

A clear path towards short-term liquidity visibility for SMEs

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COVID-19 is requiring all businesses to assess their short-term liquidity positioning and potential funding requirements. You may need to reconsider how you project short-term cash flows, because ordinary planning tools may not be suitable, under the current circumstances.

Key considerations



Clarity on your short-term liquidity positioning for the next 13 to 17 weeks, in particular in light of COVID-19



A robust and reliable view on weekly cash inflows and outflows based on a direct planning approach



Identify potential liquidity shortages and funding requirements at an early stage as well as liquidity improvement measures



A basis for your negotiations with stakeholders, thanks to an analysis of your current and projected liquidity status

Benefit from the accelerated introduction of a new short-term cash flow projection tool and gain:



Increased confidence in your short-term liquidity projection due to a dynamic, robust and reliable planning tool



Detailed view on potential liquidity shortages and short-term funding requirements



Certainty regarding the effectiveness of implemented liquidity improvement measures



Resolute and informed position when negotiating with banks, landlords, suppliers and other stakeholders



Improved short-term liquidity planning processes, thanks to KPMG's extensive experience

How can we help?



Design the right short-term cash flow projection tool together with you and ...

- **Create and develop** a dynamic bottom-up forecasting tool for the projection of short-term cash flows (13 - 17 weeks) based on the agreed company-specific specifications and functionality requirements
- **Assess and challenge** key assumptions regarding the cash inflows and cash outflows
- **Assess** the internal forecasting process, update frequencies, tasks and responsibilities and identify areas for improvement



Deploy and decide on a course of action tailored to your company's situation and work with you to...

- **Analyze** potential liquidity shortages and assess funding requirements on a rolling, weekly basis
- **Identify** and monitor impactful liquidity safeguarding measures
- **Verify** the accuracy of forecasts
- **Perform** scenarios and sensitivities analyses
- **Conduct** stress testing

At the core of your business continuity planning, you will want to carefully monitor and secure your company's liquidity. In light of this extraordinary situation, your business continuity plan will be your management team's go-to resource for clarity on how to tackle the challenges before you.

KPMG will work with you to help you through these times and help you stay true to your original plans for business continuity.

Find additional KPMG COVID-19 resources here

<https://home.kpmg.ch/en/home/insights/2020/03/coronavirus-business-continuity-plan.html>

<https://home.kpmg.ch/en/blogs/home/posts/2020/03/coronavirus-is-a-massive-challenge-for-companies.html>

Contacts

KPMG AG
Räffelstrasse 28
PO Box
8036 Zurich

kpmg.ch

Peter Dauwalder
Partner
Head of Restructuring

+41 58 249 41 80
pdauwalder@kpmg.com

Matthias Frey
Assistant Manager
Restructuring

+41 58 249 26 54
matthiasfrey@kpmg.com

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