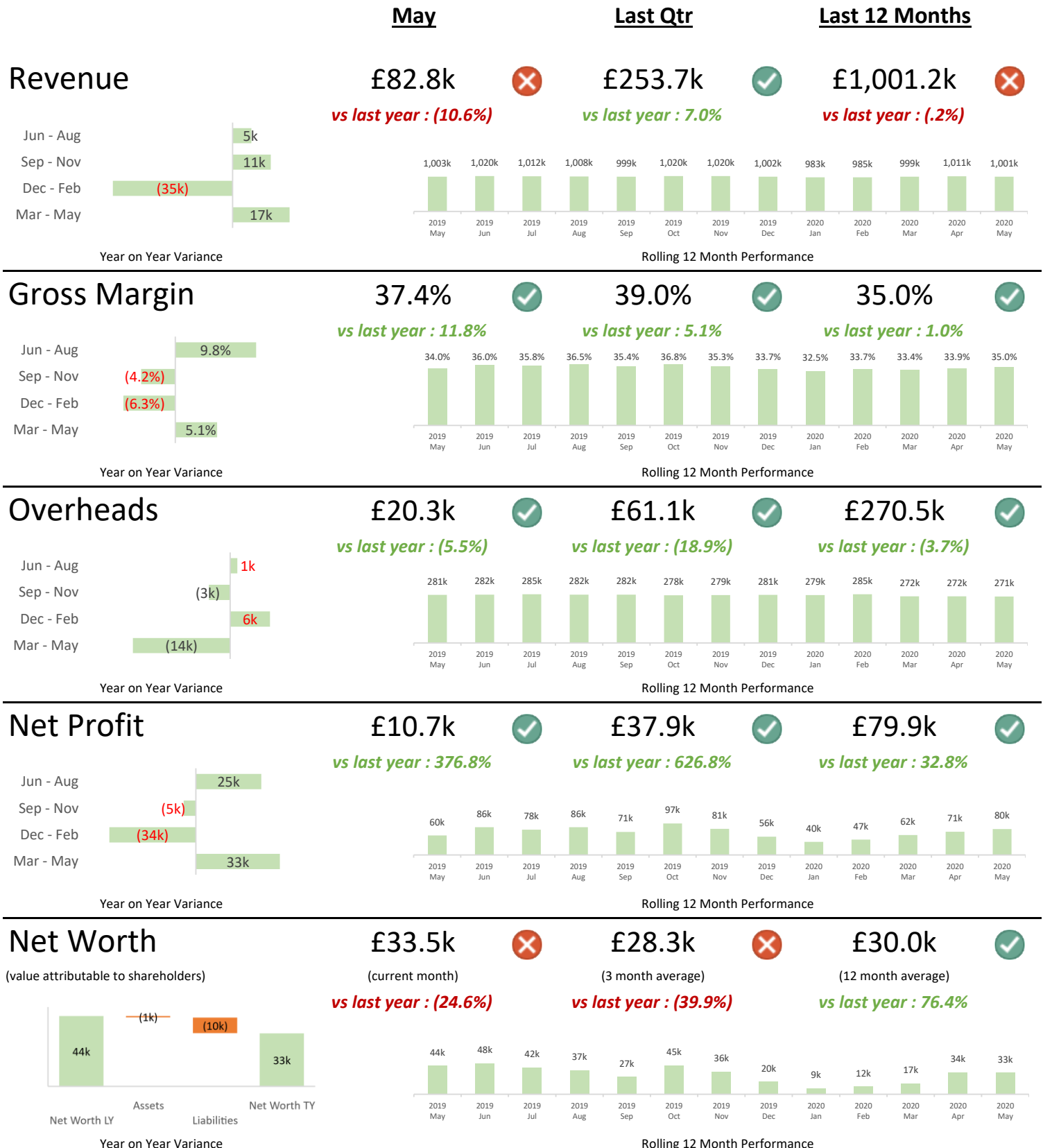


Business Overview - A Fictional Software Company - May 2020

Over the last 12 months, profit has increased by £19,721 compared to the previous 12 months. An adverse sales variance decreased profit by (£600), margin % increased by 1% which in turn increased profit by £9,913, overheads have reduced compared to last year which has increased profit by £10,408.



