

What your Cash Flow Accelerator analysis actually delivers

An independent executive financial analysis, a prioritized management agenda, and the complete BusinessWiser Cash Flow Mastery System.

What makes this different: The report does not merely reproduce financial ratios or identify whether cash increased. It explains how the entire business produced its Net Cash Flow result, which financial relationships helped or hindered performance, and which questions management should investigate.

Inside the complete executive report

The full analysis follows a consistent 15-section structure, supported by the CASHFLOWiser workbook and detailed appendices. The pages that follow show actual examples of the depth of explanation—not the entire report.

1. About This Analysis	Purpose, periods, source data, evidence boundaries and management responsibility.
2. Executive Cash Flow Assessment	The central financial diagnosis, key cash-flow results and what matters most.
3. Profitability & Economic Performance	Revenue, gross profit, margins, overhead, operating profit and net profit.
4. Profit-to-Cash Conversion	The complete bridge from operating performance through Working Capital, investing and other effects to Net Cash Flow.
5. Quality of Cash Flow	Seven financial levers, Management Gains, Management Wastage, Growth / Decline Effect and reconciliation to Operating Cash Flow.
6. Working Capital & Cash Conversion Cycle	Receivables, Inventory, Payables, operating days, changes in efficiency and their financial impact.
7. Growth & Sustainable Funding	Marginal Cash Flow, retained profit, modeled borrowing and growth-funding sufficiency.
8. Capital Flow & Financial Flexibility	Debt, cash, equity, capital deployment, leverage and financial flexibility.

Important distinction: The analysis identifies financial effects and management questions. It does not claim to know operational causes or promise that illustrative improvements can be achieved.

From financial findings to management action

The report goes beyond diagnosis. It identifies financial leverage, separates opportunities from assumptions, and organizes management attention around evidence that can be validated.

9. Cash Flow Opportunity Analysis	Receivables, Inventory, Payables and profit-driver sensitivities; one-time and recurring effects distinguished.
10. Opportunity Summary	A consolidated view of leverage references and limitations without double-counting overlapping sensitivities.
11. 90-Day Management Priorities	Specific management questions, priority type, intended direction, progress indicators and aligned resources.
12. Secondary Management Considerations	Additional matters to monitor without diluting the primary priorities.
13. Strengths to Protect	Favorable financial results that management should preserve.
14. Management Information to Validate	The operating evidence needed to determine causes, feasibility and appropriate action.
15. Executive Bottom Line	A concise synthesis of the financial story and its implications for management decisions.

Supporting appendices

Appendix A: Detailed Financial Metrics

Appendix B: CASHFLOWiser Tab Summary

Appendix C: Opportunity Sensitivities

Appendix D: Analytical Basis & Limitations

What you receive with the Accelerator

A complete executive analysis report, a prioritized management action plan, a 20–30-minute recorded explanation, an email follow-up covering up to five questions, and permanent access to the complete BusinessWiser Cash Flow Mastery System.

The recording is not a live consultation.

Now, see the analysis in action

The following pages use Example Company to demonstrate the explanations an owner receives. This is an illustrative financial analysis, not a customer testimonial, a verified client outcome, or evidence of realized savings.

Watch how an apparently strong year—higher sales, higher profits, and positive Net Cash Flow—can still reveal important constraints in Working Capital efficiency and the ability to finance future growth.

4. Profit-to-Cash Conversion

Example Company produced \$2.30 million of Operating Profit / EBITDA. The question for an owner is what happened between that operating result and the final Net Cash Flow result. The bridge below follows the actual validated dollar progression.

Profit-to-Cash Bridge	Approx. Amount
Operating Profit / EBITDA	\$2,300,000
Increase in Working Capital	(\$1,200,000)
Operating Cash Flow	\$1,100,000
Fixed Asset Acquisitions	\$0
Free Cash Flow	\$1,100,000
Interest	(\$100,000)
Taxes	(\$700,000)
Owner Distributions / Dividends / Draws	\$0
Other Net Asset / Liability Movements	\$0
Net Cash Flow	\$300,000

Owner Takeaway: Example Company's activities produced a positive \$300,000 bottom-line financial result for the period. The result helped reduce bank debt while cash remained unchanged. The larger management issue is that \$1.20 million of the operating result was absorbed by higher Working Capital before the business reached Operating Cash Flow.

Understanding Net Cash Flow

Net Cash Flow is the bottom-line financial result of the entire business after the combined financial effects of all its activities are taken into account.

It brings together the financial effects of profitability, Working Capital, capital expenditures, interest, taxes, owner distributions, and other applicable activities. Some activities contribute financial resources, while others require them. Net Cash Flow shows the combined result.

