Increasing Your Cash Flow

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Increasing Your Cash Flow
The Latest Trends in 2015

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True/False: Russian is one of the top 5 most spoken languages in the world.

True

1. Mandarin – 1 Billion
2. English – 508 million
3. Hindustani – 497 million
4. Spanish – 392 million
5. Russian – 277 million
True/False: The Philadelphia Phillies have the 2nd most World Series wins in MLB history.

- 1 - Yankees – 27 wins
- 2 - Cardinals -11 wins
- 3 – Athletics – 9 wins
- 4 – Red Sox – 7 wins
- 5 – Dodgers – 7 wins

False

True/False: The Apollo 11 crew were required to fill out customs forms when they returned from the moon.

TRUE
True/false: You have no money. But for some reason you still owe taxes.

TRUE
Be Smarter About Your Financials

- General Ledger
- Flash Report
- Rolling Forecast
- External Financials

True/False: “Reading” your general ledger is a good way to find out where your money is going.

TRUE
True/False: An audit costs less than a compilation.

False
Ways To Increase Your Cash Flow

1. Be Smarter About Your Financials
2. Pay Attention To Your Taxes

Have Dinner With Your Accountant
2013

- Social Security Tax back to 6.2%
- Individual Medicare taxes rise from 1.45% to 2.35% for ‘high income’ people
- Additional 2.9% Tax on unearned income begins for ‘high income’ people
- Capital gains tax increases from 15% to 20%
- Dividends tax increases from 15% to 20%
- Itemized deduction ceiling rises from 7.5% to 10%
- Flexible spending accounts limited to $2,500 withdrawals
For Reference of NECA Now 2015
Attendees Only

April 15, 2015

Taxes Are Increasing in 2015

55 tax breaks expired on 12/31/14

Alternative energy credit: Gone!

Sec 179 accelerated depreciation: Reduced!

R&D tax credit: Gone!

$4,000 tuition/education: Gone!

So What’s Your Best 2015 Tax Strategy?
So What’s Your Best 2015 Tax Strategy?

- Tax Exempt Investments
- Section 179
- $5,250 tax free education benefits to employees
- 529 Plans
- Revisit Your IRA/401K
- Write off AR and Inventory
- Watch DC: Cap Gains and Estate Taxes
True/False: Taxes may be going up in 2015

TRUE

True/False: Income generated from assets in a 529 plan are not taxable.

TRUE
True/False: According to a 2006 study from the British Medical Journal, sword swallowers run a higher risk of injury when they are distracted.

TRUE

The national dish of England, Shepard's Pie, used to contain real shepherds due to a scribing error in a royal decree.

TRUE
True/False: Gene Marks’ latest book went to #1 on Amazon.

FALSE
True/False: Gene Marks’ monthly newsletter has more than 1 million subscribers.

FALSE

www.genemarks.com

Ways To Increase Your Cash Flow

1. Be Smarter About Your Financials
2. Pay Attention To Your Taxes
3. Be Smart About Your Receivables and Payables
Receivables Management

- Enforce strict credit in your accounting system
- Take a deposit up front
- Take a credit card
- Confirm that invoice is in the system
- Schedule reminders in your CRM system
- Focus on the slow payers

Receivables Management

- Send out reminders one week before
- Call the day it's due to confirm
- Stop shipping or providing service
- Second time around...be smarter
- Outsource
- Watch your quick ratio
Payables

- Use online banking
- Pay 2x per month
- Pay on time or early
- Get audited – utilities, insurance, tech, shipping

Leverage Technology

- Square/Paypal: Quicker payment, financing options.
- FundBox: Cash advances real time based on your accounting system invoices.
- Taulia: Used by large companies to pay small suppliers bills faster.
### Leverage Technology

- **EchoSign or DocuSign**
  - Speeds up the sales/collection process
- **KnowledgeSync**
  - Alerting Software
- **Funding Gates**
  - Outsourced AR Management
- **Bill.com**
  - Automated Clearing House payments – fast and cheap.
- **Expensify/Concur**
  - Expense management...

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**True/False:** A quick ratio tells you how many times your inventory turns over in a month.

**False**
True/False: Paying your bills on-time hurts your cash flow in the long run.

False

True/False: A “Saddam Hussein” is a golf term for moving from bunker to bunker.

TRUE
Ways To Increase Your Cash Flow

1. Be Smarter About Your Financials
2. Pay Attention To Your Taxes
3. Be Smart About Your Receivables and Payables
4. Implement Stronger Controls

Implement Internal Controls

- Vacations and Segregate Duties
- Check Runs and Security
- Bank Reconciliations
- Enforce Purchasing Approval Levels
- Control Your Inventory
  - Locks/Security/Online Alerts
  - Written Policies
  - Physical/Cycle Counts
- ControlByNet
- Smartvue
- ivideon
True/False: All of your employees must be required to take annual vacations.

TRUE

True/False: Bank reconciliations should be done by your bookkeeper.

FALSE
True/False: Jane Jetson was a teen mom.

**TRUE!**

She’s 32!  
She’s 16!

True/False: Gwyneth Paltrow works harder than most 9-5 working moms.

**True**
Ways To Increase Your Cash Flow

1. Be Smarter About Your Financials
2. Pay attention to your taxes
3. Receivables and payables
4. Implement stronger controls
5. Consider new sources of capital

New Sources Of Capital

CrowdFunding  
Kickstarter, Indiegogo

MicroLenders  
Can Capital, Kabbage, OnDeck

Peer to Peer  
OnDeck, Prosper, LendingClub
Consider Alternative Financing: Getting Grants

- Federal
  - Small Business Administration
  - Grants.gov
  - CFDA.gov – Catalog of Fed Domestic Assistance

- State
  - Business.usa.gov/stateandlocal

Private Company Grants/Loans

- American Small Biz Championship
- SCORE/SAM's Club
- $1,000 prizes

- FedEx Think Bigger
- $25,000 grand prize

- Tap The Future
- Miller Beer
- $300,000 prize pool

- Mission Main Street
- Chase Bank
- $150,000 prizes
Private Company Grants/Loans

Love Our Local Business
Intuit
$5,000 prize

Brewing The American Dream
Sam Adams
$3 million+ given so far

ADP
Small Business Grants
$10,000

True/False: Proposed new crowdfunding legislation this year will have no impact on your business.

FALSE
True/False: Many large companies offer grants/contests to help small businesses get capital.

TRUE

True/False: This is ASHLEY.

FALSE. It’s Mary-Kate
True/False: It is a scientific FACT that when you smell something, it’s because molecules from that object are actually sticking to the inside of your nose.

True
Ways To Increase Your Cash Flow

1. Be Smarter About Your Financials
2. Pay attention to your taxes
3. Receivables and payables
4. Implement stronger controls
5. Consider new sources of capital

True/False: You are much smarter than you were 90 minutes ago.

TRUE!
Questions

Up Next: Lunch in Biscayne and Chopin

Plenary Session at 1:45 in Versailles

Havana Nights Desert Party and Casino at 8:00 PM on the Pool Deck