

# Tax Survival Tips For The Credit Crunch - How To Ensure your Business Stays Buoyant - Tax Advice

If the credit crunch is affecting you and your business or you think it will, then the following tips may come in handy.

The quick wins that any business can focus upon has to be cashflow. As [accountants](#) we won't advise you on sales, we leave that to the sales and marketing experts, but we can help you look at the incoming and outgoing of money for your business.

There are a few elements to look at where cashflow is concerned:

**Credit Control** - If your customers are not paying you for the services or products you have provided them with then it's time to call in these outstanding payments. If you feel that the time period agreed has been exceeded and you have given them fair warning then it may be prudent to consider using a debt recovery service to give them a nudge in the right direction. Most cases are usually resolved quickly with a letter alerting the customer to this outstanding payment.

**Invoicing** - Make sure you send your invoices out on time. Poor organisation here can really affect your cashflow. One way to increase cashflow and make your pricing more attractive is to offer payment by monthly Direct Debit.

**Factoring or Invoice discounting** - Invoice discounting can be a way of drawing money against your invoices. Your business will still remain in control over the administration of your sales ledger but it could provide a cost-effective way for you to improve your cashflow. Alternatively, a factoring package could provide you with the working capital and positive cash flow you need for your business to flourish.



**Credit Review** - Could you be on better credit terms with your suppliers? Adjustments here could help ease the cashflow should you be able to increase payment times with your suppliers, especially if you have a long standing relationship.

The next areas to look at would be cost cutting. It's always important to ensure you are receiving the best value for money on the services you need as a small business.

Lets look at the costs that are necessary to your business but could do with a review:

**Insurance** - Most businesses need some form of insurance and it's important you are getting the best deal. Significant savings can be made during these periods when companies are discounting their products and services.

**Vehicle Leasing** - Do you own your own business vehicle? Leasing a vehicle could make good business sense in the long term and there are some great deals to be had in the marketplace. If you already lease your business vehicle then make sure you have the best deal available. Some savings could be made here.

**Other forms of leasing** - If your business needs or has a great deal of machinery or equipment of some sort then leasing may be another important business move. We work with some companies to offer this service to clients and has helped many businesses progress to the next stage of their growth.

We can help you with all of the areas mentioned in this article and more. If we don't offer the service directly then we have put in place a range companies that can certainly help you survive and grow.