What does positive or negative Net Cash Flow mean?

Positive Net Cash Flow means the activities of the entire business, taken together, produced a positive bottom-line financial result. This is generally favorable, but it does not mean every underlying business development was favorable or that cash in the bank necessarily increased.

Negative Net Cash Flow means the activities of the entire business, taken together, required more financial resources than they produced. This is a condition management must understand, but it does not automatically indicate poor performance. A company may have invested in productive assets, supported growth, or made other deliberate financial commitments.

In either case, the important management question is what produced the result, whether those developments were appropriate, and whether they can be sustained.

How Net Cash Flow is measured

The combined result ultimately becomes visible through the company's cash and bank debt position.

Net Debt = Bank Debt – Cash

Net Cash Flow = Beginning Net Debt – Ending Net Debt

This is how Net Cash Flow is measured. It is not the definition of the business activity that produced it.

What this means for Example Company

Example Company produced positive Net Cash Flow of \$300,000 in 2026. Its reported cash balance remained \$100,000, while bank debt declined \$300,000, from \$4.10 million to \$3.80 million.

Therefore, the positive Net Cash Flow result was reflected in lower debt rather than an increase in cash.

The more important management finding is that Example Company produced \$2.30 million of Operating Profit, but \$1.20 million was absorbed by additional Working Capital requirements before reaching Operating Cash Flow. Improving the efficiency of that investment could strengthen future financial flexibility.

Owner Takeaway: Positive Net Cash Flow is a favorable overall financial result, but understanding what produced it is more important than the positive sign alone.

5. Quality of Cash Flow

Quality of Cash Flow	2026	Interpretation
Growth / Decline Effect	\$1,880,000	Calculated balancing amount after Management Gains and Wastage are quantified.
Management Gains	\$1,700,000	Gross Profit and Accounts Payable favorable financial effects.
Management Wastage	(\$2,480,000)	Overhead, Accounts Receivable, and Inventory unfavorable financial effects.
Net Management Effect	(\$780,000)	Management Gains less Management Wastage.
Operating Cash Flow	\$1,100,000	Growth / Decline Effect plus Net Management Effect.
Important qualification: The Gain / Wastage classification describes favorable or unfavorable financial effect. It does not establish operational cause, management intent, controllability, or whether the underlying business decision was appropriate. Those matters require management validation.		
Executive Takeaway: Example Company produced \$1.10 million of positive Operating Cash Flow despite an unfavorable \$780,000 Net Management Effect. Management Gains of \$1.70 million were more than offset by \$2.48 million of Management Wastage. Management should determine which unfavorable effects were necessary, temporary, growth-related, or controllable.		

Understanding Quality of Cash Flow

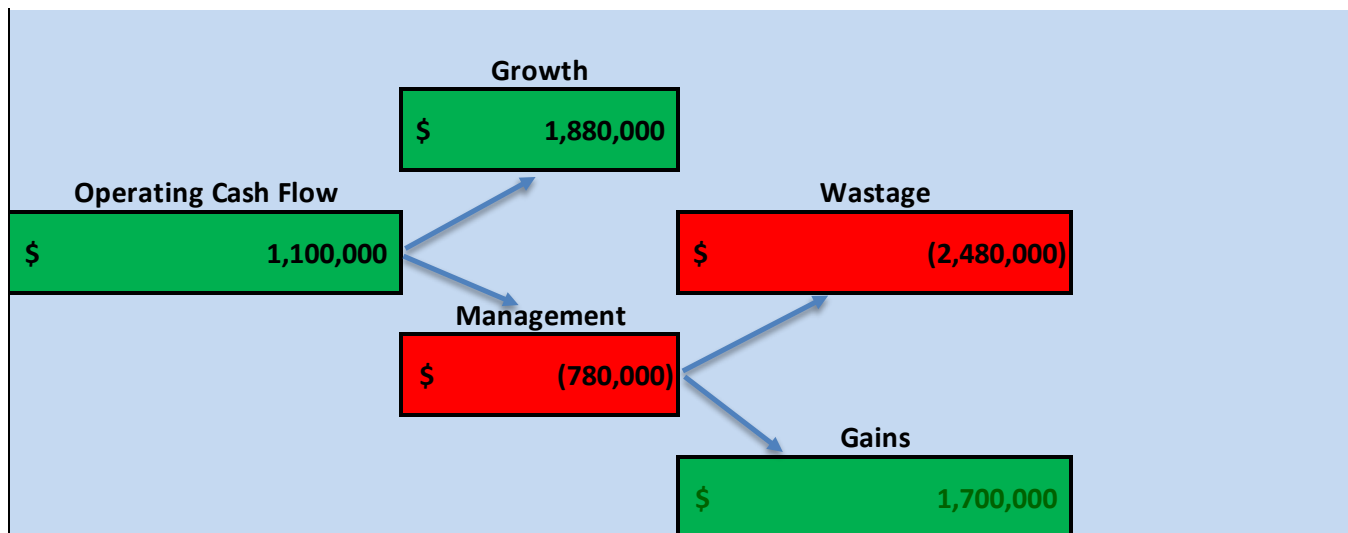
Quality of Cash Flow helps management understand what contributed to Operating Cash Flow and what worked against it.

