

Cashflow Management

Why we developed this service:

Cashflow planning is best practice in any business and critical to survival and growth. Setting cashflow targets and regularly monitoring your actual cashflow against your forecast will enable you to predict large cash outflows and respond to changes in your business.

Inadequate cashflow is a symptom of management problems in a business, NOT the cause. Helping our clients look ahead with confidence and putting in place basic cashflow maximisation strategies is core to our purpose as your accountants.

Who should undertake this service?

If you require a Cashflow Forecast because your bank manager has requested one, we can create one for you. However, this Cashflow Management service is fundamental as every business owner needs an understanding of cash and liquidity for better decision making. Recognising the difference between profit and cash, and the impact improving your Cash Conversion Cycle will have on your business is essential to managing and growing any business.

What is involved?

There are two service options. Both include the completion of a Cashflow Forecast and the inputting of your Cashflow Forecast into your accounting or reporting software.

Service one: A Cashflow Forecast. Preparation of a Cashflow Forecast and a one-hour Cashflow Forecast Review meeting to discuss and finalise the Forecast.

Service two: Cashflow Management Coaching. Preparation of a Cashflow Forecast along with a three-hour Cashflow Management Coaching session to:

- Discuss and finalise the Cashflow Forecast
- Identify your current Cash Conversion Cycle
- Identify the likely causes of cashflow problems within your business
- Set 12 month and 90-day cashflow improvement goals and actions

This initial session is followed by four quarterly accountability coaching sessions, ensuring that you put in place essential cashflow management strategies and achieve your cashflow improvement goals.

When should I have a session?

Businesses should have a Cashflow Forecast in place before the beginning of the new financial year. Having said that, we can provide this service at any time. The sooner we complete a Cashflow Forecast for you, the sooner we can work together to agree strategies for improvement.

Benefits of Cashflow Management:

- Assists with bank lending requirements Identifies ways to avoid late payment penalties and interest from suppliers
- Improves communication and relationships with your financiers and suppliers
- Gives you an understanding of cash and liquidity for better decision making
- Helps you understand the key cashflow drivers and the Cash Conversion Cycle in your business
- Enables you to predict and plan for large cash outflows
- Teaches you how to monitor your actual cashflow against forecast in your accounting or reporting software
- Provides peace of mind that your cashflow needs are known and properly funded
- Improves business processes that maximise cashflow, profit and business value
- Drives your business to achieve your goals in a controlled and managed way