

The 12-Point Cash-Flow Diagnostic

Profitable but always short of cash? Work through these twelve checks. Each unticked box is a place cash is hiding in your business — and an opportunity to release it. Tick what's genuinely true today.

VISIBILITY & FORECASTING

- We maintain a **13-week rolling cash-flow forecast**, updated weekly.
- Leadership sees a **cash dashboard** (balances, inflows, outflows) every week.
- We can answer “what will the bank balance be in 6 weeks?” with confidence.

PAYABLES & INVENTORY

- We track **DPO** and pay deliberately — not too early, not damagingly late.
- We monitor **inventory days** and act on slow-moving / dead stock.
- We know our **cash-conversion cycle** and work to shorten it.

RECEIVABLES

- We track **Days Sales Outstanding (DSO)** and have a target for it.
- We have a clear **credit policy** and invoice the moment work is done.
- Collections are followed up **systematically**, not just when cash is tight.

DISCIPLINE & RULES

- We hold a defined **minimum operating cash balance**.
- Surplus cash is **swept** to deposits rather than sitting idle.
- Debt repayment is **planned against cash flow**, not improvised.

Score yourself

10–12 ticks: Strong cash discipline. Focus on optimising the cycle. **6–9:** Real cash is trapped. Quick wins available.

0–5: Cash is running you. Visibility should be priority one.

Want help releasing trapped cash?

Book a free, confidential 30-minute strategy call — no cost, no obligation.

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