Grant Thornton

Prioritising cash flow: calculate your options

Could there be more ways you can preserve cash flow in your organisation? Questions to ask your business.

Tax incentives and recovery

Optimising your R&D investments, tapping into government grants and loans and managing your GST and indirect taxes, like stamp duty, fuel tax credits and payroll tax, can have a significant impact on a company's cash flow – putting cash back into your business.

- **Have you overpaid your GST? Recovering GST can significantly impact your bottom line.** Read more
- **Do you acquire fuel for your business? Fuel tax credits can reduce the marginal cost of fuel.** Read more
- **Could there be a government grant or support package you can access? There are a number COVID-19 government grants and loans too.** Read more
- **Are you accessing all available funding for exporting opportunities? You could be eligible for the Export Market Development Grant.** Read more

Raising funds, reducing costs, optimising processes

If we take anything from the GFC, we know it can take many years, perhaps three to five, before companies are comfortably back at pre-COVID levels. Public equity market raisings saw a four year period before recovery phase and Australian loans to the private sector required 42 months to achieve stability. Therefore, businesses cannot rely on traditional lending alone and must look to alternate avenues for raising funds.

- **Could alternate finance be for you? Corporate transactions in a volatile market.** Read more
- **Could there be significant cash opportunities locked up in working capital?** Read more
- **Have you reviewed your merchant fees and/or sought to optimise your payments processes?** Read more
- **Looking for financial support? Your short to medium term cash flow forecast is critical.** Read more

Alternate employee arrangements

Salaries are typically the highest cost to a business. There may be a temptation when times are hard to look at redundancies as a way to minimise that cost. However, in the long term, this will make it much harder for your business to rebound and should only be used as a last resort. There are other more innovative ways you can manage and optimise your workforce – keeping your talent pool and preparing your business to rebound faster when the time is right. Options to consider include reduced days, additional purchased leave, implementing employee share schemes, even reviewing tax efficiencies for how you mobilise your people.

- **Could employee share schemes help attract and retain your top talent?** Read more
- **Can you increase your employees' take home pay and benefits with fringe benefits tax opportunities?** Read more
- **Could there be more efficiencies in how you mobilise your people?** Read more
- **Have you considered all options for managing your workforce during COVID-19? The top 10 learnings in workforce restructuring.** Listen here

What are some other cash flow options?

These are just an example of the options available to organisations focused on retaining and preserving cash in the business. But there are much more, and what this means for each business is different. Learn more at our cash flow microsite

Exploring all your cash flow options

Cash management is the most critical issue for businesses right now. But what this means for each business is different. Your industry, turnover, employee size – even your operational structure – can trigger your own unique set of incentives to access or levers to pull.

Business lifelines, like JobKeeper and other tax incentives and relief packages, are temporary, targeted and are being progressively phased out. Therefore, businesses need to do the work now to ensure they are prepared for the next stage and can emerge out of a survival mode ready to grow.

We work alongside businesses to ensure all options for preserving and managing cash have been explored.

Get in touch.

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