

## **CFIMITYM**

Many accountants will recognise this acronym – “**cashflow is more important than your mother**”! With due respect to all those mums out there, one only has to review the Public Notices for the last 18 months or so to know the truth of this.

## **Cashflow – EQ’s**

EQ rebuild & repair money continues to be invested in Christchurch to the tune of \$100m per week and is likely to continue doing this for the next 3-4 years. Peter Townsend, CEO of the local Chamber of Commerce has been proclaiming loudly that the rebuild has not peaked – it has simply plateaued. In a recent CECC presentation Peter noted that within Christchurch the EQ rebuild will be **80% complete** for:

<b>Residential</b>	<b>Q3 2017</b>	<b>Commercial</b>	<b>Q4 2018</b>	<b>Infrastructure/Civil</b>	<b>Q2 2018</b>
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## **Cashflow – Trades**

There is currently a significant quantity of cash sitting with homeowners who have been cash settled by insurers (some commentators note as many as 20,000 by the time all cash settlements have been made) for their over-cap repairs or rebuild. These funds will progressively find their way into the trades over the next few years. The trades are far from a spent force in Christchurch, but a new normal is evolving and the survivors will be operators who:

- **Understand and monitor their “critical success factors” and “key performance indicators” (KPI’s)**
- **Are quick to recognise trends and respond to market activity**
- **Pay for and take advice from their professional service providers**
- **Consider the cash flow impacts inherent within their changing trading patterns**

## **Cashflow – Tabak South Island**

Our cash position is very strong at present, but after a frenetic last 18 months that has seen the owners of over 30 businesses transition away from them, we find ourselves short of good businesses to sell. Our recent sales are from the following sectors:

<b>IT (3)</b> <b>Infrastructure</b> <b>Import &amp; Direct Sales (3)</b> <b>Manufacture &amp; Retail</b> <b>Services</b>	<b>Fabrication (2)</b> <b>Sales &amp; Installation (3)</b> <b>Accountancy</b> <b>Tourism</b> <b>Import &amp; Distribution</b>	<b>Retail (7)</b> <b>Manufacturing &amp; Wholesale (2)</b> <b>Equipment Hire</b> <b>Property Management</b> <b>Interiors</b>
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If you have clients within the above sectors who are considering selling their businesses, we would be delighted to chat with them. Note that we prefer not to play in the accommodation & hospitality sectors, but everything else, including professional services, is of keen interest to us.

We look forward to hearing from you shortly, and as always please reply to this email and advise if you wish to be removed from this email list

Best Regards

The Tabak Christchurch Team

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