ZAZEN TAX

The First 90 Days

About fifty five minutes to read as a plan, or as a scorecard for the fractional CFO you already pay. Ninety days is enough to build the whole machine; this is what building it looks like.

Company .... **Start date** .... **Day 90 date** ....

A fractional CFO is not a bookkeeper with a better title and not a consultant with a slide deck. The job is a machine that turns the books into decisions, built in three phases: find the truth, build the machine, point it somewhere.

1. Days 1 to 30: find the truth   about 10 minutes

- [ ] **A 13 week cash flow, live by day ten**
  The first deliverable is always cash visibility. Nothing else matters if a payroll can be missed unseen.
- [ ] **The real margin, by client**
  Delivery cost against fee for every account. Every company has a client they are quietly paying to keep.
- [ ] **The debtor book aged and the chase running**
  Cash collected in month one buys credibility for everything after.
- [ ] **Every standing commitment on one page**
  Leases, facilities, contracts, direct debits. The cost base you can actually cut, separated from the one you cannot.

2. Days 31 to 60: build the machine   about 15 minutes

- [ ] **The month-end close down to five days**
  The close checklist installed, owners named, day five hit at least once.
- [ ] **A management pack: budget, variance bridge, KPIs**
  Twelve numbers with targets and direction, and a bridge that says which movements explain the gap.
- [ ] **A rolling forecast anchored on actuals**
  Re-projected every close. The annual budget survives as the yardstick, not the belief.
- [ ] **Pricing and payment terms reviewed**
  The two levers that move cash fastest, and the two nobody has touched in years.

3. Days 61 to 90: point it somewhere   about 15 minutes

- [ ] **The board pack running, six pages**
  Numbers with commentary: what happened, why, what we are doing. Sent three days before the meeting.
- [ ] **A scenario model the board has seen**
  Base, upside, downside off one driver set, with the downside's cash need priced before it is urgent.
- [ ] **The twelve month plan, priced**
  Headcount, capex and the funding need, tied to the model. Funding conversations opened from strength, months before the need.
- [ ] **The machine documented**
  Close checklist, forecast, pack: written down so the company owns the process, not the person.

4. How to tell it is working   about 15 minutes

- [ ] **You know next Friday's cash position today**
  Not roughly. To the week, from the 13 week forecast.

- [ ] **The month closes without heroics**
  Five days, no all-nighters, no restatements a week later.
- [ ] **The same number appears in every meeting**
  Board, bank, management: one source. Two versions of revenue in one week means the machine is not built.
- [ ] **Decisions arrive with a priced downside**
  Every proposal comes with what it costs if it fails, which is the difference between a plan and a hope.
- [ ] **Nobody is surprised twice**
  The first surprise gets a process change the same month. Repeat surprises are the tell that you have a reporter, not a CFO.

> THE DAY TEN TEST
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> Whatever else is promised, a fractional CFO who has not produced a live 13 week cash flow by day ten is a bookkeeper with a better title. It is the first thing the job exists to know.

Zazen Tax

Accountants and fractional CFO support for growing companies. zazentax.com/contact