

Case Study: Stabilizing Cash Flow for a Growing Business

Overview

A growing service-based business faced increasing cash flow pressure despite strong revenue performance. Long customer payment cycles combined with ongoing operating expenses created a working capital gap that began impacting day-to-day operations.

A structured working capital financing solution was implemented to stabilize liquidity and support continued growth.

The Challenge

The company was experiencing consistent growth but struggled with cash flow timing:

- Customer payment terms of **45–75 days**
- Ongoing obligations including **payroll, rent, and vendor payments**
- Limited flexibility from traditional bank financing

While profitable, the business faced a **liquidity constraint** that created operational stress and limited its ability to scale efficiently.

The Solution

A **\$1,500,000 working capital facility** was structured around the company's receivables and operating cycle.

The solution included:

- Advances on eligible accounts receivable
- Flexible access to capital as needed
- A structure aligned with real cash flow timing

This approach provided immediate liquidity without disrupting operations or requiring rigid repayment schedules.

How It Works

1. The company submits eligible invoices
2. A percentage of invoice value is advanced within 24–48 hours
3. Remaining funds are released upon customer payment
4. Additional capital remains available for ongoing needs

This structure allows the business to convert receivables into **predictable working capital**.

Results

Improved Cash Flow Stability

Consistent liquidity to meet payroll and operating expenses

Operational Continuity

No disruption to service delivery or growth initiatives

Reduced Financial Pressure

Eliminated the need for short-term cash fixes

Scalable Capital Access

Financing grows alongside revenue

Financial Snapshot

METRIC	BEFORE	AFTER WORKING CAPITAL
Cash Flow Stability	Inconsistent	Predictable
Payment Cycles	45–75 Days	45–75 Days
Available Liquidity	Limited	\$1.5M Facility
Operational Risk	Elevated	Stabilized

Stabilize Cash Flow.

Strengthen Operations.

Scale with Confidence.



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Before

- Inconsistent cash flow
- Limited access to capital
- Elevated operational risk

After

- Predictable liquidity
- \$1.5M working capital facility
- Stabilized operations

Key Takeaway

Strong businesses often face challenges not from lack of revenue, but from **timing gaps between receivables and payables**.

Structured working capital financing helps bridge that gap—allowing companies to operate with confidence, maintain obligations, and continue growing.

When to Consider Working Capital Financing

- Rapid business growth
- Long customer payment cycles
- Increasing operating expenses
- Seasonal revenue fluctuations
- Cash flow timing mismatches

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