

Cashflow

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VIP CLIENT NEWSLETTER

THANKS TO YOU - WE'RE BOOMING!

By **Wal Britton**
AEL Managing Director

I'd like to welcome you to this special edition of AEL Cashflow by simply saying 'thanks'.

It's thanks to the loyal support of our many

longterm customers and to increasing support from new customers that AEL is undergoing a period of unprecedented growth and development.

There are exciting things happening for our clients - and more are planned.

That's why we're publishing this four-page edition of our regular newsletter to ensure that you, our clients, are kept in touch with the recent advances within both Accounts Enforcement and New Zealand Cashflow Services. Designed to enable us to offer even better service to our clients, those advances are detailed in this publication.

Meantime, I'd like to take this opportunity to once again thank you for your support.

We appreciate it and we look forward to working closely with you in the year ahead to help make your business even more successful.



BRIGHT FUTURE FOR AEL

The AEL management team is looking to the future with confidence.

"In the past year, we've grown financially, increased our services and the level of service we're able to offer," says Managing Director, Wal Britton. "Our client base has strong representation within New Zealand's top 100 companies - and is continuing to grow.

"And, thanks to the strength of our team, AEL's profile is growing in the credit management industry."

Mr Britton says the collective experience and skills of his management team ensures that the company is well-placed to take advantage of opportunities in the market.

"Interestingly, our significant advances have been made despite the determination of the big players to dominate the market," he says.

"In fact, I believe our service-oriented alternative to their technology-driven approach is one of the key reasons for our success.

"While we embrace technology, we are all about high-end, personalised service.



● The AEL management team (from left): Managing Director Wal Britton, Sales Manager, Harinda Singh, newly-appointed Collections Manager, Faye Pearce, and Legal Manager, Tracey Martin.

"We do that by employing the very best people to provide tailor-made services for our clients," says Mr Britton.

"We don't impose our systems on our clients," he says. "We listen to what they want and how they want us to do it."

And that customer-focussed approach is backed by the best, most comprehensive client reporting in the industry.

"We've spent over 12 years developing a tailor-made reporting process which gives up-to-the-minute, concise, easily-understood information on each account for the client," says Mr Britton.

AEL ESTABLISHES ITS FIRST OVERSEAS OFFICE

One of AEL's major achievements in recent months has been the establishment of its first overseas office.

Based in Brisbane, Australian Cashflow Services will be offering the services which have made New Zealand Cashflow Services such a success on this side of the Tasman.

Delighted with the opportunity to expand into the Australian market, AEL Managing Director, Wal Britton, says that such a move has long been part of the company's strategic plan.

The Managing Director of ACS is Sandy Hull, who heads a team of consultants to market our credit management products initially in Queensland, with a vision to expand throughout the east coast of Australia. He brings with him over 20 years of business experience in the mining, property and transport industries.

Sandy is a volunteer with the 'Make A Wish Foundation' and a passionate supporter of the Essendon Football Club and the Wallabies - which is already causing a healthy rivalry with his Kiwi associates.



NEW ZEALAND'S MOST SUCCESSFUL CREDIT MANAGEMENT COMPANY

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AEL TAKE THE STRESS OUT OF DEBT COLLECTION

Accounts Enforcement Limited are specialists in taking the stress and effort out of debt collection for their more than 3000 clients.

A fully integrated financial services company, AEL specialises in all aspects of credit management with its core tasks revolving around debt collection and litigation.

• **Debt Collection:**

A major string to AEL's bow is its skilled and highly experienced debt collection team, which continues to notch up success after success.

Part of the team's success is also due to a sophisticated computer system; good communication between AEL's Recoveries Consultants and clients; a clear focus on the niche market of corporate debt; improved internal procedures and a reporting system counted as the best in the industry.

• **Litigation:**

Litigation is an arm of AEL reserved for errant debtors and utilises the services of a highly experienced legal team, and a number of legal remedies.

Usually however, once a debt goes 'legal' it is the end of the line in the debt collection process. At this time AEL's Legal Manager, Tracey Martin will step in to handle District Court proceedings, enforcement in the District Court or High Court and advising clients in respect of pursuing debt.



• The AEL team (from left): Liza Caldwell, Lester McConnell, Andrea Saunders, Harinda Singh, Faye Pearce (seated) and Tracey Martin.

