

The Importance of a Strong Financial Cashflow Portfolio



nbs is a proud sponsor of the 2019 LIFE-Con Pacific festival, supporting Samoan fashion designers and businesses to succeed.

Starting your own business and building a stronger brand is complex in any industry, especially with our unique challenges in the local market, however, there are some easy ways to become financially stable and ensure you have stronger financial support while you focus on building your fashion and beauty businesses.

At nbs we have all kinds of business customers that come to us seeking financial advice and banking assistance. We're aware that in fashion, vast amounts of finance and capital are required, and often in advance.

Especially when you are just starting up and have no credit and trading history – everyone wants money upfront. With difficulty, we see fashion businesses continuously throwing money into their brand: the more you throw in, the more you need again, and again. So, being good with money, or partnering with someone who is good at managing finance, is essential. Knowing how to raise money is also important and in most cases, it is necessary.

Building a strong financial cashflow portfolio is one of the most important objectives for any business owner, and it should be a key priority for fashion start-ups and smaller businesses to enable successful growth in the future, and to also prepare the business for investors and future bank loan requests.

Your cashflow is the net amount of cash and cash-equivalents being transferred into and out of a business. If you can showcase a record of how strong your cashflow is, the stronger your business is considered. To build your financial portfolio, its important to stop trading in cash and to establish a record of all your financial transactions, as small or large as they may be.

If you haven't already done so, its recommended that you open a business cheque account or personal bank account and ensure that all the business income and earnings are deposited into your bank account. And from then, you need to ensure that all payments that need to be paid, as small as they are, are made through that account. This way, as history of all your financial transactions are captured into the one account, and you can then analyse and track your finances in detail.

nbs is available to assist you to develop any financial business statements needed, analyse your financial history and assist develop your financial planning. Contact the team at nbs to discuss! And good luck to all the designers and fashion businesses at this year's LIFE-Con festival.