AlfaFinTec

Inventory, Cashflow and Reporting

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Executive Summary

A regional producer and distributor struggled with manual inventory reconciliation, inconsistent invoicing and opaque cashflow reporting.

AlfaFinTec led a combined business-analysis and system customisation engagement that synchronised operational and financial records, automated routine reconciliations.

A management information system that improved working capital visibility and operational reliability was delivered.

Typical Challenges

SMEs in production & distribution

SMEs that scale from local to regional distribution commonly experience:

- **Fragmented systems** where warehouse events are recorded separately from financial ledgers, producing delays and errors in invoicing and cash collection.

- **Manual reconciliations** and day-end batch work that consume finance capacity and slow decision-making.

- **Poor visibility** of inventory at retail and distributor channels, leading to lost sales and over-stocking in some locations.

These problems reduce liquidity, and increase labour and supply chain costs.
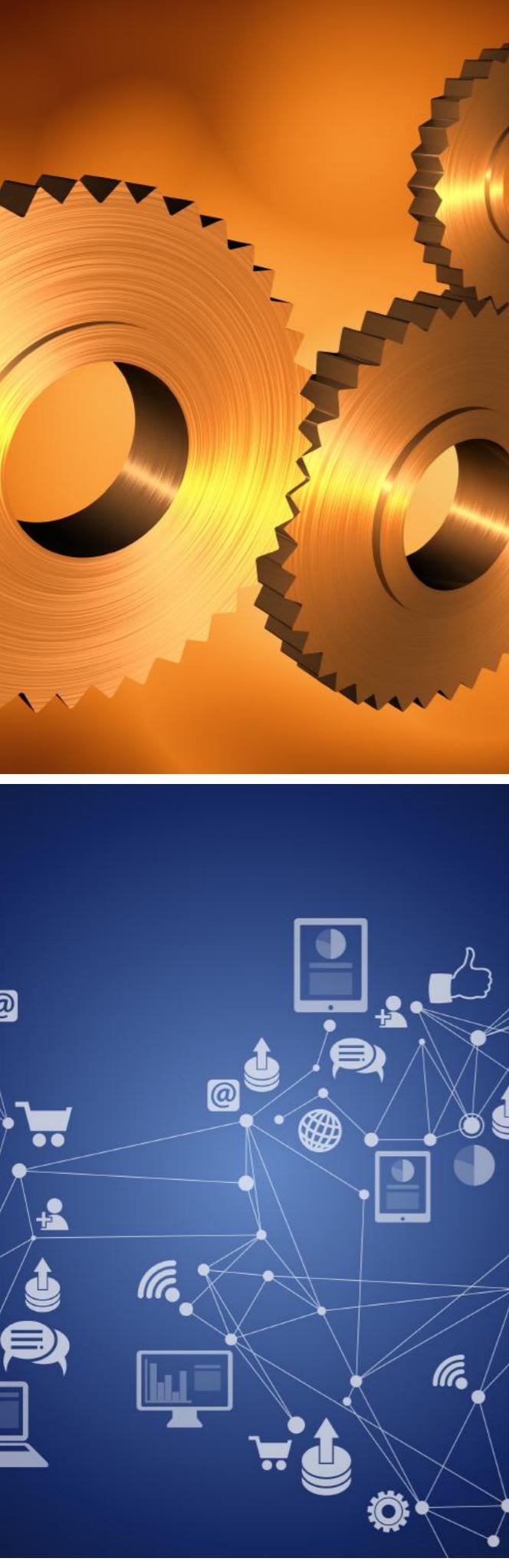
Approach

Follow a structured, SME-friendly method focused on low-risk interventions with fast payback.

1. End-to-end mapping

• Mapped order-to-cash and dispatch-to-ledger processes with operations and finance to identify the largest reconciliation gaps.

• Prioritised fixes that improved cashflow signalling and reduced routine exceptions.

2. System customisation and security checks

• Specified and led customisation of the client's ERP/WMS modules so dispatch events would automatically post the correct ledger entries and trigger invoice creation.

• Added a simple security checkpoint to prevent manual ledger overrides and preserve audibility.

3. Automated reconciliation and exception reporting

• Implemented an overnight reconciliation batch that matched dispatch records to posted invoices and produced a daily exceptions report for finance.

• Designed lightweight dashboards for stock levels at key retail channels, enabling quicker decisions.

4. Operational rules and training

• Implemented tolerances and a daily morning checklist for operations and finance to resolve exceptions before close of business.

• Delivered short role-based training so staff to operate the new workflows.

Outcome

Information management and process costs improved by over 50% due to automation of reconciliation tasks and elimination of duplicate manual steps.

Cash collection cycle shortened because invoices posted earlier and with fewer disputes, improving working capital visibility.

Customisation of inventory, ledger and cashflow modules, data-warehousing extracts for sales reporting and a security checkpoint for transactional controls.

Inventory visibility at retail channels improved, reducing stockout and enabling more timely promotions and replenishment.

Nightly automations and a morning exceptions report are low-cost, high-impact controls that substantially reduce monthly reconciliation effort.

Finance and operations reported a lower month-end burden and higher confidence in the numbers used for commercial decisions.

Small system changes, properly prioritised, deliver faster ROI than wholesale replacements

Lessons & transferability for growing SMEs

Align operational events with financial posting: the single-entry source for transactions is the simplest, most effective control.

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