

General Commentary

- November has seen a significant drop in performance compared to October. This is similar to last years drop however this November is a small loss compared to a small profit last year.
- Your cash position has remained relatively stable with a small increase in your funds.
- Your balance sheet has remained much the same as it was last year, with your largest asset being the Shareholder Current accounts, these will be cleared out by way of shareholder salaries at the end of the year.

Future Outlook

- Your client mix has changed from last month, however 2 of your clients make up 56% of your months sales, it would be good to see your sales spread over more clients to limit your exposure.
- For the next financial year we should implement a budget and have this in Xero. So we can get greater insight into the performance of your business.
- Moving forward we could gain greater insight on your business. If we had a breakdown of how the different charge out rates make up your turnover. (I have an idea how to do this and will work with you to implement it)

Ratios and KPIs

- Both net profit margin and gross profit margin are negative, which means you have made a small loss for the month. November is normally a bad month for you, however we need to look at ways of minimizing this impact.
- Net Profit YTD is \$11.5k down on last year, this is mainly due to a \$8k drop in gross profit, this is worrying however i believe we can improve this going forward by gaining more understanding of the makeup of your charge out rates.
- Average debtor days and creditor days are still around the 30 day mark, this is very good and helps with your overall cash flow.

Net Profit Margin
-12.30%

Gross Profit Margin
-0.20%

Avg Debtor Days
34

Avg Creditor Days
30.48

Net Profit YTD
76,387.43

Net Profit LY
87,902.88