The analysis examines seven management-influenced financial levers: Price, Volume, Cost of Goods Sold, Overhead, Accounts Receivable, Inventory, and Accounts Payable. Price, Volume, and Cost of Goods Sold are reflected together in Gross Profit.

Changes in these financial drivers are classified as either Management Gains or Management Wastage according to their favorable or unfavorable financial effects.

How Example Company's Management Gains and Wastage were calculated

Financial Driver	Management Gains	Management Wastage
Gross Profit increase	\$1,200,000	—
Overhead increase	—	(\$780,000)
Accounts Receivable increase	—	(\$1,000,000)
Inventory increase	—	(\$700,000)
Accounts Payable increase	\$500,000	—
TOTAL	\$1,700,000	(\$2,480,000)



Gross Profit increased \$1.20 million, a favorable financial effect. Accounts Payable increased \$500,000, providing additional supplier financing. These two changes contributed \$1.70 million of Management Gains.

Conversely, Overhead increased \$780,000, Accounts Receivable increased \$1.00 million, and Inventory increased \$700,000. These changes collectively produced \$2.48 million of unfavorable financial effects classified as Management Wastage.

Net Management Effect

Management Gains of \$1.70 million less Management Wastage of \$2.48 million produced an unfavorable Net Management Effect of \$780,000.

How the Growth / Decline Effect is calculated

Growth / Decline is not a separately measured cash transaction. It is a calculated balancing amount after the Management Gains and Wastage have been quantified.

Growth / Decline Effect = Operating Cash Flow – Net Management Effect

For Example Company: \$1,100,000 – (–\$780,000) = \$1,880,000

The complete relationship is:

\$1,880,000 Growth / Decline Effect – \$780,000 Net Management Effect = \$1,100,000 Operating Cash Flow

This explains how the two parts of the Quality of Cash Flow analysis reconcile to the company's actual Operating Cash Flow.

What Management Wastage really means

Management Wastage is the classification of an unfavorable financial effect. It does not automatically mean management made a poor decision or unnecessarily wasted money.

For example, higher Inventory may have been necessary to support growth, improve service levels, or prepare for expected demand. Higher Accounts Receivable may reflect increased sales or changes in customer terms. The financial analysis identifies the effect; management must determine the cause and whether it was justified.

Owner Takeaway: Example Company produced \$1.10 million of Operating Cash Flow despite \$2.48 million of Management Wastage. The priority is to understand the unfavorable changes, determine which were necessary or controllable, and identify where improved management of the seven financial levers could strengthen Operating Cash Flow.

7. Growth & Sustainable Funding

Example Company's growth economics remain positive on the CASHFLOWiser™ Gross-Profit-versus-Working-Capital test. For each \$100 of Revenue, the business produces \$37.50 of Gross Profit and requires \$19.58 of Working Capital. The difference is positive Marginal Cash Flow of \$17.92 per \$100 of Revenue.

Simple \$100 view: \$37.50 Gross Profit per \$100 of Revenue – \$19.58 Working Capital required per \$100 = +\$17.92 Marginal Cash Flow per \$100. This means the Gross Profit created by incremental Revenue exceeds the incremental Working Capital requirement under the current financial relationships.

The cushion narrowed from \$20.00 per \$100 in 2025 because Working Capital per \$100 increased approximately \$3.30 while Gross Profit per \$100 improved only approximately \$1.22. Growth remains positive on this measure, but it became more cash-intensive.

Growth Measure	2026	2025	Movement
Gross Profit per \$100	\$37.50	\$36.28	+\$1.22
Working Capital per \$100	\$19.58	\$16.28	+\$3.30 requirement
Marginal Cash Flow per \$100	\$17.92	\$20.00	(\$2.08)
Retained Profit per \$100	\$6.25	\$5.58	+\$0.67
Modeled Borrowing Capacity per \$100	\$5.94	\$9.15	(\$3.22)
Modeled Funding Shortfall per \$100	(\$7.40)	(\$1.54)	Worsened

Marginal Cash Flow is not the complete Sustainable Growth analysis. The broader funding test asks whether Retained Profit plus modeled Borrowing Capacity is sufficient to finance the Working Capital required by additional Revenue.

