



TOUGH TIMES

The Economic reality is being felt by most businesses and individuals the past few months. Business is tough to say the least. Although some sectors can feel it more than others, the average man on the street can definitely feel the pressure.

If you run a business, what do you do in times like these?

Almost every business man will tell you that their cash flow is under pressure. Not only are sales down, but clients do not pay as easily and efficiently as they used to, therefore the cash comes in slowly which places pressure on the cash flow. It is vital for management to control the stock levels and the debtors very well in order to balance your bank account.

It is almost compulsory for most enterprises to look at their costs and cut where they need to without causing damage to the business. Unnecessary costs must be avoided where possible and there is no place for luxury and unnecessary expenses. Unfortunately, many employees lose their jobs because enterprises need to cut down on their workforce.

Have a good look at any unnecessary assets in the company which do not generate income and get rid of it so long as it does not have a negative impact on the continuation of your business. Rather use the cash more effectively.

It is of critical importance to manage and look after your current financial resources. Financial institutions are currently not very eager to provide finance and if you are able to obtain finance, it will come at a high price. Therefore, try and keep your financier happy.

It is important for individuals who do business as sole proprietors to rather get help sooner than later. Because personal assets like your private home may also be at risk in the same way as your business assets, you can lose your home through business circumstances which are not under your control.

If your business is under pressure and you feel that you need help please contact your nearest Boshoff Visser office. We do not have money to dish out, but we will gladly assist you in managing your business through these trying times.