

Caught the economic downturn? Time for business health check

The key to operating a successful business and making money in an economic downturn or recession is to know where your business performs well and where it can improve.

The `signs' of a healthy business are sustainable profits and strong trading cash flows whereas the `symptoms' of a business underperforming and at risk of being `infected' by a recession or downturn include declining sales with high fixed costs.

People who care about their health visit an expert - their Doctor. Business owners who care about their business should similarly visit an expert - their Accountant and/or Financial Adviser to complete a **business health check**.

Prevention is better than cure!

To ensure your business remains healthy and continues to prosper in these uncertain times you should undertake a business health check. A visit with an Accounting North business specialist can protect your business from the full effects of a recession and better prepare you for recovery. Accounting North has access to online valuation technology that includes a *Value Driver and Risk Assessment Questionnaire*.

The **Questionnaire** acts like a health check and grades your business in terms of it's risk and **pin points** opportunities for value improvement; **the cure!**

Below is a sample of the many topics covered in the **Questionnaire**.

| How healthy is your business? | Your Score | |
|--|------------|--------|
| | 1 Poor | 5 Good |
| 1. Have you segmented your customer sales to identify profitable products / service lines and customer risk? | | |
| 2. Do you use benchmarking to identify your business' strengths and weaknesses? | | |
| 3. Does your debtor's policy include discounts for early payment and personal guarantees for large customer accounts? | | |
| 4. Does your approach to managing staff include capping salary increases and paying incentives for above budget performance? | | |
| 5. Do you have systems and procedures in place to reduce the business' reliance on you? | | |
| 6. Do your business protection strategies include adequate risk insurance in case of an unforeseen triggering event? | | |

To ensure your business thrives, not just survives book in for a **business health check** or ask one of our Business specialists to provide you with a copy of the '**Value Driver and Risk Assessment' Questionnaire**.