Manager

Commenting on the events, Cash Resources NSW Manager Nick Samios said, "The accountants showed strong interest in the services we provide and these conferences are a great opportunity to talk to them in a more relaxed environment".

Staff Profile -

Enzo Kuleschow



Enzo Kuleschow recently joined Cash Resources as a Business Development Manager in Sydney. Enzo has had extensive experience in the finance and insurance industry with companies

NRMA, GIO and AMP. With an in-depth knowledge of small to medium business finance, he is well equipped to advise customers on the best ways to finance their business.

BEWARE

Payment Warning Signs

Most companies that fail to pay their creditors usually show one or a number of early warning signs. The following list, by no means complete, will give you a point of reference, but you should not act on any one piece of information. That said, you will have to do something other than watch the situation.

- A change of delivery/invoice address
- Cannot contact customer by telephone
- Customer will not return messages/answer phone
- Customer will not accept reasonable resolution of queries

“If you have a business relationship that allows you to ask the owner outright, from the start, ask them!”

Whatever you choose to do in response to a warning sign be fully satisfied as to the customer's ability to pay. If you cannot satisfy yourself ask the business owner outright. Say, "I have noticed 'this and that' and it puts me in a difficult position. I know this could be due to any number of reasons, but if one of the reasons is a lack of cash flow then I need to be aware of the risks involved, and find a way to help you through this period as I want to keep your business."

If you have a business relationship that allows you to ask the owner outright, from the start, ask them! Once you know the reasons you still have to make an impartial decision: this decision may include a degree of known risk, but it will be your decision.

Beware of:

- A new signatory to the cheque account- especially if new signatory not known
- Cannot meet 30 day invoices after 50 days: 60 days you have a bad debt
- A change in order patterns
- A change of banker
- Signatories away for longer than 2 weeks
- A change of director/secretary
- A change in payment pattern
- Rumours in the industry, from customers staff, your sales staff, other creditors

It is difficult to turn away sales on a hunch, gut feeling or any one of the above warning signs. One way of thinking is to imagine what damage would be caused to your company and cash flow if the creditor was to go into receivership - if your conclusion is somewhere in the area of having to secure bank funding to meet the shortfall in cash then don't proceed.



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