



# Welcome



# Cash Flow

Jessica Glezellis

*Vice President, Cash Management Officer*

**Reading Cooperative Bank**

# Agenda

- Introduction - RCB
- What is cash flow?
- Types of cash flow
- Managing cash flow
- Profit vs. cash flow
- Cash flow statement
- Improving accounts receivable
- Types of payments
- Bank services to manage cash flow

# Who is Reading Cooperative Bank?

- Established in 1886
- Current President & CEO: Julie Thurlow
- Nine branch offices and two school locations
  - Reading
  - North Reading
  - Andover
  - Burlington
  - Lawrence
  - Wilmington (Lowell St & Middlesex Ave)
  - Lynn
  - Nahant
  - Reading High School
  - NEMT (Wakefield)
- Over \$900 million in assets



# What is Cash Flow?



- The total amount of money being transferred into and out of a business, especially as affecting liquidity.
- Over 80% business fail by poorly managing their cash flow
- Sustaining a positive cash flow is what all lenders look for



# Types of Cash Flow



## Operating

Cash you have available in your operating account



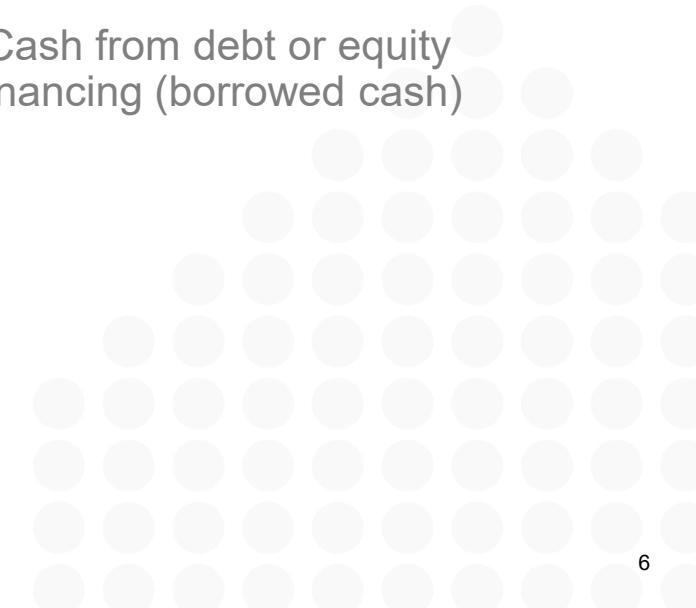
## Investing

Cash from buying/selling equipment, securities, etc

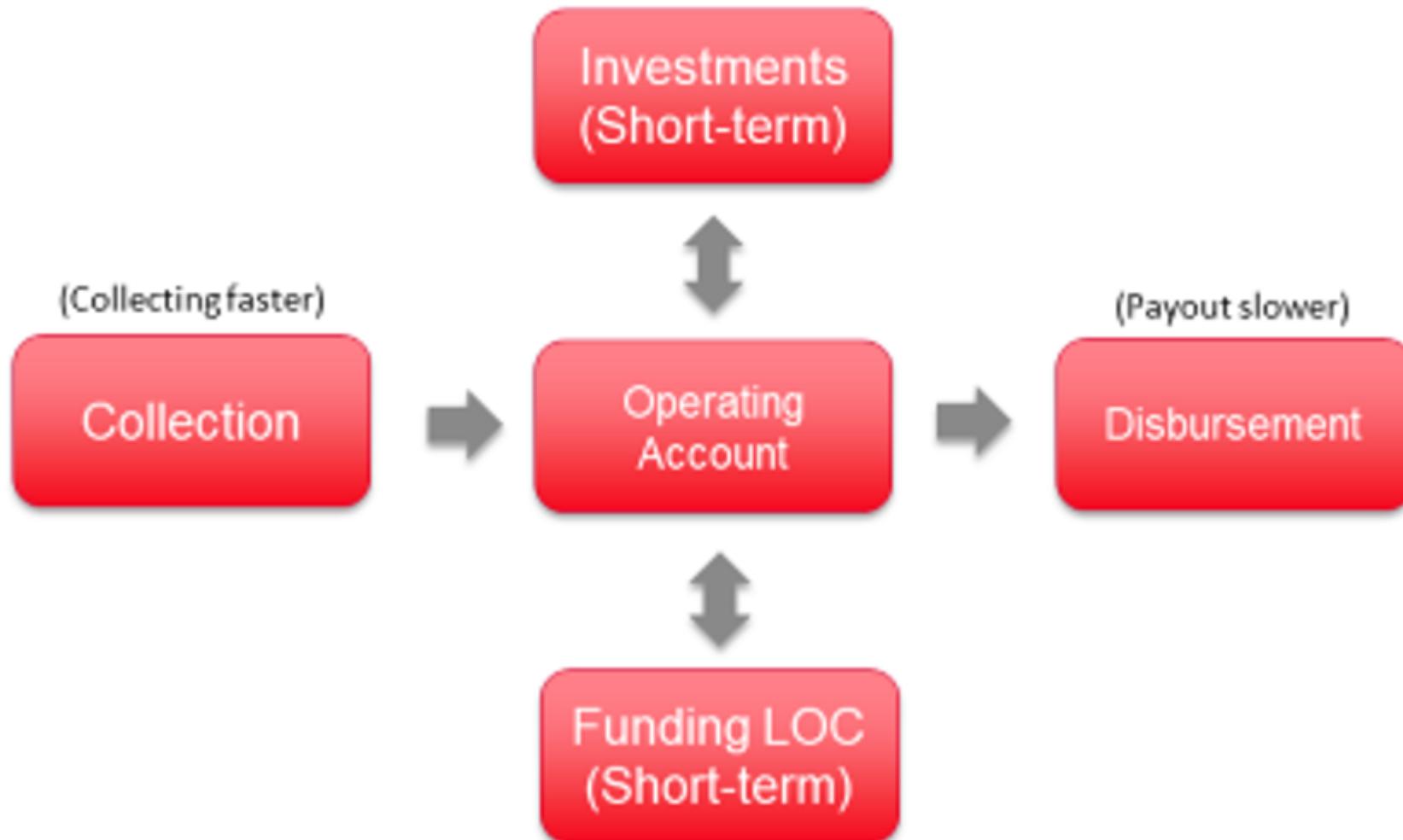


## Financing

Cash from debt or equity financing (borrowed cash)



# Managing Cash Flow



# Profit vs. Cash Flow

## CASH FLOW

The movement of actual cash into and out of a business

Helps to gain clarity on your spending

Forecasts businesses future expenses

VS

