

The Good Times Keep Rolling



Australia has now entered the record books for having the longest period of sustained economic growth in the western world, since World War 2.

Because we have lived with this for so long, it has simply become a backdrop to our lives and we assume that it will continue.

Our view is that it will continue and our recent survey of our 55,000 SME client base across Australia confirms that over 50% of SMEs are now planning for growth and expansion.

However, the same survey also showed that collecting money from other businesses and from householders has got harder. This is a concern because it indicates that businesses and

householders have very low financial buffers. If there is an external economic shock, this will then have a severe impact on the economy.

CASHFLOW is intended to provide you with simple, easy to understanding tips to improve the cash flow of your business. Read it and pass it on to a colleague.

GRAB YOUR DEBTOR'S HOUSE

If your debtor has equity in real estate, even if it is a joint interest and subject to a mortgage, your chances of recovering your money are good.

Before granting credit, try to establish whether or not your customer is a home owner at that stage.

To ultimately get control of the property, you must firstly sue and get a judgment. If the judgment debt is for over \$5,000.00, we recommend that you then proceed directly to bankruptcy action. Invariably, this will put sufficient pressure on the debtor to result in payment.

Otherwise, the processes vary from state to state. There are effective processes in all states, except New South Wales and Queensland.

Taking Victoria as an example, the process leads to a sale by the sheriff of the debtor's interest in the property. It is rare for this stage to be reached because most debtors will be able to find the money in order to keep their house.

In Tasmania and South Australia, a caveat can be lodged on the debtor's title after taking out judgment.



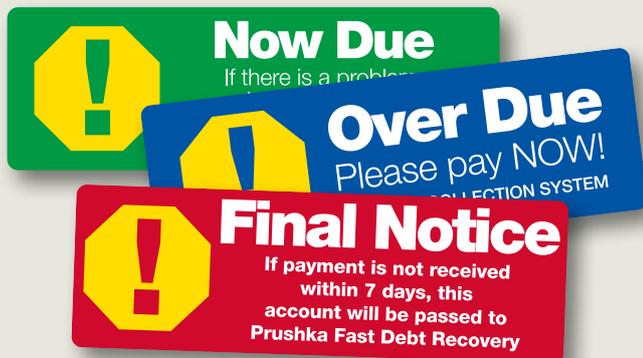
Prushka collection stickers work because of the power of the Prushka name.

Affix them to your invoice, first statement and final demand... and watch the money come in.

Save 20%

Order 2 packs of stickers (either mixed or **NOW DUE, OVER DUE OR FINAL NOTICE**) and receive a discount of 20%

Contact the **Client Services Team** on 1800 641 617 or email clientservices@prushka.com.au



EMAIL YOUR STATEMENTS

Post is as dead as a door nail. It is expensive, slow and people aged under about 40 don't even open their mail. Debtors may move, but they will keep their email address and mobile number.

The lesson is clear.

When setting up a new account, always get the debtor's email address and mobile phone number.



DON'T WANT TO PAY COMMISSION?

If you believe that your debtor will pay if he receives pressure, send a **Mendelsons Legal Demand Letter**.

No need to go and visit a lawyer.

Just call the Prushka Client Services Team on 1800 641 617 and you will be put straight through to a lawyer from Mendelsons National Debt Collection Lawyers. The lawyer will obtain information from you and will then send a demand letter to your debtor and a copy to you.

Success rate from use of legal demand letters is very high and you pay **NO COMMISSION** if it results in payment.



ENFORCE THOSE OLD JUDGMENTS.

If you have taken out a judgment which remains unenforced, find out about **Mendelsons Lawyers Fixed Price Fully Inclusive legal enforcements**.

Enforcements include garnishee of wages, bankruptcy, potential wind-up of companies and possible sale of the debtor's real estate.

Judgments have an enforceable life of between 10 and 15 years (depending on the state) and interest accrues over that period.

Call our Client Services Team on 1800 641 617 to find out how we can help you turn your judgment into cash.



BUSINESS TRADING TERMS

Every well run business will have trading terms which specify the conditions on which it does business.

Some terms are required in order to comply with ACCC requirements whilst others just make good business sense, such as reducing the risk of being sued and providing that defaulting customers are liable for all debt collect costs.

Many law firms will charge thousands of dollars to prepare business trading terms.

Mendelsons National Debt Collection Lawyers will provide tailor made business trading terms for your business for the fixed fee of \$1,320.00 (inc gst).

