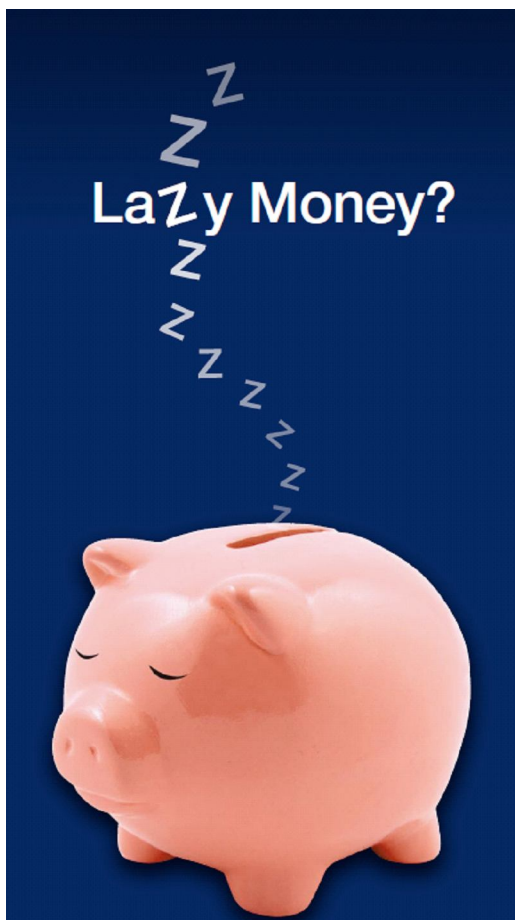


# Is your business cash fully employed?



As a business owner you are accustomed to getting the best return from all the inputs to your business; your staff, your time, your suppliers and your facilities. But when it comes to your capital, specifically your surplus business cash, most business owners are getting short changed.

According to the regulator there is \$295 billion sitting in business deposit accounts across Australia (APRA Insight September 2009). Unfortunately, a significant proportion is sitting idle in business transaction accounts earning little to no interest. While you may not be getting much benefit from your surplus cash, you can be assured your bank is putting it to very profitable uses. We estimate that around a quarter of all business deposits sit idle in business transaction accounts, which translates to around \$4,000,000,000 in interest that Australian businesses are missing out on every year.

The average small business keeps around \$55,000 in their transaction account, which in most cases is well above their weekly expenditure. If this typical business was to keep on average 75% of their cash in a high interest account paying say 5.60%, they would have an additional \$12,198 in their account after 5 years, ignoring tax and assuming constant interest rates.

Thousands of businesses have already worked this out and made the switch to an online business cash account, with 31% currently using the account up from 11% in 2005 according to Cameron Research Group. The accounts work by linking to your existing transaction account for added security and don't normally carry any transaction fees. Transferring the cash is as easy as a few clicks on internet banking and is generally available the next business day when transferring between banks.

We think the Business Investment Account from ME Bank, which pays 5.60% interest on every dollar invested, is one of the best accounts in the market. But we encourage you to compare for yourself. Independent finance comparison site, [Infochoice.com.au](http://Infochoice.com.au), is a good place to start.

Interest rate is current as at 01/08/10 and is subject to change. Terms and conditions are available on request. This is general information only and you should consider if this product is appropriate for you. Members Equity Bank Pty Ltd ABN 56 070 887 679.