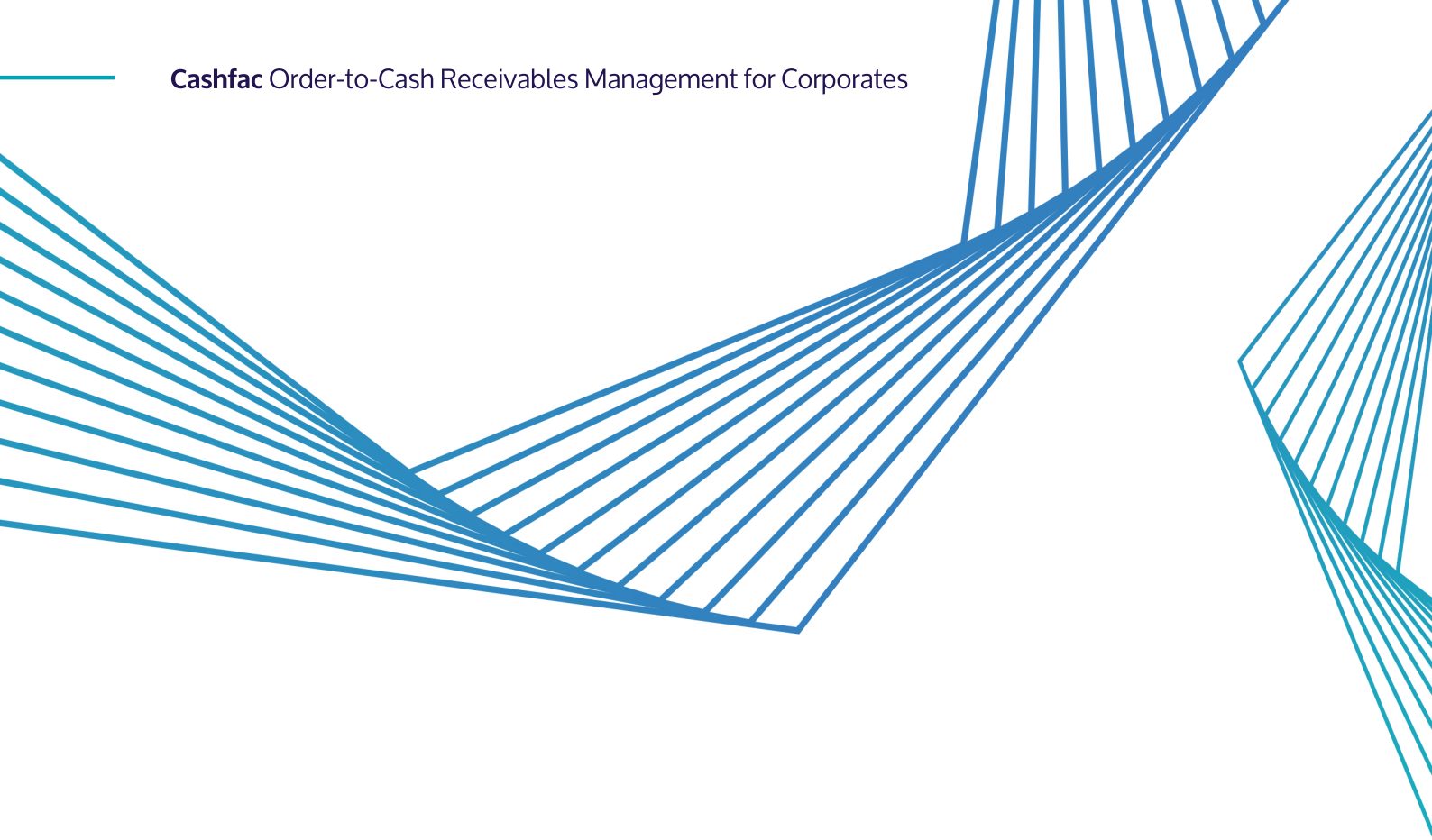


# Order-to-Cash Receivables Management for Corporates

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CASHFAC SOLUTION LITERATURE



## Introduction

Order-to-Cash, also known as O2C or OTC, are the business processes for receiving and processing customer sales orders for goods and services and the collection of payments for them.

These processes are at the heart of all businesses. Cash is the lifeblood of any business and it is of crucial importance that all businesses seek to shorten the OTC timeline to improve cashflow, cut financing costs and increase turnover.

Our solution works with your existing accounting/ERP or operational systems to allow you to deliver maximum efficiency to the cash receipts processing stages of the OTC procedures shown below. Our solution is designed to easily interface to your existing systems and, on a real time basis, feed them with all the information they need about the cash receipt to maximise their performance.