PEOPLE

AEL TEAM CALLING SOON



Expect a visit from an 'enforcement' team in the near future.

AEL's Sales Manager, Harinda Singh, has teamed up with Collections Manager, Faye Pearce to visit clients as part of the company's ongoing service initiative.

"While other companies rely heavily on technology to service their customers, our focus is on personalised account management, good teamwork and professionalism."

"Faye and I will be supporting each other, and I'm looking forward to working with her."

Harinda says she has worked in a number of industries, "but the people at AEL rate as the most professional I have worked with".

"The management team is very good; very supportive and that filters down," says the Sales Manager, whose resume reads like a who's who of sales.

Harinda's achievements range from developing, co-ordinating and producing 'Your Health' on Radio Pacific to winning the New Zealand Radio Salesperson of the Year award at the New Zealand Radio Awards.

She joined AEL - after a three month 'sabbatical' to travel the world - looking for fresh challenges and half a year down the road she's thriving in her new environment.

"The market is receptive because there is a demand for good service," says Harinda.

IT PAYS TO LISTEN WHEN THOSE ALARM BELLS RING

Ding-ding! Ding-ding!

That's the sound of the alarm bells that should be ringing loud and clear when you sign up a new debtor who wants to give you a P.O. Box as their address or only a mobile phone number instead of their land line.

According to AEL Collections Manager Faye Pearce, businesses need to look very carefully at would-be debtors who can only offer that sort of scanty contact information.

"People don't live in their post boxes," she comments.

"But a lot of the time that's the only information a client can give us when the debtor doesn't pay."

Faye says her team are hampered by a lack of information on the debtor in something like 50 per cent of the cases they work on.

"If we have the relevant information on the debtor and the debt at the start of the job, we can fast-track the process of collecting the debt."

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CASHFLOW - IT'S THE LIFEBLOOD OF YOUR BUSINESS

A business can live for a short time without profit or sales, but not without cashflow which is the lifeblood of any business.

AEL's subsidiary business, New Zealand Cashflow Services, has been designed to speed up slow payers and operates by bridging the gap between a client's own credit control and external debt collection.

Mike O'Loan, New Zealand's top Cashflow consultant, says there are three components to New Zealand Cashflow Services - outsourced credit control through **Ledger Management Solutions**; bulletproof protection through a **Terms of Trade** package and the relationship-preserving **Black Book**.

• **Ledger Management Solutions** ensures that you remain the good guy while still getting paid.

"It manages accounts receivable without losing clients. It's professional, non-aggressive credit control that is tailor-made for your business while still being affordable.



• The New Zealand Cashflow Services team (from left): Joanne O'Donnell, Brad Carter, Sarah Eady, Anne Reid, Tom Cotter, Fleur Harvey and Mike O'Loan.

"**Ledger Management Solutions** gives focus to credit control so that this critical task doesn't become an addendum to somebody else's role. "Meanwhile, NZCS's people behave like a member of your staff - without you carrying the can for ACC, sick pay and annual leave."

• A tailor-made **Terms of Trade** is the business owner's ultimate and only protection against errant debtors.

• To Back Page

WEBSITE DESIGNED TO MEET YOUR NEEDS

AEL is keen to meet its customers' needs with its state-of-the-art website - www.accountsenforcement.co.nz An interactive site, which is of genuine value to clients, AEL's website provides useful information in a clear, concise and timely way, so people keep coming back for new and updated information.

"We've aimed to provide a site that not only looks good but also provides up-to-the-minute information to our clients about all aspects of our services," says AEL Managing Director, Wal Britton.

For example, the site now includes contact details and a web page for Australian Cashflow Services Pty. Since launching the site last year, the team at AEL have been 'blown away' by the interest in it and they're keen to keep those numbers growing even further as they continue to add services which are designed to reflect Accounts Enforcement's positive growth and flair. With this in mind, they are keen to get client feedback as to what information could be added to the site which would be of genuine value to client's businesses. They can be emailed direct to Wal Britton at wbritton@accountsenforcement.co.nz

PEOPLE

FAYE HAS YEARS OF EXPERIENCE

AEL's newly-appointed Collections Manager, Faye Pearce, brings a wealth of collection and credit management experience to her role.

