

## Cash Flow Survival: 30-Day Payback & Profitability Checklist

*A quick diagnostic for \$1M–\$10M business owners*

### Step 1: The 30-Day Payback Test

Formula:  $30\text{-Day Gross Profit} \div (\text{CAC}^* + \text{COGS}^{**} \text{ per new customer})$

- >2.0 → Growth funds itself
- 1.0–2.0 → Risky, cash may stay tight
- <1.0 → Growth consumes cash

Quick Fix Ideas: Deposits, milestone billing, better pricing, reduce discounts, cut unprofitable products

### Step 2: Cash Buffer Reality Check

Formula:  $\text{Cash on Hand} \div \text{Avg. Daily Outflows} = \text{Buffer Days}$

- Target:  $\geq 30$  days of coverage
- <30 days → Focus on speed-to-cash (collections, terms, reduce inventory)

### Step 3: Quick Wins to Protect Cash

- Accounts Receivable >20% past due
- Customers paying slower than supplier terms
- Discounts >3% of sales
- Inventory turns <4x per year
- Top 10 customers >40% of revenue
- No 13-week cash flow forecast in place

### Why This Matters

- 82% of small businesses fail due to poor cash flow management
- Over half of firms don't turn a profit in a given year
- Median U.S. business owner income  $\approx$  \$48K/year.

### Next Step: Get a Cash Flow & Profitability Audit

In 90 minutes, we'll:

- Build your 13-week cash forecast
- Identify top 2–3 cash levers
- Deliver your 90-day profitability plan



**Book your audit today:**

<https://calendly.com/jason-straightforward/fractional-cfo-rapid-impact-session>

\*CAC = Customer Acquisition Cost

\*\*COGS = Cost of Goods Sold, also known as Variable Costs

**Contact Us**

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