

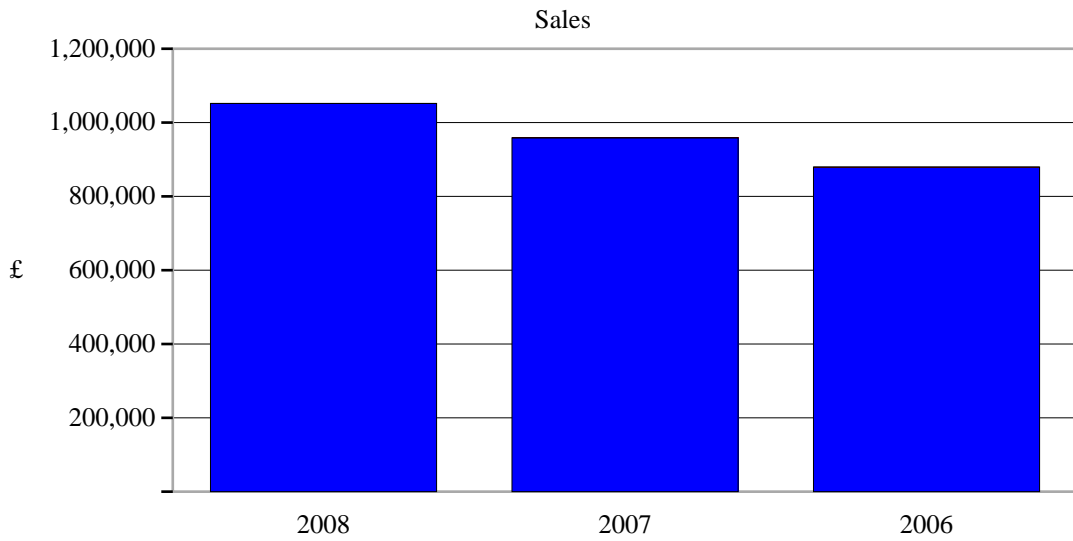
SAMPLE CLIENT  
FINANCIAL PERFORMANCE REVIEW  
FOR THE YEAR ENDED 31ST DECEMBER 2008

Nicolson Accountancy  
Chartered Accountants  
49/50 Bayhead  
Stornoway

SAMPLE CLIENT

**SALES**

The graph shows your sales over the last 3 years.



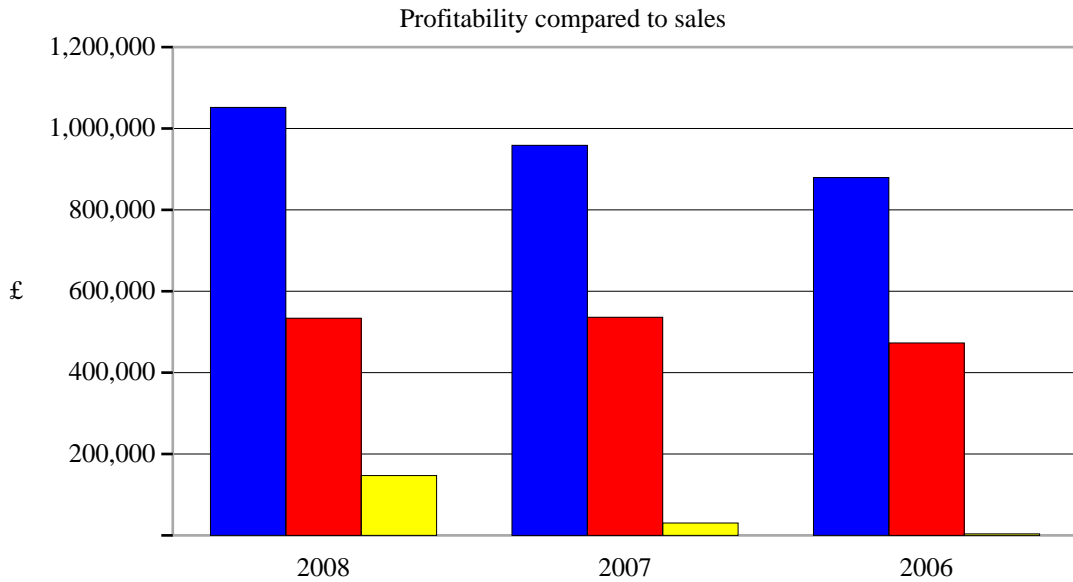
	2008	2007	2006
Sales	£1,051,806	£958,640	£879,439

**PROFITABILITY**

The graph shows your profitability over the last 3 years (both gross profit and net profit before tax, where applicable) against the level of sales you made.

Gross profit is simply sales less direct costs of sales. Your gross profit is what you have available to cover your running costs.

Net profit is then what remains after deducting all the expenses incurred in running your business.



	2008	2007	2006
Sales	£1,051,806	£958,640	£879,439
Gross profit	£533,736	£536,077	£472,946
Net profit before tax	£147,005	£30,394	£3,738
Gross profit margin	51%	56%	54%
Net profit margin	14%	3%	-

SAMPLE CLIENT

**COST ANALYSIS**

The charts below shows the split of your costs over the last 3 years.

