ZAZEN TAX

When to Hire a Fractional CFO

The triggers, what the engagement looks like, what it costs and what it does not cover.

Eight chapters and a scorecard you can hold your hire to, whoever you hire.

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Contents

The examples are Meridian Studio Ltd's, the worked company behind every tool on zazentax.com. The First 90 Days Checklist there is this book's scorecard, free to download.

1 What fractional actually means

A fractional CFO is a senior finance leader on a fraction of the week: the judgment of a CFO, the cost of a few days a month, and a machine that runs when they are not in the room.

The role is not a bookkeeper with a better title: bookkeeping records what happened. It is not an interim covering a gap, and not a consultant with a slide deck: consultants recommend machines, a CFO builds and runs one. The deliverable is a finance function - cash visibility, a fast close, a pack, a forecast - owned by the company, not the person.

> THE ONE-LINE TEST OF THE WHOLE CATEGORY
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> If it only works when they are in the room, you did not hire a fractional CFO, you hired a very expensive habit.

2 The triggers

Companies rarely need a CFO by size. They need one by symptom, and the symptoms are specific.

- Nobody can say next Friday's cash position. The answer exists in three spreadsheets and none of them agree.
- Two versions of revenue appear in one week: the board's number and the bank's number, telling different stories.
- The month closes in three weeks, so every decision runs on numbers a month cold.
- A raise, a facility or an exit is coming, and diligence will read the books you have, not the books you meant to have.
- Decisions are being guessed that should be priced: the £60,000 hire that is really a £129,545 revenue target, the 10 per cent client whose exit would take half the profit.

Two or more of those, and the question is no longer whether the work needs doing. It is only who does it and for how many days a month.

3 The first 90 days, and the day ten test

Ninety days is enough to build the entire machine. The First 90 Days Checklist on zazentax.com is the full scorecard; this is its spine.

— Days 1 to 30, find the truth: a live 13 week cash flow, the real margin by client, the debtor book chased, every commitment on one page.

— Days 31 to 60, build the machine: the close down to five days, the pack with budget, bridge and KPIs, a rolling forecast anchored on actuals.

— Days 61 to 90, point it somewhere: the board pack running, a downside the board has seen, the twelve month plan priced, funding conversations opened from strength.

> 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. Cash visibility is the first thing the job exists to know.

4 The operating rhythm after that

After the build, the job settles into a rhythm, and the rhythm is the product.

Cadence	What happens
Weekly	The 13 week cash flow re-anchored on the real balance; the chase list working
Monthly	The five-day close, the pack, the commentary written the night the numbers land
Quarterly	The reforecast, covenant headroom re-run, pricing and terms reviewed
Annually	The plan priced: headcount, capex, funding need, and the budget the year is measured against

Two to six days a month sustains that rhythm in most companies between roughly £1 million and £20 million of revenue. The days flex with events: a raise or a renegotiation is a heavy quarter, a steady autumn is not.

5 What it costs

Fractional CFO day rates in the UK typically run in the several-hundreds to low four figures; call it £800 to £1,500 a day for someone genuinely senior, varying with sector and scars.

At two to six days a month that is roughly £2,000 to £8,000 a month. Set against a full-time finance director or CFO - £120,000 to £200,000 of salary before employer National Insurance, pension, and the equity conversation - the fractional shape exists because most companies under £20 million need the judgment weekly, not the presence daily.

Price it the way the library prices a hire: the cost is real only against the return. A CFO who releases £117,000 of working capital, prevents one covenant surprise and stops one under-priced contract has paid for several years of themselves, and each of those has a calculator that shows the working.

6 What it does not cover

The fastest way to a disappointing engagement is to expect one person to be four. State the split on day one.

- Bookkeeping and payroll: still done by your bookkeeper or practice. The CFO consumes clean books; producing them is a different job at a different rate.
- Tax compliance and advice: returns, VAT, R&D claims and planning sit with your accountants. The CFO coordinates; the practice signs.
- Audit: the auditor is independent by law. The CFO gets you ready for one - the Audit Readiness Checklist is the shape of that work.
- Execution capacity: a fractional CFO on three days a month cannot also be the credit controller. The machine assigns owners inside your team.

7 Choosing one

Interview for the machine, not the sector. The questions that separate builders from presenters:

- Show me a 13 week cash flow you built and ran. Ask to see the variance row: a forecast without actuals against it was never used.
- Walk me through a close you shortened, day by day. The answer should sound like the Month-End Close Checklist, not like software.
- Show me a board pack you wrote. Six pages is a good sign; forty slides is a warning.
- What would you do in the first ten days here? The answer is cash, and if it is not, keep interviewing.

References ask one question: what stopped working when they left? The right answer is nothing, because the machine stayed. The wrong answer is everything, however warmly it is meant.

8 Making it work, and when to go full time

The engagement works when the CFO has access, authority and a cadence: the bank feed, the ledger, the board seat for the finance section, and the same days each week.

Go full time when the days stop flexing: when cash needs deciding daily rather than weekly, when there is a live acquisition or an audit cycle plus a raise in the same year, or when the team the CFO directs passes the size one visit a week can lead. The tell is not revenue; it is the calendar.

And when it ends - fractional or full time - the test set in chapter one still decides whether it worked: the machine, documented and running, owned by the company. That is the deliverable. Everything else was attendance.

Where to go next

Download the First 90 Days Checklist and hold any hire to it, starting with the day ten test. The 13 Week Cash Flow Forecast and Month-End Close Checklist are the first two tools they should reach for.

Every calculator and workbook mentioned in this book is free on zazentax.com, with no email form. They use the same figures, the same conventions and the same worked company as the chapters here.

General information, not advice for your circumstances. Rates and thresholds are 2026/27 for the UK and change from time to time.