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Finding Your Financial Feet after Flooding

As flood affected Queenslanders embark on a mammoth clean up task, Suncorp Bank is providing practical advice to help small business owners regain their financial feet.

Suncorp Bank Executive General Manager David Marshall said thinking about rebuilding or in some cases starting from scratch could be overwhelming so it was important to break the job down into small bite size steps.

“The Queensland floods have been incredibly destructive and forced thousands of small business owners to shut up shop while they clean up and calculate the cost of damage caused to stock and property,” Mr Marshall said.

“It’s important however our small business owners don’t feel isolated and are provided with ample information about the wide variety of support on offer.

“Many banks including Suncorp are offering financial relief packages to help small business owners re-open their doors as quickly as possible.

“The most important advice to remember is to maintain an open dialogue with banks and other creditors so that a strategy for the future can be worked out.

“Suncorp has been a part of Queensland since 1902 and we are deeply committed to helping our state bounce back from the tragedies of the past few months.”

Suncorp Bank has come up with six steps to help flood affected Queenslanders get a head start on the financial road to recovery.

1. Assess Available Help

Work out which government grants you might be eligible for. Small businesses and primary producers in flood affected Local Government Areas are eligible to receive grants of up to \$25,000 for clean up and flood recovery. Low interest loans of up to \$250,000 are also available. Further details are available on the Queensland Rural Adjustment Authority website www.qraa.qld.gov.au.

2. Know Your Cash Flow

With the help of your accountant, draft a monthly cash flow forecast for the next two years, incorporating the money you expect to spend on getting your business back up and running and the money you expect to receive from your insurance company. Take into account the fact business may be slow to start.

3. Review Your Financial Obligations

Draw up a list of what needs to be paid out and work out what relief might be on offer. The Australian Taxation Office is offering emergency support and assistance such as giving people extra time to pay debts without interest

charges. The lodgement and payment data for December monthly activity statements has been deferred to 21 February 2011. Some banks including Suncorp are also offering to defer loan repayments, vary loan & term deposit arrangements without the cost of bank fees, as well as advancing additional funds to help with short term commitments.

4. Review Where You're Headed

Any business that incurs a major shock to its operations needs a fresh re-think of strategy to survive and prosper. Your target market may be different, your competition may have declined and the way you spend your advertising budget may also have changed.

5. Create a Business Continuity Plan

Experience in other disasters shows that damage could have been reduced by an estimated 80% if a business had a Business Continuity Plan. Such a plan could ultimately reduce recovery time by ensuring that customers return when trading recommences, profit loss is minimised and the reputation and image of your business is protected.

6. Talk to Your Bank

Banks have a vast array of solutions to help get your business back on its feet. With an updated cash flow and business plan, you'll in a better position to articulate your position and gain the funding you need to rebuild. Maintaining an open dialogue with your bank will help you to develop a sustainable plan for the future.

Suncorp Bank small business customers can visit any Suncorp Bank branch or call 13 11 75 to talk to a real person about their financial needs and options.

ATTENTION NEWS EDITORS: Financial Journalist and Television Presenter David Koch will be hosting a Business Builders Disaster Recovery Special for Small Business on 11 February 2011 from 1.30 – 3.30pm AEDT. The interactive event sponsored by Suncorp Bank will be held in Sydney and broadcast in regional cinemas across Queensland. For more information visit <http://cinemalive.com/events/kbbl-disaster-recovery-special.htm>

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