The relationship is: \$6.25 Retained Profit per \$100 – \$19.58 Working Capital required per \$100 + \$5.94 modeled Borrowing Capacity per \$100 = approximately a \$7.40 Sustainable Growth funding shortfall per \$100 of incremental Revenue.

What the Shortfall Means: After considering the company's Retained Profit contribution and modeled Borrowing Capacity, the Sustainable Growth analysis still indicates a funding shortfall of approximately \$7.40 for every additional \$100 of Revenue. The shortfall worsened from approximately \$1.54 per \$100 in 2025, a deterioration of approximately \$5.86 per \$100.

For scale only, a \$7.40 shortfall per \$100 is equivalent to approximately \$74,000 for each \$1 million of incremental Revenue if the same modeled relationships apply. This is a standardized illustration, not a growth forecast, growth plan, financing commitment, or prediction that Example Company will require that specific amount.

Important Assumption: The \$5.94 modeled Borrowing Capacity per \$100 is an analytical assumption. It does not establish that financing is available, committed, obtainable when needed, or available on acceptable terms.

The Power of Seven analysis is consistent with this distinction: a modeled 1% Volume increase produces approximately \$90,000 of additional Operating Profit and approximately \$43,000 of positive Net Cash Flow under the current relationships. Volume growth is not modeled as negative for Net Cash Flow, but its full funding requirement should still be evaluated before additional growth is committed.

Management Implication: Example Company can have positive Marginal Cash Flow and still face a broader Sustainable Growth funding shortfall. Before committing to additional growth, management should understand the complete Working Capital and financing requirement, not rely on the favorable Marginal Cash Flow measure alone.

How Modeled Borrowing Capacity Is Calculated

The Sustainable Growth analysis considers three financial relationships: Retained Profit, Working Capital required to support Revenue, and Modeled Borrowing Capacity.

Modeled Borrowing Capacity estimates the additional borrowing that could accompany retained earnings if the company maintained its current Debt-to-Equity relationship.

The calculation is:

Modeled Borrowing Capacity = Retained Profit × Debt-to-Equity Ratio

For Example Company in 2026:

Retained Profit per \$100 of Revenue: \$6.25

Debt-to-Equity Ratio: 0.95x

$\$6.25 \times 0.95 =$ approximately \$5.94 of Modeled Borrowing Capacity per \$100 of Revenue (using the underlying unrounded ratio).

This is why the Sustainable Growth analysis includes \$5.94 of modeled borrowing alongside \$6.25 of retained profit for each \$100 of Revenue.

The calculation assumes that the company could support additional debt in proportion to its retained earnings while maintaining the modeled Debt-to-Equity relationship.

It does not establish that a lender will provide the financing, that unused borrowing capacity exists, or that the financing would be available on acceptable terms.

Why this matters to Example Company

Example Company's Debt-to-Equity Ratio improved substantially, declining from 1.64x to 0.95x. That is a positive development for its capital structure.

However, the lower ratio also reduces the amount of borrowing assumed in this particular Sustainable Growth model.

Consequently, Example Company's modeled Borrowing Capacity declined from approximately \$9.15 to \$5.94 per \$100 of Revenue.

The Sustainable Growth calculation therefore shows that retained profit and modeled borrowing together are insufficient to cover the current Working Capital requirement of \$19.58 per \$100 of Revenue, resulting in the modeled \$7.40 funding shortfall.

Owner Takeaway: The borrowing amount is a modeling assumption based on the company's Debt-to-Equity relationship, not a bank commitment. Management must determine actual financing availability before relying on borrowed funds to support growth.

11. 90-Day Management Priorities

90-Day objective: Improve the cash efficiency of growth—especially receivables and inventory—while establishing disciplined visibility into overhead and the funding requirement of future growth.

