



Welcome to another edition of the Stone Consulting Newsletter.

Stone Consulting, a multi award winning business (2005-2009), has a team of 12 staff who are dedicated to providing professional, quality, friendly and timely services. With over 200 clients, we have knowledge in almost every industry, but with particular expertise in Building & Construction and Medical & Franchises. The founder, Donna Stone has been bookkeeping over 25 years; a MYOB consultant (now Certified) for 15 years and has an Advanced Diploma in Accounting, a Cert IV in Workplace Trainer & Assessor as well as professional memberships.

Keep that Cash Flowing - by Donna Stone

Well, the word now is not that “cash is king” but that now “cash is the whole royal family!”. Cash is crucial to keeping any business running; your cash tightens up and you may as well have severed your carotid artery. So, here are **10** really practical and down to earth tips for businesses to keep their cash flowing.

1. Invoice immediately or frequently. If you do larger projects, be sure to invoice in instalments (progress claims) but otherwise invoice immediately after the job, or at least weekly. You need to invoice to get paid.
2. Make it easy for a client to pay. Include your bank details on the invoice and have various options for payment, ie direct, Bpay, Credit Card or cheque.
3. Debt collect every week. Yep – weekly! Have a system, a schedule and keep notes. When someone makes a promise but fails to fulfil, follow up as you should have noted all promises and when they were made. Remember the adage “the squeaky wheel gets the grease”. Squeak heaps and get those payments in quicker. It’s a statistical fact that the longer you let an account go unpaid, the more likelihood of you not being paid – at all.
4. Know your margins and your cycles. And of course, keep your bookkeeping up to date. A sale may mean income (in the books) but reality is that it’s when the client pays that’s critical. If your average collection days are say 70 and you are buying lots of stock, which has to be paid in 30 days, you are carrying a lot. Try to close the gap. If you can buy on credit, 30 days from end of month, buy early in the month, so you essentially get up to 60 days. Cut the debtors from 70 to 50 days and you’ll be ahead.
5. Keep stock purchases to a minimum – don’t carry any more stock than necessary. Of course you have to have stock to keep the business going, but know what moves and what does not. For example, I am a MYOB software re-seller. Some levels sell heaps and I stock these, but other levels (the very high levels) move slowly so I only order these in on a needs-only basis.
6. Have client/customer agreements and be sure to cover aspects such as interest or fees you charge on late payment – remember you are not a free bank for your customers; if you owe the ATO money, they have a GIC (General Interest Charge), why shouldn’t you?
7. Get customers/clients to pay deposits on work – especially if you have stock. It’s quite common for high stock items (such as cabinet makers) to ask for a 30% deposit.
8. Don’t release work till you are paid. Many service orientated businesses, will not release work (ie Accountants with clients tax returns) until they are paid, or at least the old account is settled.
9. If you have a client who has a bad history of payment or looks to be going bankrupt, then definitely work on a pre-payment system. With a bad history, it’s very fair to ask for prepayment in order to keep doing their work.
10. Consider “sacking” the “D” grade clients. If they are hard work, always unjustly complain and then don’t pay – you don’t want them. Honestly. Move them out to make room for a new “A” grade client.

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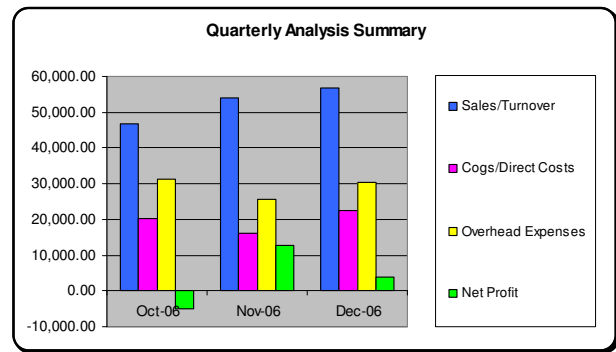
Can you afford to not know how your business is performing?

If you answered 'no' to the above question then perhaps our Management Report is what you need.

We offer clients an insight on how your business is performing from a financial perspective on a quarterly or monthly basis to help you really know if you're achieving the goals you want.

The Management Report is broken into two sections:

1. Your financial reports (Profit & Loss, Balance Sheet etc), figures and graphs
2. Donna's analysis on how your business is performing and tips on how you can improve.



In the analysis and graphs we compare how you performed this year to the prior year to show if you're actually improving or digging yourself into a hole.

FREE OFFER: For the first three (3) clients that sign up for Quarterly Management Reports we will give you your first report absolutely FREE.

