

Cash in, cash out

Strong operating cash flow is essential to good business performance

According to the Singapore Business Federation's SME Committee Recommendations for Budget 2013 report, 71 per cent of small and medium enterprises (SMEs) in Singapore face cash flow problems. With business costs on the rise, especially in the areas of manpower and industrial rents, business owners should examine their cash flow for weak spots. Businesses can look to UOB Business Banking for the various deposit and financing solutions to help manage cash flow. **PRODUCED BY THE TODAY SPECIAL PROJECTS TEAM**



Do you have sufficient cash to operate efficiently? Paying your suppliers early and servicing your loan on time can help you save cost and improve your bottomline.

How easy is it for you to obtain financing for your working capital? SME owners should maintain a good corporate and personal credit history.



How efficient is your inventory management? Inventory can tie up your cash for unexpectedly long periods of time.

SMEs need to evaluate the various collection and payment modes available.



If you need immediate cash for your business



If you need short-term credit for day-to-day business expenses



If you need to manage transactions with ease



If you need financing for an international trade deal



If you need to

- move into a bigger warehouse
- expand a delivery lorry fleet
- increase machinery lines



That's Innovative: A Cash Study

Mr Adrian Ang, director of That's Innovative, shares how he manages his company's cash flow.



Q. Tell us about your company.
Established in Singapore in 2004, we are a one-stop event organiser. We have eight full-time employees and five contract employees. Our turnover last year was approximately S\$1.6 million.

Q. How do clients pay you?
We are a cash business. We take a 50-per-cent downpayment, with the remaining amount paid on the day of the event. Our customers mostly pay by telegraphic transfers or cheques. I'm considering a mobile point-of-sale solution so I can collect on-the-spot payment at events via credit or debit cards.

Q. How do you manage your cash flow?
Through UOB Business Internet Banking. This platform is cost-effective as it offers lower charges for transactions and gives me the flexibility to track the outgoing and outstanding payments any time.

Q. Any tips on managing cash flow?
Plan your payments and collections monthly to prevent hiccups in day-to-day operations. Manage your accounts online and evaluate your needs to find the right account for your business.