Contact our Client Services Team on 1800 641 617 or email clientservices@prushka.com.au to find out more.

OWED MONEY BY A COMPANY WHICH CAN PAY YOU BUT JUST IGNORES YOU?

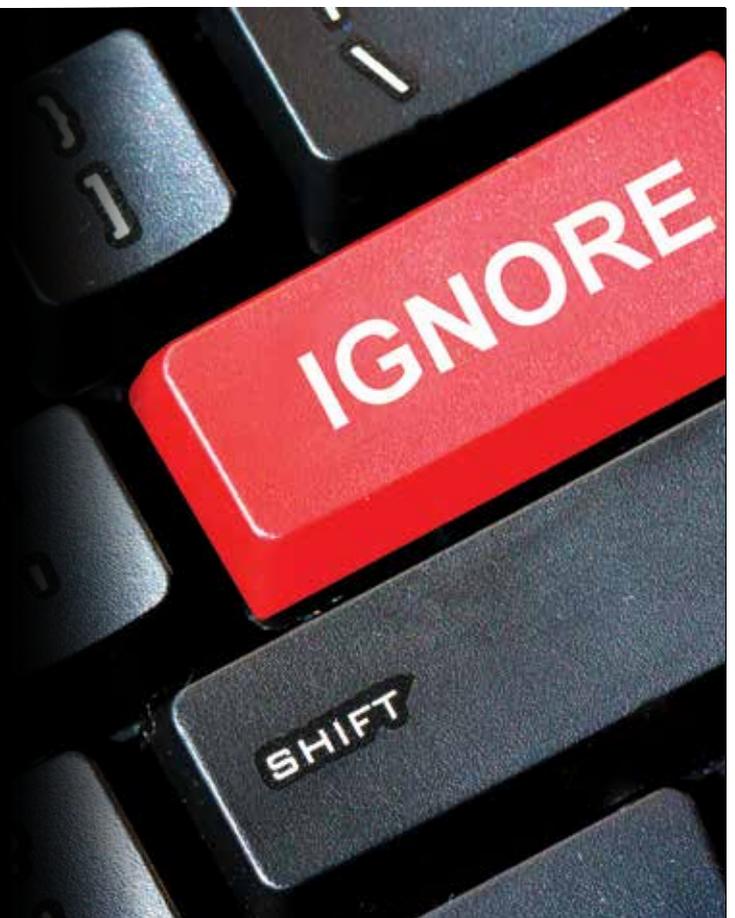
If you are owed more than \$2,000.00 by a company and the debt is undisputed, you can issue a Statutory Demand. This is a quick and easy process and you do not need to take out a judgment first.

Upon service of the demand, the company has 21 days to pay it. If it fails to pay, it is then deemed to be insolvent and you can then proceed directly to wind-up action.

This puts huge pressure on the company – which is why the success rate is so high.

If you have a larger debt, go straight to Mendelsons National Debt Collection Lawyers and get them to issue a Statutory Demand. Fixed Price Fully Inclusive cost is \$1,087.00 (inc gst).

There is no commission payable if you go directly to Mendelsons National Debt Collection Lawyers.



Simple, effective tips which are guaranteed to improve your **CASHFLOW!**

ALWAYS GET ON THE PHONE

We are in an era of emails and SMSs. However when collecting money, nothing beats getting on the phone. Debtors can ignore SMSs, letters and emails but they can't ignore your call.

Your first question to the overdue debtor should always be: "Is there any reason why this account is unpaid?"

NEVER WRITE-OFF SMALL DEBTS

Prushka collect debts from as low as \$50.00 so never write them off. Send them to Prushka because all you pay is commission on monies recovered.

COMPETE BY PROVIDING CREDIT, NOT BY BEING THE CHEAPEST

If your aim is to win business by being the cheapest, you will ultimately go broke because there will always be others to undercut you.

Win business by providing your business customers with credit. As long as you have good credit checking systems and debt collection processes in place, you will lose very little from bad debts and gain a great deal more business.

DIG OUT OLD DEBTS

Prushka collect debts up to 5 years old, even if you have written them off in your accounts. Dig them out and send them to us. You can only gain...because our service is NO RECOVERY – NO CHARGE.

PRUSHKA
FAST DEBT RECOVERY
NO RECOVERY – NO CHARGE

**Commission rates from as low as 11%... And that is all you pay.
Offices across Australia.**

Free call 1800 641 617 or email info@prushka.com.au