

Managing Cashflow

by AIB

Cashflow management is the monitoring, surveillance, and active management of the actual money coming in and going out of your business. It's more than what you currently have in the bank, as it also considers the money you are owed by others, any unpaid debts, or scheduled payments you may have.

Additionally, it involves taking actions to maintain the financial health of your business, both now and in the future.

Cashflow management is important all year round, but at this time of the year with annual tax filing deadlines in mind, cash flow management is critical to all businesses. This can be a busy and potentially stressful time for many business owners, however effective financial forecasting, cash flow management, and early tax planning can help reduce and relieve the stress.

By managing cashflow effectively, you will be able to keep your business secure and profitable, while providing the opportunity to forecast investment opportunities, establish company spending and build up an emergency cash fund. Being prepared for all scenarios that may occur throughout the year for your business is vital.

AIB's Cashflow Solution for your Business: PromptPay Finance

Paying significant annual bills requires planning, and AIB's cash flow solution, PromptPay supports your company to conserve cash for expected and unexpected expenses. With PromptPay, your business can spread large one-off expenses, such as your annual tax bill or pension payments across six to 11 months.

To gain a better understanding of PromptPay, we posed a few questions to Alan O' Regan, Head of Finance & Leasing in Area South at AIB, on why he recommends PromptPay to his Business customers.

Can you tell us a little bit about PromptPay?

PromptPay is a short-term working capital finance product which enables businesses to finance significant annual payments over an 11-month term, easing cash flow pressures and are a key part of our product offering to many business customers.

Why do you recommend PromptPay to your customers?

PromptPay is a great product for businesses to manage their cashflow as it facilitates spreading annual payments such as corporation tax or business insurance over a max 11-month term in manageable monthly repayments.

All business customers have an insurance requirement and through knowing our customers and their businesses we ask them how they fund same and advise them of the PromptPay solution which may suit spreading their annual costs over an 11-month period.

What are the benefits of using PromptPay?

It is a short-term working capital finance product which enables businesses to manage their annual cashflow as it facilitates spreading annual bills over an 11-month period which in turn can ease cashflow pressures.

AIB Business Banking Customer NMP Architecture & Landscape speaks on their experience managing Cash Flow with PromptPay

NMP

NMP (Niall Montgomery & Partners) is an award-winning architectural practice with over 70 years of experience across a wide range of projects, creating unique designs in tune with their context and cultural influences whilst re-imagining their client's vision.



The firm specialises in landscape architectural services, which are managed by John Montgomery, and the more traditional architectural services are overseen by James Montgomery.

Niall and his son James founded the family practice in 1974, and it has since grown tremendously. The business started off in architecture before branching out into landscaping. Running a family business involves many duties and responsibilities especially in the constantly changing environment we live in today, from managing daily tasks to managing finances.

Effective cash flow management can aid family businesses in surviving, expanding, and passing on their legacy to the following generation.

We spoke to NMP about cashflow management and how they grew their family business throughout the years. One factor that has played a role in their business success is the fact that they were able to effectively manage their cash flow with the assistance of PromptPay. Maeve Walsh, Finance & Leasing Representative at AIB first introduced them to the product.

NMP told us how PromptPay allows their business to meet their tax obligations in a timely manner by spreading their payments over a course of 11 months.

They have used PromptPay for many years now and plan to continue using it for their business as they see the positive impacts that come with it. NMP added they would recommend it for other businesses for the following reasons

"PromptPay allows a business to meet a relatively large outlay either in professional fees or tax obligations in a timely manner whilst aiding cash flow to ensure the smooth running of a business. The process for applying and obtaining the funds is very easy and hassle free with the help of AIB."

We spoke to Head of AIB Finance & Leasing, Brendan Crowley about cashflow management.

"AIB Finance & Leasing remain committed to supporting the growth and expansion of businesses within the SME and Agricultural sectors. As well as offering our standard Hire Purchase and Leasing products, we understand businesses also have short-term working capital finance requirements and recognise how these significant one-off payments can negatively impact on the day-to-day cash flow. Our Working Capital Finance solutions of PromptPay and Insurance Premium Finance are short term finance products which enable businesses to finance significant annual payments easing cash flow pressures and are a key part of our product offering to many business customers".



"CPA Ireland and AIB have had a strong partnership over the last six years" said John Brennan, Head of Retail SME in AIB. **"To have been given the opportunity to meet and speak to so many CPA members in that time has been a real pleasure. These members live all over Ireland and come from various backgrounds and practices, and it has been a privilege connecting with them. I would like to wish both CPA staff and members the very best of luck with the upcoming amalgamation with Chartered Accountants Ireland. I would especially like to thank CPA Ireland CEO, Eamonn Siggins and Director of Member Services, Patricia O' Neill for all their support".**



AIB will continue to support CPA Ireland members as they transition to ACA and beyond. We would be delighted to talk to you about how we can help you and your business in the future, at smeinfo@aib.ie or you can contact your local branch.



AIB and CPA Ireland

AIB has been delighted to support CPA Ireland and is proud of our strong partnership over the last six years.



- Voluntary strike-off advertisements for only €99 plus Vat per company
- Full strike-off service for only €195 plus Vat and CRO fees (includes advert)
- Discounted rates on liquidation advertisements

"formerly mystrikeoff.ie"

Call us today for more information!
Tel: 041 981 0541
Email: info@closedforbusiness.ie