

5 Main Causes of Cash Flow Problems for the Hospitality Industry

Seasonal Changes

Seasonal changes are common in the hospitality industry, which can lead to pressure on cash when you may need it the most. It's important to put some extra money away during those peak times in case of a rainy day. This will give you security during the seasonal lows. If you don't have a business savings account, consider opening one, but try to shop around and compare before you commit.

Overhead Expenses

Explore what switching deals are available from other providers by shopping around. Speak to your commercial neighbours to find out if they are enjoying better deals and if they are, get that provider's details to see what is available. Either switch or use

this information to apply some pressure on your existing provider, as they will usually offer a better deal to retain you as a customer.

Suppliers

Your relationships with your suppliers can have a significant impact on your finances, so consider whether cash on delivery or monthly payments are best suited to your business. Try to pay in full when your finances are healthy and discuss flexible terms with your suppliers as they may be more open to it than you think!

Cash Flow Management

Even great hospitality businesses fall into financial difficulty and often it's because they haven't got a full

handle on their cash flow management. Carefully monitoring and managing the cash flow in your business makes it possible to anticipate difficulties in the short and long-term. A great solution to this is investing in online bookkeeping software, such as Big Red Cloud, who make cash management virtually effortless.

Cash Flow Finance Solutions

Pressure on cash flow, due to unforeseen events or circumstances, are near impossible to plan for or mitigate against. This is a good time to consider a short-term business loan to help balance a cash flow dip. A cash advance is a smart working capital solution which can be accessed within a few days of applying.

[Read more](#)

Product Spotlight: Cash Advance Loan

GRID's Cash Advance Loan is a short-term finance solution that works with your business and its existing credit/debit card machine. The repayments are made using a percentage of your daily credit/debit card machine transactions, reducing pressure on cash flow and working with the natural ebb and flow of your business. [Read more](#)

Cash Advance Loan

You can borrow from
€5,000 up to €500,000

Use of Funds:

- Purchasing equipment
- Hiring or training new staff
- Insurance premiums
- Marketing or new website
- Refurbishment or new premises



What Type of Businesses Use Cash Advance Loans?

- ✓ Pubs
- ✓ Restaurants
- ✓ B&Bs
- ✓ Gastro Pubs
- ✓ Hotels



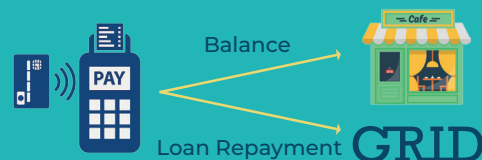
Benefits of Cash Advance

- Easy to apply online
- Approval within 24 hrs
- Rolling credit facility
- Security taken on card receipts
- Flexible repayments



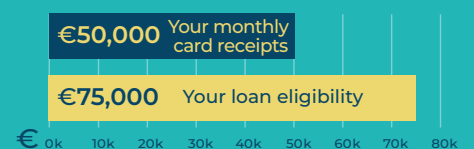
Daily Repayments

Repayments are made daily using a portion of what comes through your card machine.

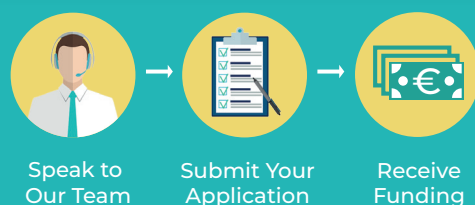


You Could Be Eligible for Up to 1.5 Times Your Monthly Card Takings

Example: €50,000 p/m x 1.5 = €75,000



Quick and Simple Application



Cian's on Bridge Street, Winning Awards and Financing Their Expansion.

Cian Hayes not only took home Best Restaurant at the RAI awards, but he has also been expanding his footprint in Westport, Co. Mayo with his second premises 'The Quay Cottage'. The GRID Team are delighted to have been able to partner with Cian to help him finance his business.

"The GRID team were a pleasure to work with and were happy to meet me at my premises to discuss my funding requirements. Applying was very straight forward and I got approval quite quickly. Using GRID's cash advance allowed me to access my own future revenue to re-invest in the business. It is ideal for restaurateurs."

Cian Hayes, Cian's on Bridge Street, Mayo

How to Reduce Your Insurance Premiums

Restaurants have seen insurance premium increases of 45%, a level the Restaurants Association of Ireland deems "unsustainable". The RAI are looking to insurance companies outside of Ireland to find more affordable premiums for their members. But what can you do in the meantime? We have listed some ways you can help reduce your insurance premium:

Raise Your Deductable

By raising your deductible, you should see your premium decrease. However, make sure you're comfortable with the deductible amount before you do this, as anything over this amount means you'll have to foot the bill if a claim is made.

Slips, Trips and Falls

Claims made because of slips, trips, and falls are common in restaurants where floors are not kept clean and dry, and passageways and walkways are not kept free of trip hazards and congestion.

Reducing the potential for accidents relies heavily on the knowledge and experience of your staff to implement and maintain a safe work area. Regular health and safety training for your staff will contribute to safer premises for both staff and customers.

Security & Fraudulent Claims

A simple way to reduce any false or fraudulent insurance claims is to install CCTV in high-risk areas. Also, ensure that cleaning checklists are kept up to date and on record. Checklists, which

should be kept on record for up to 5 years, form an important part of your defence against fraudulent claims.

Financing Your Premiums

Paying for your insurance premiums can add additional pressure on a business owner, as it's not always possible to pay for it with your cash flow. However, it is not a cost that can be ignored. Consider accessing external finance to spread the cost of your premium throughout the year. [Read more](#)

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