For further information or to sign up to receive Management Reports just contact Donna by email or phone.

Estate Planning – Guest Writer Paul O’Keeffe – CBD Profit Solutions Pty Ltd

Relatively few people dwell on their own mortality, but most wish to leave their affairs in order, and have their possessions distributed according to their wishes. Most of us do this by making a Will directing who is to receive which assets from our estate and on what terms after our deaths. However, many people fail to realize that a number of our major assets are not likely to pass under a Will.

An asset owned in joint tenancy cannot be dealt with under a Will. For most of us, this will include our family home, furnishings etc, and motor car. On the death of an owner of a jointly held asset, the principle of survivorship applies with all interests in the asset vesting in the surviving joint tenant.

Superannuation entitlements do not necessarily form part of a deceased estate. The trustee of a superannuation fund has a legal right to deal with someone's superannuation entitlement at the trustee's own discretion, depending on the terms of the trust deed of the fund and the existence of any nomination of beneficiary made by the member.

But even when assets do form part of our estate governed by our Wills, care is needed in the drafting so that assets pass as desired. An example would be a married couple where both spouses have been married before and each has children from those previous relationships. If they both die at the same time (e.g. a car crash), the older partner is deemed to have passed first. Thus his/her assets (not subject to the Will) pass to the other, and then are dealt with according to the younger partner's Will. Thus it is possible that the child/children of the older partner may receive none of their parent's estate.

All in all, a good reason to seek professional help and guidance when dealing with all aspects of Estate Planning.

Paul or any of the team at CBD Profit Solutions Pty Ltd can be contacted on 3390 3663.



Got a Facebook Addiction? Try the FB diet – Part 2 – by Barbara Coleman

On a daily basis, highly intelligent adults find themselves wasting valuable time glued to their computer, accepting friend requests, instant messaging, updating status, checking out photos, commenting on things they usually wouldn't spend time on. So are you a Facebook addict?

Here are the remaining 7 of 12 top strategies as promised in our previous issue:

Turn off sounds and online status - Change your settings to remove all bells, whistles and chimes when messages come into your FB page. Also change your online status if you don't want people instant messaging you when they can see you are online.

Clear your inbox regularly - Just like you read your email inbox daily, clear your FB inbox too.

Make friend suggestions - If you see someone new to FB or you connect with someone new, take a few minutes to make friend suggestions to help them expand their FB friends list too.

Comment on status updates - Encourage and support other users, their posts and share them with your groups.

Create groups - Allocate friends to groups and categories to target your communications and resource sharing.

Announce good news - When you win awards, gain new clients, make presentations, release new books or whatever is great news for you and your business, share it in your status updates.

Post surveys - If you are doing a survey use FB as a tool.

Facebook is a great, fun tool for personal and professional use. It may be initially addictive but you can put yourself on an FB diet and boost your productivity today.

Reference: www.womensnetwork.com.au **Author:** Neen James

Tip – Emailing and Faxing Invoices

If you always intend to send a particular customer's invoice by email, then save yourself time by going to the selling details tab of their customer card and selecting either to be emailed or to be printed and emailed in the invoice delivery field. Similarly, if a customer doesn't want to receive invoices by email, go to the selling details tab of their customer card and select to be printed in the invoice delivery field.

Introduction – Rachael Maunder

My names Rachael and I've recently been employed at Stone Consulting as an Office Administrator. Currently I'm a year 12 student studying Maths, English, Japanese, Physical Education (P.E.), Biology and Multi-strand science. My favourite is P.E. as we can choose our own sport which is a bonus. I love gymnastics and sailing and I represent my school in sailing competitions on Sunday mornings. After school I hope to go to university or TAFE to study either physiotherapy or occupational therapy.



Introduction – Michelle Wright

My name is Michelle Wright and I have recently been appointed the position of senior bookkeeper with Stone Consulting. I am proud to be part of the Stone Consulting team and am very much looking forward to being part of such a talented and professional group of people.

I personally have been involved within the finance and bookkeeping industry for over 10 years and really enjoy the challenges that come with the job. I have successfully completed my Certificate III in Financial Services and am working towards the completion of my Diploma in Accounting.

I look forward to meeting all my new clients and of course maintaining the impressively high standard of customer service that comes with Stone Consulting!

If you have any issues or questions which you would like answered in the upcoming newsletter; please email your question to Donna directly. Should you need any assistance with this; or any of the above matters – feel free to contact us:

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Cheers

Stone Consulting... We do books – so you can do business!