After starting out as a Loans Officer with the BNZ, Faye has held a number of high-level positions with such corporates as Nathan Finance, Pacer Pacific and Sun Alliance Insurance.

However, she was attracted to her new role at AEL by the company's growing profile in the market and the opportunities it offered.

"It's a mid-sized company and I feel I can make a very positive impact in lifting our recovery team's already excellent standards of service to exceed our clients' expectations," she says.

Faye identifies strongly with AEL's commitment to customer service and is looking forward to working closely with Sales Manager, Harinda Singh.

"Harinda is seeking to acquire new clients by extending the range of services AEL offers," she says.

"I believe that my wealth of expertise in banking and finance and my technical skills will help ensure that we are able to tailor our services to better suit our clients' needs."



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COURT INCREASES ON HOLD AFTER INDUSTRY OUTCRY

Accounts Enforcement Ltd Legal Manager, Tracey Martin, was one of the industry leaders who helped force the Justice Department to rethink its proposed increases in High Court costs.

Tracey described the proposed increases as "astronomical" and called for a Commerce Commission inquiry into the Justice Department's plan.

She said Justice's original decision to increase the costs to litigants filing High Court actions by up to 750% was outrageous.

And, she claimed, it would severely impact on the small businesses of New Zealand.

"Quite simply, the new fees made it uneconomic to litigate for any sum under \$10,000," said Tracey.

"And that would make it easier for unscrupulous debtors to abuse credit advanced by honest businesses, who would no longer be able to afford to use the High Court to protect their right to be paid."

After an outcry from industry leaders over the proposed charges, the Government announced that it would put on hold any increase until early October.

This has allowed time for further submissions on the appropriate level of Court costs.

CASHFLOW THE LIFEBLOOD - FROM PAGE 3

"A **Terms of Trade** is the backbone of a company's credit control system and it offers protection in a raft of other situations," says Mike.

"As a practical way to reduce exposure to risk, **Terms of Trade** address risk issues like dispute resolution, liability, warranties, indemnity, ownership of goods and breaches of legislation."

• In addition to speeding up slow payers, **The Black Book** is user friendly, easy to operate and cost effective.

The Black Book is operated by more than 3000 businesses in New Zealand and has been bridging the gap between a client's own credit control and external debt collection for 30-plus years.

AVOID THE COMPLACENCY TRAP

Now is not a time to be complacent with outstanding debtors.

So says Accounts Enforcement's Legal Manager, Tracey Martin, who warns that current market conditions in New Zealand are tough.

"Clients need to act reasonably urgently if they want results," says Tracey, who is no stranger to doing battle for AEL's clients, after more than 19 years in litigation.

To achieve success she has a number of legal remedies at her disposal, including the serving of statutory demands - a written notice to pay the debt, which is often enough to secure payment."

Under the Companies Act 1993, there are strict time limits and other legal criteria that must be satisfied for a statutory demand to be effective.

It must only be issued for an identifiable sum of money.

The sum must be due and owing to the creditor at the time the statutory demand is issued.

The creditor must be satisfied that there is no substantial dispute as to whether the debt demanded is due and owing to the creditor.

"The debtor company has 15 working days to pay the debt or enter into an arrangement acceptable to the creditor. If there is still no payment, the creditor then has another 30 working days to rely on as evidence of insolvency and begin liquidation proceedings against the debtor company," says Tracey.

She emphasises that no two pieces of litigation are the same. "Every case is new. There's fish-hooks and there's twists and turns."

Tracey is responsible for all Accounts Enforcement's legal work, including District Court proceedings, enforcement in the District Court or High Court and advising clients in respect of pursuing debt.



MEET JULIE... OUR RECEPTIONIST

AEL's receptionist, Julie Gibbs, is a country girl at heart. But right now she's enjoying the challenges of her new job up in Auckland.

With the company for just a couple of months, Julie's responsible for AEL's phone and personal reception and helps out with the myriad of other administration tasks required in a busy office.

It's quite a change from the wide open spaces that Julie (20) has been used to for most of her life.

Before deciding to make the move north to Auckland

about two years ago, Julie lived with her family on their sheep and beef farm, near Nelson.

It was a great lifestyle, she says, however she felt she needed to experience the challenges and opportunities that the city offered.

Julie enjoys surfing, netball and dancing.

And, of course, whenever she gets the chance, she likes to head back home for a good dose of that healthy country air.