# 5 Step Approach

Our five-step approach provides your organisation with a proven solution to the real-world challenges of processing cash received:



1 | Identify and Allocate Cash Received



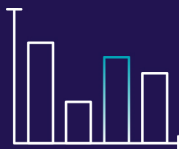
2 | Apply Cash Received



3 | Account and Reconcile



4 | Manage Liquidity and Treasury Pooling

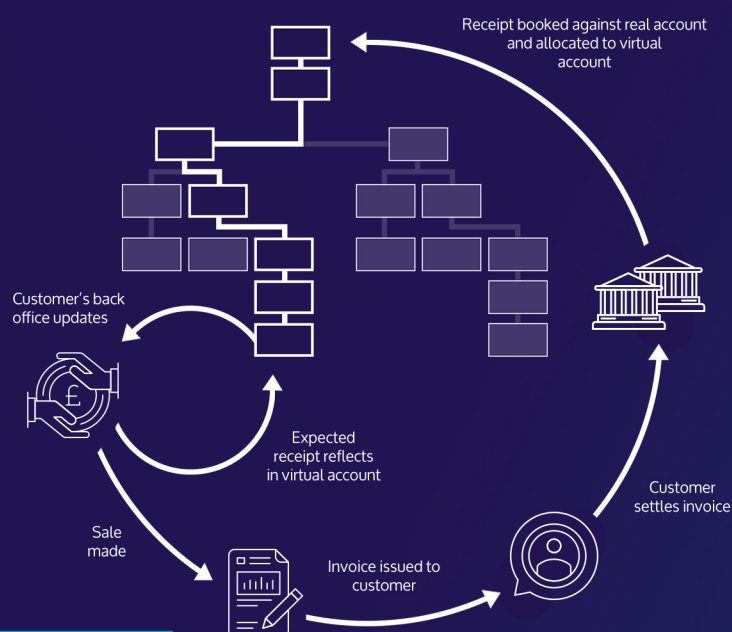


5 | Reporting and Forecasting

## 1 | Identify and Allocate Cash Received

Cashfac takes your organisation's single accounts receivable bank account and virtualises it into thousands of fully functional bank accounts - one for each customer making a payment to your organisation. Each customer can then pay funds directly to the virtual account through the banking network, or your organisation can process collection to that account using direct debits.

This banking arrangement removes the possibility of not being able to identify the source of funds. As only one customer can use that virtual bank account, all receipts in that virtual account must belong to that customer.



## 2 | Apply Cash Received

Cashfac integrates seamlessly with your existing ERP systems. Invoices and credit notes from your ERP systems can be loaded into Cashfac and posted as non-cash expectation transactions on the customer's virtual bank accounts. When a cash receipt is posted to the virtual bank account, Cashfac will apply the receipt against the invoice expectations thereby settling the invoice.

**Cashfac's application functionality can handle many-to-one applications and deal with tolerance differences in a highly automated fashion.**

Of course, if your organisation would prefer to do the application of cash on your existing ERP, each virtual bank account is then simply paired with the customer's existing receivables account on the ERP system. When cash is received in the virtual bank account, Cashfac automatically posts the cash to the ERP from where the ERP applies it.

### 3 | Account and Reconcile

Cashfac can then post the cash receipt and its application to the ERP system and perform an automatic reconciliation of the bank account to the ERP general ledger cashbook, if required. Our sophisticated accounting engine will handle the posting of unapplied cash if, for whatever reason, it cannot be applied against invoices, or if your organisation chooses to perform the application of cash on your organisation's ERP system.

### 4 | Manage Liquidity and Treasury Pooling

Monies transferred by the customer to the virtual bank account are automatically routed to the accounts receivable real bank account, thus automatically pooling all cash received in one real bank account.

This pooling optimises the cash positions for the most effective liquidity or treasury management. Our system can also be configured to automatically sweep funds between pools to wherever your company or group requires it.

### 5 | Reporting and Forecasting

The system comes with a complete suite of reporting and real-time dashboards that allow easy analysis and management of all aspects of the cash receipt processes. As Cashfac records both current cash positions and the invoices and credit notes detailing expected future cash receipts, the Cashfac reporting functionality can also be used to predict future cash positions.

These forecasts can also be used to "feed" the liquidity and treasury management systems, used by your organisation and group, to further improve profitability.

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For product information, to request a demonstration or to speak to us about your business needs, please contact us at [www.cashfac.com/contact](http://www.cashfac.com/contact)

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