

“The key to preventing financial problems is to control your cashflow.
Cash is king when it comes to keeping a business alive.”

1**Know your cashflow inside out.**

Knowing when the money is coming in is vital. Review patterns in your cashflow forecast with accuracy and do not be tempted towards optimism. *Running scenarios of different cashflow models is also a good idea. What happens if...? can be a real eye opener.*

2**Keep on top of credit control**

Payment dates should be carved in stone. That doesn't mean you can't be flexible, but always keep on top of payments. Chase as soon as the invoice is overdue and don't fall into the 'old customer' trap. *A lot of businesses close still being owed a considerable sum of money from long standing clients that they could have chased earlier.*

3**Review your costs.**

It is often only when a business is heading towards insolvency that they realise they could cut costs. Be ruthless with spending now rather than later. Even a small cost can turn out to be a big annual spend. *If it isn't necessary and/or doesn't produce or contribute to a clear revenue generating result, think about cutting it.*

4**Invoice immediately**

The invoices you send today are the cashflow you need later. Sending invoices as soon as you can literally means you will be paid faster. If you offer extended terms for payment then it becomes even more important. *Every day you delay is adding to an already deferred payment.*

5**Account for irregular and less frequent payments.**

Cashflow isn't all about monthly payments. Remember your VAT, Corporation Tax, Public Liability Insurance and similar non-monthly bills. *Many businesses become insolvent owing predicatable debts.*

Thoughts on the 5 points



This is a 'back to basics' sheet. It's purpose is to give you space to stand back and looks at your situation. It is a simple way to focus down on the 5 areas and think about how they relate to your situation.

1 - Cashflow

2 - Credit Control

3 - Cutting Costs

4 - Invoicing Process

5 - Irregular payments

Actions to take



Take the thoughts from the previous page and create some timed actions. Keep them simple - the goal is to create actionable starting points for long term change.

We created these guides in to give you a focus... To provide a tool that would help you drill down into your finances. We hope they will give you ideas that will resolve your issues before they build to a crisis point.

If you need more guidance though, we offer a range of services to help you with business recovery. So if you are concerned your business is heading towards insolvency, or you think you may already be at the point where you need to talk about it, we are here to listen.

**Go to our website and book in for your free initial discussion if you are concerned about insolvency
The sooner we talk... the sooner we can help**



**Find out more about our insolvency, liquidation or recovery service.
Learn how we can support you with clear, straightforward and empathetic guidance and support.**



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