## PROFIT

Profit = revenue minus expenses

Reflects the overall financial performance and efficiency of a company's operations.

Reflects business performance

You can be profitable but have negative cash flow

# Cash Flow Statement Sample

<b>Category</b>	<b>Amount (\$)</b>
Cash Inflows (Revenue)	
Lemonade Sales	200
Tips from Customers	20
<i>Total Cash Inflows</i>	<b>220</b>
<hr/>	
Cash Outflows (Expenses)	
Lemonade Ingredients (lemons, sugar, water)	50
Cups	15
Sign Materials (for marketing)	10
Table and Chair Rental	25
Ice	5
<i>Total Cash Outflows</i>	<b>105</b>
<hr/>	
<b>Net Cash Flow for the Month</b>	<b>115</b>



# Improving Accounts Receivable

- Prompt Invoicing
- Early payment discounts
- Clear payment terms
- Regular follow up
- Analyze accounts receivable data
- Multiple payment options
- Automated invoicing
- Require deposit for larger orders/sales

**Moving to  
electronic billing  
and payments is  
vital to streamline  
customer payments**

# Types of Payments



Cash



Checks



ACH



Credit Cards

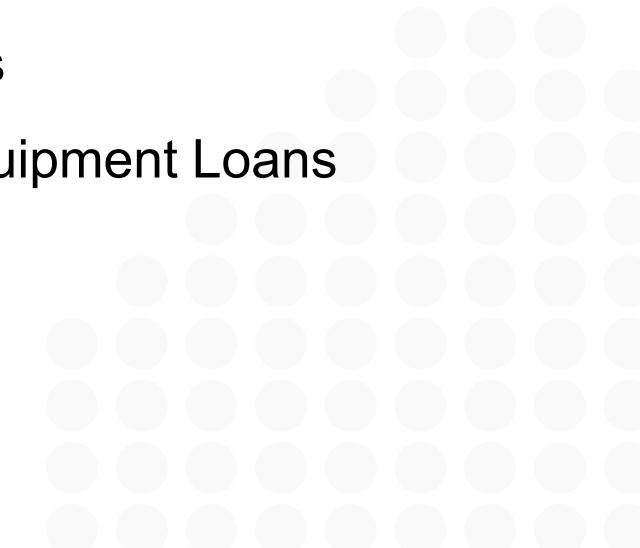


Wire Transfers

# Bank services to manage cash flow



- Online Banking
- Mobile Deposit
- Remote Deposit Capture
- ACH Origination
- Positive Pay
- Sweeps including Zero Balance Accounts
- Merchant Services
- Lines of Credit/Equipment Loans
- SBA Loans



# Thank You!

Jessica Glezellis

Vice President, Cash Management Officer

781.670.1530

[jglezellis@readingcoop.com](mailto:jglezellis@readingcoop.com)