



BUSINESS ADVISORS & INSOLVENCY SPECIALISTS

Simple Rules for Small & Medium Enterprises

Pattisons is a boutique accounting practice specialising in personal and corporate insolvency and in undertaking these engagements we too often see business enterprises experiencing financial difficulty which may have been avoided for the want of employing the following 5 simple rules.

Keep it Simple:

In business, dealings can be as complex or as simple as we make them. By keeping these dealings simple and sticking to the basic principles this enables the business proprietor to focus on the key objectives and not be unnecessarily distracted.

Do what you are best at:

In keeping with the above, the business operations should be a reflection of what the business proprietor is best skilled at. Too often we see the business operation being conducted outside the area of expertise of the proprietor with disastrous consequences. Don't stray too far from what you do best and don't be afraid to request assistance.

Cash is King:

A simple concept and again too frequently a concept that is overlooked of in the quest for expansion or increased wealth. At the end of the day profits count for little if the entire investment is lost. Remember that in making profit distributions and in any business dealing, cash is what counts!

Avoid Surprises:

Always assess the risks of any business transactions and always reserve funds to meet commitments as they arise. How often have we heard the story of "I didn't know" or "The money just is not available". The typical example here is the requirement to pay the quarterly PAYG & GST. Being aware of the commitment and reserving the funds avoids the surprises.

Beware of the Fog:

Always be alert to leading indicators of your business activity. Sustained periods of success can lead to complacency but with an awareness of projected levels of activity the business proprietor can plan accordingly. Economic cycles are a reality and being lost in the "Fog" and not aware of outside impacts may have undesirable consequences.

Applying the above simple rules may not provide the absolute solution but generally their application will provide a key plan for success; if you are unsure of the process or potential exposure seek appropriate advice.

At Pattisons our team of specialists are able to assist with the identification of key strategies and steps for implementation when a business experiences difficulty.

Pattison Consulting Pty Ltd
AEN 24 434 194 066
ACN 079 638 501

• Level 14, 461 Bourke Street
Melbourne Victoria 3000
Telephone 9600 4611
Fax 9602 5007
DX 562 Melbourne

• Level 6, 329 Thomas Street
Dandenong Victoria 3175
Telephone 9792 5611
Fax 9792 5822
DX 17527 Dandenong

• Level 2, 83 Moorabool Street
Geelong Victoria 3220
Telephone 5222 7422
Fax 5222 5822
DX 22028 Geelong

• www.pattisons.com.au
• pattisons@pattisons.com.au

INTERSTATE OFFICES

- Sydney
- Brisbane