

We help CFOs solve critical matters.

CFG I

CFG I is a team of 1,000+ professionals with Big Four expertise and executive-level experience backed by Carlyle and CVC. Founded in 2000, we serve 3,000+ clients in more than 30 offices around the world.

Modeling for Cash Flow Planning and Liquidity Management During Times of Uncertainty

There will always be elements of uncertainty: interest rates, inflation, tariffs, new product launches, global shifts, and unprecedented events. Regardless of the source, it is critical to have the right tools and resources in place to empower companies with the ability to respond proactively by anticipating cash flow impacts to make informed financial decisions.

Cash Flow Planning is the process of strategically managing cash inflows and outflows for financial stability and growth. It involves analyzing the current cash position, forecasting future receipts and payments, and utilizing control measures for optimal liquidity management. Effective cash flow planning helps businesses maintain stability, avoid financial distress, and capitalize on opportunities for growth.

Working Capital Management refers to how an organization manages its short-term assets and liabilities to ensure there is sufficient liquidity to run day-to-day operations and meet financial obligations (both current and future) in a timely and cost-effective manner. Effective working capital management reduces reliance on external financing, improves liquidity, and increases profitability by minimizing carrying costs and interest expense.

Optimal Capabilities

- Real time monitoring of cash flow to quickly identify and address any discrepancies
- Forecast accuracy to predict inflows and outflows with precision to ensure liquidity and avoid cash shortages
- Efficient receivables and payables management to maintain healthy cash flow
- Agility in strategic decision making by using cash flow data to inform decisions, such as investments or cost control

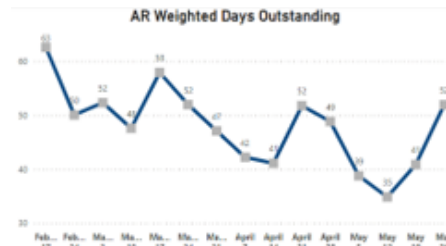
Leveraging EPM Tools & Technology

- Integrated financial systems ensure seamless data sharing, resulting in accurate, real-time cash flow visibility
- Customizable dashboards provide a visualization of cash flow trends and KPI's to facilitate continuous monitoring of the company's cash position
- Automated invoicing and payments ensure transactions are timely, allowing for more accurate cash flow forecasting

Net Working Capital Trend



AR Weighted DSO



Cash Projection Waterfall



Highlighted solutions

Industry Examples

► **\$1B commercial flooring company was highly acquisitive and decentralized, complicating collections:**

Assessed current system and data landscape, established standard processes/procedures, and leveraged PowerBI for AR metrics to enhance the 13-week cash forecast model to improve DSO by over 20% in 3 months and drive annualized FCF generation by ~\$10M. Drove weekly forecast review to provide greater visibility into the drivers of cash movement and promote financial discipline across teams.

► **\$2.5B biotechnology company required insight into future cash needs across various scenarios to support decision-making:**

Created a flexible and scalable cash flow model across multiple scenarios to deliver timely and accurate reporting, facilitating the decision-making process based on ROI and funding impacts. Cleansed source data and built a customized dashboard with up-to-date cash position and working capital trends, resulting in improved DIO by 30%

► **\$500M SaaS company with outdated and fragmented systems experiencing rising DSO:**

Analyzed DSO trends by region and customer to increase visibility of AR Aging data and developed a quarterly cash collection model, resulting in increased cash collections by 20% year-over-year and 25% quarter-over-quarter.

Representative list of FP&A Products and Services*

- Strategic planning & budgeting
- Forecast & scenario modeling
- KPI development & reporting packages
- Interim finance leadership
- Liquidity management & optimization
- EPM tool selection & optimization
- Data automation & dashboarding
- Supply chain management

Why CFGI?

CFGI's Strategic Finance & Analytics team seamlessly integrates financial understanding with technical expertise to deliver tangible ROI. Our team understands management's financial challenges and the broader business landscape, empowering companies to identify actionable, data-driven insights to enhance organizational efficiency. We leverage a tool-agnostic approach to ensure seamless integration and optimal performance customized to your needs. Partner with CFGI's Strategic Finance & Analytics practice to unlock the full potential of your data and drive your business forward with confidence.

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