

THE PERIODIC TABLE OF CASH FLOW MANAGEMENT

THE SCIENTIFIC APPROACH TO MAINTAINING A HEALTHY CASH FLOW

1 Fo Cash flow forecasts					2 Ao Account opening forms	3 Cp Companywide priority	4 St Incentivise sales team	5 Dc Dedicated credit controller
6 Slr Sales ledger review					7 Cs Credit scores	8 Ep Early payment discounts	9 Tr Invest in training	10 O Outsource
11 Ap Assess performance	12 Ov Overdraft	13 Bl Bank loan	14 If Invoice finance	15 Cc Credit card	16 In Late payment interest	17 Pr Credit control procedure	18 Sl Stop lists	19 Fd Hire a part-time FD
20 Rf Review funding	21 A Asset finance	22 Abl Asset based lending	23 Pp Peer-to-peer finance	24 Cr Crowdfunding	25 Dra Debt recovery agency	26 Lba Letter before action	27 Tc Terms and conditions	28 Ca Courtesy calls
29 B Benchmark	30 Ef Equity finance	31 Tf Trade finance	32 Pf Property finance	33 Gi Government initiatives	34 M Mediation	35 Ccj County court judgment	36 E Enforcement	37 Ct Credit circles

Analysis and reporting

Funding methods

Collection tactics

Credit control activities

Your team

ANALYSIS AND REPORTING

Fo **CASH FLOW FORECASTS** An up-to-date cash flow forecast will highlight any upcoming shortfalls and allow you to take steps to protect your position.

Slr **SALES LEDGER REVIEW** It's vital to always know when your customers are approaching and missing payment deadlines so you can take action.

Ap **ASSESS PERFORMANCE** Regularly assessing your performance will allow you to identify the root cause of any problems or inefficient processes.

Rf **REVIEW FUNDING** With the funding market constantly changing, switching facilities could lead to higher funding levels, improved service or lower fees.

B **BENCHMARK** With the market constantly changing, make sure you are still getting the best deal by regularly benchmarking suppliers.

FUNDING METHODS

Ov **OVERDRAFT** Using or extending your business overdraft can provide a short-term boost to help you make purchases when cash flow is tight.

If **INVOICE FINANCE** If trading on credit terms is restricting your cash flow, invoice finance could quickly release funds from your invoices.

A **ASSET FINANCE** Purchasing new assets outright can restrict cash flow so consider hire purchase, finance leases or operating leases instead.

Pp **PEER-TO-PEER** P2P lending gives more established businesses the opportunity to raise funding from private investors.

Ef **EQUITY FINANCE** Achieve your growth objectives by raising capital from external investors in return for a share of your business.

Pf **PROPERTY FINANCE** For many businesses their property is their largest asset. Property finance could unlock some of this tied up cash.

Bl **BANK LOAN** If you need a cash flow boost it might be possible for your business to secure a short-term loan from your bank.

Cc **CREDIT CARD** This can be useful for a short-term cash flow boost – but be sure to pay it off on time or you could find yourself in even greater trouble.

Abf **ASSET BASED LENDING** With ABL you can advance funding against the value of raw materials, work in progress and finished goods.

Cr **CROWDFUNDING** By pitching your business idea to crowdfunders, interested parties can contribute a sum of money in return for equity.

Tf **TRADE FINANCE** Importers and exporters can get financial support and guidance to help keep cash flowing and safeguard their business.

Gi **GOVERNMENT INITIATIVES** There are a range of different grants, schemes and resources which could be available to your business.

YOUR TEAM

Cp **COMPANYWIDE PRIORITY** Communicate your cash flow aims to your employees so that the whole business pulls in the same direction.

Tr **INVEST IN TRAINING** While experience is important, so is making sure your staff stay on top of any new tips and trends to improve efficiency.

St **INCENTIVISE SALES TEAM** Incentivise your sales teams once you've been paid. This ensures staff focus on those who are likely to pay.

O **OUTSOURCE** Outsourcing ensures your processes are in capable hands, reduces the need to recruit staff and brings added expertise.

Dc **DEDICATED CREDIT CONTROLLER** Hiring a trained credit controller will bring a focused collections effort that will improve results.

Fd **HIRE A PART-TIME FD** It's possible to hire a part-time FD to give you a fresh pair of eyes to help spot any cash flow issues before they arise.

CREDIT CONTROL ACTIVITIES

Ao **ACCOUNT OPENING FORMS**
Collecting details of key individuals will ensure you deal with the right contacts to avoid payment delays.

Cs **CREDIT SCORES** Assessing the creditworthiness of your customers via credit checks can protect your cash flow against late payment.

Ep **EARLY PAYMENT DISCOUNTS**
Encouraging customers to pay early can overcome the cash flow gap that arises when trading on credit.

Pr **CREDIT CONTROL PROCEDURE**
A clear procedure based on best practice can improve results and ensure a cohesive approach.

Sl **STOP LISTS** Persistently poor payers should be put on a stop list and refused further goods or services until they clean up their act.

Tc **TERMS AND CONDITIONS** Your T&Cs can be a very useful weapon in your company's bid to get paid on time and keep cash flow ticking over.

Ca **COURTESY CALLS** Contacting your customer throughout the credit period keeps your invoice front of mind to improve your chances of getting paid.

Ct **CREDIT CIRCLES** These allow you to share and access creditor trends with fellow companies to discover the creditworthiness of your customers.

COLLECTION TACTICS

In **LATE PAYMENT INTEREST**
Businesses have the legal right to charge their customers interest to cover the costs of debt collection.

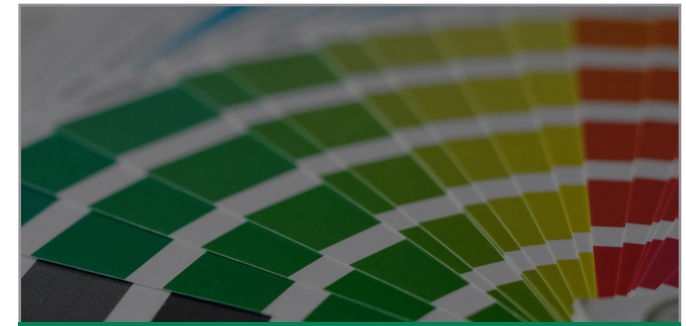
Lba **LETTER BEFORE ACTION** If a customer avoids paying, informing them you intend to take legal action can encourage them to pay faster.

Ccj **COUNTY COURT JUDGMENT** A CCJ orders a customer to settle a debt, all the relevant costs and interest within a certain time frame.

Dra **DEBT RECOVERY AGENCY**
Outsourcing overdue invoices to a collections agency will bring added expertise to the recovery process.

M **MEDIATION** Polite and professional mediation offers the greatest chance of resolving late payment situations whilst preserving customer relations.

E **ENFORCEMENT** Once you have a CCJ, you have the right to enforce it. Your options include Warrant of Control and Writ of Control.



PROFESSIONAL, EXPERIENCED & PROVEN

Get paid sooner with a debt collection agency you can **rely on**



Commercial Debt Recovery



Credit Control



Receivables Management

Hilton-Baird
Collection Services

0800 9774848 | collections@hiltonbaird.co.uk

For more helpful tips and guides on how to improve cash flow please visit

www.hiltonbairdcollections.co.uk