

Welcome to

Aubrey Paton & Associates



Certified Practising Accountants
Business & Taxation Consultants

Proactive Debt Management

The Brief No. 14, 2009. Viewpoint Financial Services

Last week I was at two separate meetings with two large national accounting firms whom we assist in finance. Needless to say that their insolvency divisions were in overdrive.

In both meetings there was a common theme for clients who were in trouble was that they had not managed their debt well, and in many cases by the time they had approached their advisors for assistance it was too late.

Businesses need to think about their debt and actively and proactively begin steps to manage it. It would stand to reason, that like any business plan a strategy or debt plan would be very useful.

Many businesses do not know what's available to them, and even more alarming is that businesses do not know how productive some debt can be.

Debt that is manageable preserves cash and assists in growth can still be obtained. Working Capital is still available, trade and debtor facilities are plentiful and equipment leasing is still very much an effective cash management and preservation tool.

By getting the facilities in place, even if you do not think you will need them provides, options and choices that a business without these facilities will not have in times of difficulty.