



RISK AND ASSET
MANAGEMENT

BENTLEY FINANCIAL

Small Business Financial Focus

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Ten Rules Of Cash Flow

Cash flow is the lifeblood of all businesses. Learn the Cash Flow 101 Rules to free yourself from money worries. Use the basic rules to help you take control of your cash flow so you can create the business you have always dreamed of.



1. **Never Run Out of Cash.** Running out of cash is the definition of failure in business. Make the commitment to do what it takes so it doesn't happen to you.
2. **Cash Is King.** It's important to recognize that the basics of cash flow 101 are what keeps your business alive. Manage it with the care and attention it deserves. It's very unforgiving if you don't. Remember, cash is king, because no cash means no business.
3. **Know the Cash Balance Now.** What is your cash balance right now? It's absolutely critical that you know exactly what your cash balance is. Even the most experienced person will fail if they are making business decisions using inaccurate or incomplete cash balances. This is fundamental cash flow 101. That's the reason why business failures are not limited to amateurs or people new to the business world.
4. **Do Today's Work Today.** The key to keeping an accurate cash balance in your accounting system is to do today's work today. When you do this, you will have the numbers you need - when you need them.
5. **Do the Work or Get Someone Else.** Here is a simple rule to follow to make sure you have an accurate cash balance on your books. You do the work or have someone else do it.
6. **Don't Manage From the Bank Balance.** The bank balance and the cash balance are two different forms of cash. Rarely will the two ever be the same. Don't make the mistake of confusing them. It's futile and frustrating to attempt to manage your cash flow using the bank balance. It's a prescription for failure. You reconcile your bank balance. You don't manage from it.
7. **Know Your Six Months Cash Balance.** What do you expect your cash balance to be six months from now? This one question will transform the way you manage your business and help you pass cash flow 101. This question really gets to the heart of whether you are managing your business or whether your business is managing you.
8. **Cash Flow Problems Don't Just Happen.** You would be amazed at the number of small businesses that fail because the owner did not see a cash flow problem in time to do something about it. The key is to always be able to answer the question - what do I expect my cash balance to be six months from now?
9. **Have Cash Flow Projections.** Cash flow projections are the key to making wise and profitable business decisions. They give you the answer to the all-important question from Rule # 7. It's impossible to run your business properly without them.
10. **Take Care of Customers.** Eliminate your cash flow worries so you are free to do what you do best-taking care of clients and making more money. Use these cash flow 101 rules to free yourself from cash flow worries. That way you can focus all your time and talents where you can make the most difference in your business.

No more wasted time worrying about what's going on with your cash flow. Instead, you can focus your unique talents and abilities each day on ways to grow your business and make more income each year.

That is a recipe for success and wealth creation.

Regards, *Steve*

Remember our motto:

Complimentary Advice. Any Time. Just Ask.