

Cashflow

Contributed by Stuart Barker

Most people fear borrowing large amounts of money, as they are unsure as to whether or not they can afford the repayments, however, they seem to have little fear of credit cards and personal loans.

Interestingly the repayments on a \$20,000 personal loan over 5 years @ 11% interest are approximately \$435 per month. For roughly the same monthly commitment you could buy an investment property valued at about \$350,000.

Finance can be a powerful tool in creating not only your current lifestyle but also your future lifestyle if you know how to use it effectively.

This is where our expertise is invaluable.

The most important aspect of a financial package is cashflow. It is imperative that your borrowings take into consideration, lifestyle, flexibility and protection. These factors will help ensure that your current lifestyle can at least continue and in many cases be improved. Taking the above into consideration along with the correct structuring will also help ensure your future lifestyle.

When planning for the future the right financial package can free up spare income, which will allow you to invest for the future, be it in shares or property without impacting heavily on your current way of living.

Remember, when investing you are effectively going into business and the most important thing in business is NOT profit it is CASHFLOW. You can have the most profitable business in the world but if you can't generate enough cashflow to run it you will never realise the profit.

If you would like to know whether your position could be improved simply complete the qualification form on our website and we will assess your position for you obligation free.