

# Property is no cash flow fix

**ALEXANDRA ECONOMOU**  
**SMALL BUSINESS**

SMALL business owners struggling with cash flow are being warned against using rising property values to solve money issues.

Nick Cooper, Adelaide partner of national firm Worrells Solvency & Forensic Accountants, said that businesses should be wary of any "quick-fix" solutions.

He said the Australian Taxation Office had recently in-

creased collection activity, leading to more Federal Court action to wind up companies.

Statistics from Insolvency Notices reveal that the ATO lodged 568 wind up applications in September, far exceeding its long-term average of 92 per month.

"We are aware that an increasing number of finance brokers are targeting these companies offering to assist," said Mr Cooper.

"Usually this assistance takes the form of refinancing

directors' homes or other assets to allow the ATO and other creditors to be paid out before the winding up hearing commences.

"It is relatively easy to refinance bricks and mortar assets while property values are rising, but if the business is not profitable it just delays the day of reckoning.

"Refinancing in these circumstances will only tide a company over for a short period before it is back in the same position it was before refinanc-

ing, but with owners having considerably less equity in their homes."

Mr Cooper said one of the main reasons companies faced winding up proceedings was because they weren't profitable. He urged struggling small businesses to seek expert advice. "If they don't address the fundamental problems, they could find themselves in worse trouble down the track," he said.

"Simply putting money into a business without getting ex-

pert advice and taking a critical view of the business' structure and fundamentals could be a case of pouring money down the drain.

"Owners need to make sure that the business is profitable, or can be made profitable in the short-term, before even considering refinancing."

He said many business owners struggled to be impartial when considering their enterprise's potential.

"They really need outside experts to critically examine

the business and then be prepared to act on the advice they are given, even if it is to enter an insolvency administration," he said.

"An alternative is to appoint voluntary administrators to the company, which can facilitate a restructure of the company's business.

"If successful, winding up actions and liquidation can be avoided, as well as the need for the directors to borrow against their houses to pay a company's debts in full."

## Taking beauty to their clients

**ALEXANDRA ECONOMOU**

MULTIPLE hospital admissions, including one five-month stay during a high-risk pregnancy, were the catalyst for Adelaide's Lidia Macri to start her own business.

"I was feeling like crap and a lady came in from a salon to paint my nails," she said.

"She was uncomfortable and to be honest I couldn't wait for it to be over because I felt sorry for her."

This experience led Ms Macri to launch Bedside Beauty & Wellness, a mobile business which offers treatments for people who are too sick, or unable, to attend a salon or spa.

Trained therapists visit clients in their homes, hospitals and aged care facilities to provide services including manicures, massage, facials, hairdressing and reflexology.

Ms Macri said services were tailored to suit the needs of the client to ensure maximum comfort and benefit.

"I now employ five therapists and one hairdresser who were carefully selected and all have a background in either health care, such as former nurses, and those who have



**EMPATHY:** Bedside Beauty & Wellness client Susie Athanasiou with business owner Lidia Macri.

Picture: ROY VANDER VEGT

worked in aged care," she said.

"They are people who have real empathy and appreciation for people in all sorts of situations and each of our treatments is really tailored to suit the specific needs of the client."

A mother-of-three, Ms Macri said the business also provides services to women struggling with reproductive and fertility issues.

"We have had a number of clients booking regular massa-

ges, reflexology and Reiki to assist in their reproductive endeavours as they undergo fertility treatments," she said.

Ms Macri has secured a deal with an SA hospital group to offer services at their facilities

and her ultimate goal is to expand the business nationally.

Among the business's clients is Susie Athanasiou, who has multiple sclerosis and receives treatments in an aged care/retirement facility.

## Marketing SA SMEs in China

FOUR Chinese migrants have launched an Adelaide-based marketing and advertising business to help South Australian companies promote themselves in China.

Chopsticks Media – founded by Zac Yu, Eddie Liang, Cheng Chen and Jun Huai – also focused on marketing and advertising to the SA Chinese market.

Mr Huai said the business specialised in video production, indoor and outdoor advertising and social media strategy.

Among its offerings to clients was promotion of products via digital imaging and video on LED superscreens, one of which was located in the Adelaide Central Market.

Mr Huai said Chopsticks Media's main target market was small-and-medium enterprises. "What we want to make sure is we help SMEs to thrive and our goal is to promote Adelaide and SA," he said.

The directors said they wanted to position the business as a gateway between China and SA.

Chopsticks Media had already worked with local businesses, in industries such as real estate and wine, to promote themselves in China.

"We are trying to provide marketing services for all different kinds of businesses," added Mr Chen.

## Give your business the edge

**A corporate digital subscription to The Advertiser+ gives your employees unrestricted access to all stories including all business stories.** Access every locked story on advertiser.com.au, and gain an edge over your competitors who don't have a subscription. Enjoy unlimited access to the website, apps and digital print edition of The Advertiser, Herald-Sun, Daily Telegraph and Courier-Mail.

If your organisation purchases 10 subscriptions or more you are eligible for a corporate discount and the more subscriptions the bigger the discount.

**Subscribe today to The Advertiser+**

**To find out more about a discounted corporate subscription to The Advertiser+ please register your interest by visiting**  
**advertiser.com.au/corporate**