Priority 1 — Improve Accounts Receivable Cash Efficiency

Element	Management Direction
Priority Type	Investigate & Establish Target
Management Question	Why did DSO increase from approximately 67.9 to 76.0 days, and what portion of that deterioration is controllable?
Why It Matters	Accounts Receivable increased \$1.00 million and DSO deteriorated approximately 8.1 days. One DSO day represents approximately \$65,753 of one-time cash sensitivity, so even a modest validated improvement can materially affect liquidity.
90-Day Focus / Objective	Establish the operational drivers of the approximately 8.1-day increase, determine an appropriate management target, and begin monitoring improvement.
Desired Direction	Lower DSO and reduce unnecessary cash tied up in receivables without creating inappropriate customer or commercial consequences.
Progress Indicators	DSO; Accounts Receivable balance relative to sales; collections trend; Working Capital Days; validated cash released.
BusinessWiser™ Alignment	CASHFLOWiser™ / DRIVERwiser™ / PLANwiser™

Priority 2 — Improve Inventory Cash Efficiency

Element	Management Direction
Priority Type	Investigate & Establish Target
Management Question	Why did DIO increase from approximately 66.6 to 77.9 days, and how much of the increase is operationally necessary?
Why It Matters	Inventory increased \$700,000 and DIO deteriorated approximately 11.3 days. One DIO day represents approximately \$41,096 of one-time cash sensitivity, making Inventory a major contributor to the higher Working Capital requirement.
90-Day Focus / Objective	Determine the cause and composition of the Inventory increase, establish an appropriate management range, and monitor movement.
Desired Direction	Reduce unnecessary Inventory days while protecting required service, availability, production, or selling capability.
Progress Indicators	DIO; Inventory balance; Working Capital Days; validated cash released.
BusinessWiser™ Alignment	CASHFLOWiser™ / DRIVERwiser™ / PLANwiser™

Priority 3 — Control Overhead Growth

Element	Management Direction
Priority Type	Investigate & Establish Target
Management Question	What explains the \$780,000 increase in Overhead, and which portions are structural, growth-related, discretionary, or potentially controllable?
Why It Matters	Overhead increased approximately 13.2%, slightly faster than Revenue growth of 11.6%, and produced a \$780,000 unfavorable Quality of Cash Flow effect. Gross Margin improvement protected Operating Profit Margin in 2026, but continued faster Overhead growth could absorb more of that benefit.
90-Day Focus / Objective	Validate the sources of Overhead growth and establish appropriate monitoring and management parameters.
Desired Direction	Preserve improved profitability while preventing Overhead growth from unnecessarily weakening cash retention.
Progress Indicators	Overhead dollars; Overhead per \$100 of Revenue; Operating Profit Margin; Operating Cash Flow.
BusinessWiser™ Alignment	CASHFLOWiser™ / DRIVERwiser™ / PLANwiser™

Priority 4 — Establish Growth-Funding Discipline

Element	Management Direction
Priority Type	Monitor & Control
Management Question	How much additional growth can Example Company finance without creating an increasing external funding requirement?
Why It Matters	Working Capital required per \$100 of Revenue increased to \$19.58, Marginal Cash Flow declined to \$17.92, and the modeled Sustainable Growth funding shortfall worsened to approximately \$7.40 per \$100. These measures show that growth remains economically positive on the Marginal Cash Flow test but requires more disciplined funding planning.
90-Day Focus / Objective	Integrate Retained Profit generation, Working Capital per \$100 of Revenue, modeled Borrowing Capacity, Marginal Cash Flow, and forecasted growth requirements before additional growth commitments are made.
Desired Direction	Support growth with an explicitly understood and monitored funding plan.
Progress Indicators	Marginal Cash Flow; Working Capital per \$100; Retained Profit per \$100; modeled funding shortfall/overage; Operating Cash Flow; forward cash forecast.
BusinessWiser™ Alignment	CASHFLOWiser™ / FORECASTwiser™ / PLANwiser™

How to Proceed with the Cash Flow Accelerator

1. Review this illustrative report and the complete program overview to understand the scope and deliverables.

2. Request the Confidentiality Agreement (NDA) by replying to the accompanying email or completing the inquiry form on the BusinessWiser™ Cash Flow Accelerator Program webpage.

See “Next Step” below for instructions and the website link. The NDA must be executed before you submit confidential company financial information.

3. Provide two quarters or two years of financial statements for a preliminary suitability review. BusinessWiser will advise whether the analysis can proceed.

4. If the engagement is accepted, complete the \$995 promotional purchase through the designated BusinessWiser purchase process.

5. Receive the independent executive analysis, prioritized 90-day management agenda, 20–30-minute recorded explanation, an email follow-up covering up to five questions, and permanent access to the complete Cash Flow Mastery System.

Next Step:

To request the Confidentiality Agreement (NDA) and engagement instructions, simply reply to the accompanying email or visit the **BusinessWiser™ Cash Flow Accelerator Program** page at:

<https://www.robertslivingston.com/cash-flow-accelerator-program>

Complete the brief form *at the bottom of the page* to request your NDA.

There is no obligation to purchase, and confidential financial information is not requested until the NDA has been executed.

The examples in this document use fictional financial figures and do not represent actual company results or guaranteed outcomes.