

5 money management resolutions to keep your business firing on all cylinders in 2018

Every year without fail, we set resolutions to better our personal lives such as eating healthier or joining a gym. Unfortunately, only 9% of those who set a goal will achieve their target¹. This makes it much more important to also evaluate the changes you can make to improve your business and most importantly, make them stick. Setting a goal yearly will show how your business has changed and motivate you to strive forward writes accountant **John Corias**.

1. Learn strategies to sharpen up cash flow

Cash flow is the core essence of any small business with 41% of Australian small businesses failing due to poor cash-flow management². Avoid becoming one of the statistics and get on top of your business finances now. Simply put, you have a cash flow problem if your outgoings are more than your incomings. If your business structure allows it, a great way to alleviate cash flow headaches is to take payment via credit card or direct debit. This puts you in control of getting paid on time and allows for more cash into your account more often.

2. Don't stick your head in the sand

Many small businesses find it hard to keep on top of both current and future tax obligations. Don't just stick your head in the sand, it's important to keep yourself up to date with the constant changes in tax laws and regulations. If you don't understand something, educate yourself. If that's proving costly time-wise, take up the services of an accountant as soon as you can. The longer you wait before seeking help, the more you might end up having to back pay in tax. This is a cash flow stress your business can avoid. Another way to keep an eye out for these things is to invest in a good piece of accounting

software (i.e. Xero) that integrates with your business - smarter technology can ease the pressure.

3. Review growth, revenue and sales goals

It's essential to take some time and reflect on your past year and assess your business's growth, revenue and sales goals. How do they compare to last year? Was there anything about your spending last year that raises any red flags? This can help you understand how your business has evolved from the previous year. The bottom line is crucial for any business to stay profitable. If your business has had no significant growth, try to figure out why.

4. If you're not happy with your accountant, take charge and search for a new one

You might be looking for an accountant to keep on top of business tax payments or looking to switch due to an unsatisfactory current accountant. Either way, there are ways to ease into the transition so it won't be such a challenge. Make sure you are communicating with your current accountant for a smooth handover and any outstanding work will be performed by the new accountant. Do sufficient research whether it's through referrals from your contacts, internet searches or advertising. Prepare your objectives

and reasons for looking for a new accountant before you meet with them so you can ensure they are providing the exact services you require. Take as much documentation with you as possible relating to your accounts, as this will help your new accountant and also give you an idea of the time and cost involved in fixing up the accounts. Lastly, ensure they are a registered tax agent and not prohibited by law from providing the promised services.

5. Learn to say 'no'

Small business owners are constantly on the lookout for new clients, partnerships and opportunities to increase growth. Take a step back in 2018 and try to understand that it's not the best for your business to constantly say "yes" to every opportunity that arises. The real lesson here is to be selective with your decisions and make sure they align with your long term goals. **BFM**

John Corias, Senior Partner of small business accounting firm m.a.s accountants, shares his top five money management resolutions to keep your business heading in the right direction in 2018.

¹<http://www.heraldsun.com.au/moneysaverhq/eight-ways-to-get-ahead-financially-in-2018/nezws-story/ea25a358a88129f7ec3e6dba3ce8d7ab>
²<https://www.cashflow-manager.com.au/is-poor-cash-flow-the-reason-so-many-australian-small-businesses-are-failing/>

