

Unlocking cash from your balance sheet

Five top tips to help improve your cashflow during the coronavirus pandemic

The uncertainty of the current situation surrounding coronavirus (COVID-19) is affecting businesses in a number of different ways. With a significant liquidity squeeze a very real prospect for businesses across many sectors of the economy, there are steps you can take now to bolster your balance sheets and protect your cashflow:



1. Plan ahead

The situation is evolving rapidly so

it's important that you continue to have a good idea of where you stand amid all of the uncertainty. Keep updating your cashflow forecast and pay particularly close attention to your list of debtors.



2. Keep in touch

Stay in contact with your debtors to find

out how they're getting on and to anticipate any potential problems. And remember that the old adage of 'a stitch in time saving nine' is particularly relevant when it comes to debtors, as a tricky conversation early on can prevent a potential issue from snowballing.



3. Be firm

Make sure that you're very clear in your

conversations with debtors. If you've delivered on your side of the contract, the default position remains that you should be paid – and paid on time. Cash is king in the current economic climate, so try to resist the temptation of writing off (or waiting for) what you're owed.



4. Be fair

The reality is that many businesses are

going to face pressures on their cashflows over the coming weeks. So consider introducing some flexibility when dealing with some of your most trusted clients, and you may be able to agree an alternative repayment schedule with some of your debtors.



5. And if you're not getting anywhere...

If you feel that you can't come to an agreement with a debtor, it may be time for expert advice. This is exactly why we created Escalate. If you suffer a financial loss because of late or non-payment, don't automatically assume the costs of recovery outweigh the benefits.



Escalate is already helping SMEs to recover £100 million that would have previously been written off, with a simple sign-up process, no up-front costs and a fee only payable if we get you your money back.

For more information, please contact Stephen Rose MCICM on 0207 039 1961 or stephen.rose@escalatedisputes.co.uk