

The background of the slide is a vibrant, painterly landscape. It features a range of mountains in shades of blue, green, and purple, with a river or waterfall in the foreground. The sky is a mix of light blue and white, with several white birds in flight. The overall style is artistic and colorful.

**PROBLEM STATEMENT:**

## Maximising cashflow and shareholder returns requires strategic planning and execution.

### Client profile

- Australian Advertising Industry
- SMB Customer Segment
- 200k+ customers
- 1500+ employees
- \$600M+ Revenue

### Key Team Roles

- Financial Analysts
- Treasure SMEs
- Credit Collection SMEs

### Business Impact

- Significant free cashflow improvements
- Efficient use of funds and improved repayment of borrowings
- Savings in Income Tax payments
- Movement of Vendor/Supplier payments and swifter collections
- Accurate forecasting of cash surpluses
- Streamline of processes and structures
- Reduction in fixed costs as a proportion of total cost base
- Utilisation of excess working capital on other strategic initiatives

# CASHFLOW MANAGEMENT

The client had acquired a new business which on paper was profitable, generating revenue and returning good cashflow to previous shareholders. However, the client wanted to maximise the business' cashflow to ensure every dollar was productive, whether it be investing in the business itself on new capabilities and technology, or maximizing debt repayments and shareholder returns.

## Approach: More than just looking at the bank account balance.

Upon early inspection, the business had no clear ownership or visibility across the banking structure, nor a functioning treasury department. Detailed (daily) cashflow reporting and forecasting was implemented immediately, as well as a cost savings initiatives throughout business structure.

Process improvements such as rationalisation and streamlining the back office were executed, alongside identifying opportunities to improve working capital in the everyday operations of the business; working with vendors and customers to improve trade terms.

## Strategic initiatives implemented:

- Monitored, reported and tracked cash receipts and payments at a transactional level.
- Implemented treasury capabilities including daily, weekly and monthly cashflow reporting and more importantly, forecasting.
- Focused on addressing inefficiencies in working capital management process and practices.
- Improved the business process for customer billing and collection, based on customer risk and behaviour analytics.
- Reviewed and amended key vendor and supplier contracts (and trade terms) to improve cashflow for the organisation.
- Cashflow based incentive programs to align all stakeholders across the business.

CASHFLOW

**+\$10M**

YEAR 1

FREE CASHFLOW YEAR 2

**+\$23M**

CUMULATIVE

INCOME TAX SAVINGS

**+\$17M**

CUMULATIVE