Business Overview - A Fictional Software Company - May 2020

Revenue Drivers

	Last 12 Months	Previous 12 Months	Var	Impact on Revenue	
Total Transactions	4,360	4,141	✓	£50.3k	(£52.1k)
Average Value Per Transaction	£230	£242	✗	Revenue Increase	Revenue Decrease
Total Revenue	£1,001k	£1,003k	✗	(due to number of transactions)	(due to average transaction Value)

Customer Drivers

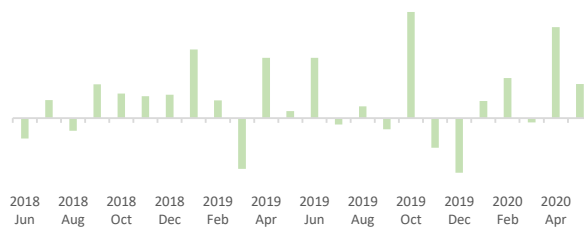
New Customers Acquired	79	98	✗	(£108.7k)	(£44.1k)
Existing Customers Retained	96	90	✓		
Retention Rate	51.1%	55.2%	✗	Revenue Lost	Revenue Lost
Lost Customers (from previous year)	92	73	✗	(Due to 19 fewer customers acquired)	(Due to 4.1% fewer customers retained)
Proportion of Customers lost	48.9%	44.8%	✗		

Profitability

7

(months generating a profit)

2 fewer than last year



		Margin % variance (break-even margin % = 27%)				
		27%	31%	35%	39%	43%
Sales variance (break-even sales = £773k)	£773k	(62k)	(31k)	0k	31k	62k
	£887k	(31k)	5k	40k	75k	111k
	£1,001k	0k	40k	80k	120k	160k
	£1,115k	31k	75k	120k	164k	209k
	£1,230k	62k	111k	160k	209k	258k

Current Ratio

1.0

(current assets / current liabilities)

0.2 lower than last year

Debtor Days

71.8

((Accounts Receivable / Sales) x 365 Days)

2.9 days longer than last year

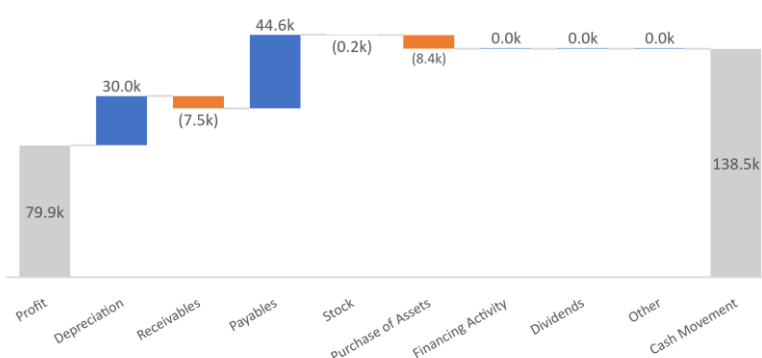
Creditor Days

24.1

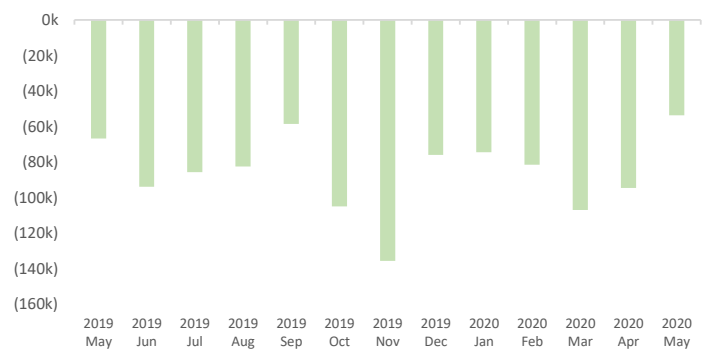
((Accounts Payable / Expenditure) x 365 Days)

4.1 days shorter last year

Cash Movement



Cash Balance



If you would like to discuss how Your Accountant can help you better understand what's going on in your business, please do not hesitate to contact us on t: 0123 456 7890