



Strengthening Financial Controls and Financial Planning for an Energy Services SMB

The client is Global energy services company with project management and operations and maintenance support to Power Generation industry with operations in several countries. The business was poised to scale up however the finance team struggled with weak systems, poor performance visibility, and limited internal capabilities. Inadequate cash cycle visibility, scattered reporting, and capital allocation concerns hampered decision-making, while leadership also faced team retention challenges during this critical growth phase.

The Problem We Solved

Like many mid-sized energy services firms undergoing diversification, the client faced:

Dual Business Complexity: Managing two business models, traditional energy services and renewables, required clarity in budgeting, profitability, and capital planning across units.

Capital Allocation Confusion: Limited data and models made it difficult to determine optimal investment between the legacy business and new ventures, or evaluate fundraising needs.

Weak Systems and Processes: The accounting team lacked structure and control, with no reliable monthly book closure or financial reporting cadence.

Cashflow Visibility Gaps: Long receivables cycles and contract structuring issues led to cash strain and limited visibility into conversion timelines.

Talent Challenges: A fragmented team with limited incentive alignment made it difficult to build a cohesive finance function aligned to long-term goals.

What We Did

ValueXPA deployed a CFO advisory-led solution over multiple sprints focused on planning, reporting, and process structure:

Strengthening Accounting systems

We audited the current accounting systems and processes and recommended to migrate to a cloud-native platform like QuickBooks. We setup a revised chart of accounts using which the client was able to get a more accurate view of the project level profitability using tags in QuickBooks for both revenue and direct costs and other project expenses. Vendor master data, transaction templates, and approval flows were streamlined—reducing reconciliation mismatches and enabling multi-location access.

Operational Budgeting and Cash Cycle Optimization

We constructed a 12-month operating budget layered with a rolling cash forecast, linking receivables, payables, and project delivery timelines. Weekly working capital snapshots highlighted mismatches between collections and vendor commitments. Key cashflow events customer milestones, capex disbursements, and payroll were aligned with inflow cycles to reduce strain.

Contract Structuring for Liquidity

Each major customer agreement was reviewed in collaboration with the sales and delivery heads.

We recommended revisions to payment milestones, security terms, and credit periods. Where applicable, advance invoicing and milestone billing structures were introduced to accelerate collections and reduce negative working capital.

Valuation and Fundraising Readiness

Using the projected financial model, we developed a cashflow-based valuation dashboard tailored for internal use. This included sensitivity toggles for revenue growth, margin profiles, and capital requirements, helping the founders evaluate dilution scenarios and negotiate with potential investors on realistic terms.

Month-End Book Closure and Reporting Cadence

We implemented a standardized monthly close calendar. Daily, the accountant reconciled bank statements and updated ledgers, clearing suspense items through journal entries. Exception notes were compiled with timing details and shared in a consolidated tracker reviewed by the controller. During close week, each balance-sheet account was validated jointly with the CFO using a documented checklist. The structured process shortened close timelines and improved accuracy.

Cloud System Migration

Our team managed the shift from desktop based accounting to a cloud-native platform. Vendor master data, transaction templates, and approval flows were streamlined, reducing reconciliation mismatches and enabling multi-location access.

Team Incentivization through ESOP

To address retention issues, we collaborated with the founders to design an ESOP scheme aligned with long-term company goals. Vesting logic and performance triggers were mapped, and communication material was created to engage and align mid-level finance and operations talent.

Cloud Accounting with Structured Close

Migrated to QuickBooks with project tags and a monthly close calendar improving visibility and reporting speed..

Smarter Cashflow Management

Built rolling budgets and restructured contracts cutting DSO by ~2 weeks and easing working capital strain.



Fundraise-Ready Financial Planning

Developed unit-level models and valuation dashboards to support capital allocation and investor discussions.

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How We Created an Impact

Improved Strategic Planning: Management gained clarity on capital allocation decisions, enabling a structured entry into renewables without compromising the legacy business.

Better Cashflow Visibility: Working capital metrics and cash conversion cycle improved measurably within 6 months through revised billing practices and customer contract structuring.

Conclusion

By adopting a cloud based accounting system, implementing a structured calendar for month-end close led to a more accurate financial performance reporting and reporting cadence.

Real-Time Reporting: Monthly reporting was streamlined giving the management team timely visibility into financial KPIs and business-unit performance.

Process Automation and Control: Migration to cloud-based accounting streamlined data entry, improved control checks, and reduced reporting turnaround time.

The client not only improved financial controls but also Management decision-making. ValueXPA's approach helped transform a loosely governed finance function into a data-driven enabler of business transformation.

For more information on business partnering please connect with us!

Write to us at info@valuexpa.com

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