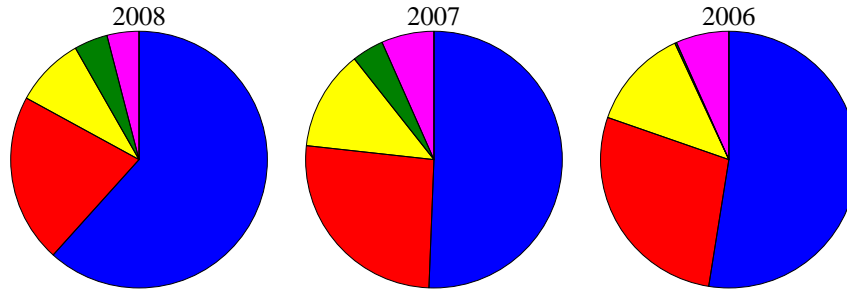
**Direct costs** are those costs that vary directly with sales, often referred to as cost of sales. These exclude direct wages.

**Overheads** are costs that remain constant in the short term irrespective of the level of sales, such as rent, rates, heat, light and power.

**Admin expenses** are your other everyday expenditure, which vary with the level of activity, for example telephone costs, printing and stationery, advertising, motor expenses and bad debt.

**Finance costs** may include bank charges, bank interest, credit card interest and loan interest.

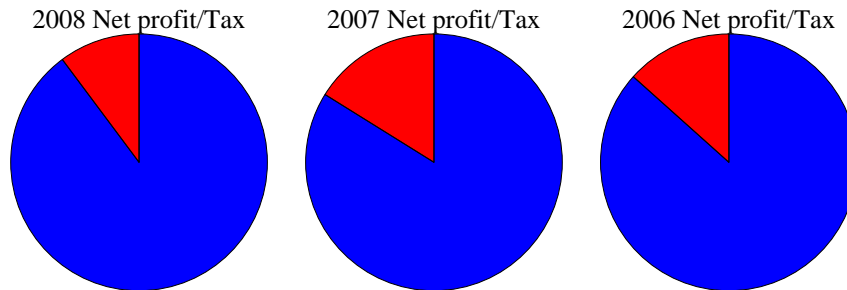
**Distribution costs**, where applicable, are costs incurred in getting your products to your customers.



	2008	2007	2006
Direct costs	62%	51%	53%
Wages	21%	26%	28%
Overheads	9%	13%	13%
Admin expenses	4%	4%	-
Finance costs	4%	7%	7%
Distribution costs	-	-	-

**CORPORATION TAX VS PROFITS**

The charts below compare your corporation tax to your net profit over the last 3 years.

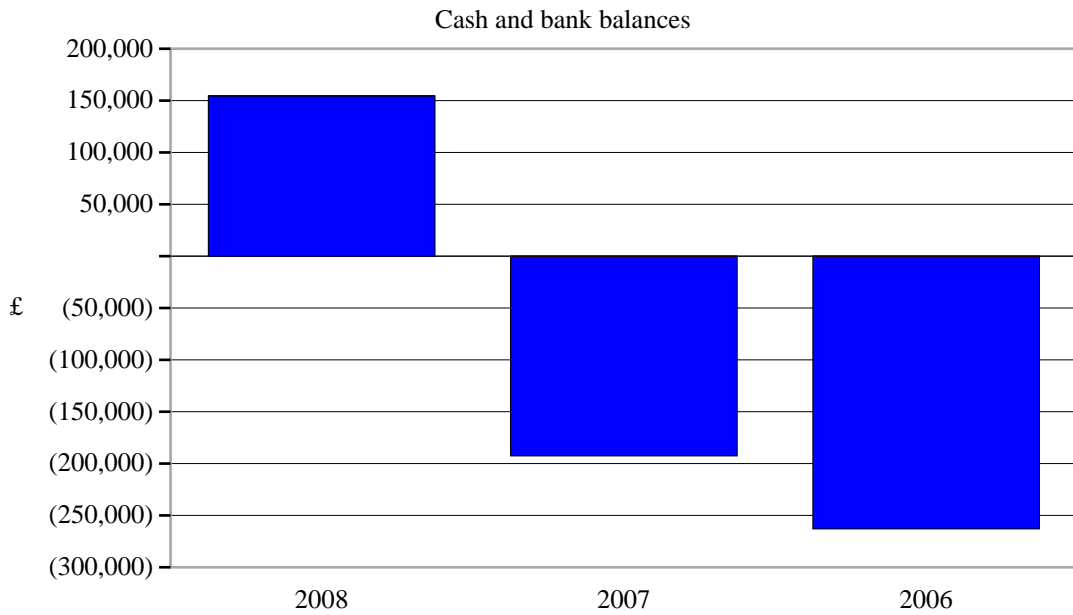


	2008	2007	2006
Net profit before tax	90%	84%	87%
Tax as a % of net profit	10%	16%	13%

SAMPLE CLIENT

**CASH AND BANK BALANCES**

The graph below shows your cash and bank balances over the last 3 years.



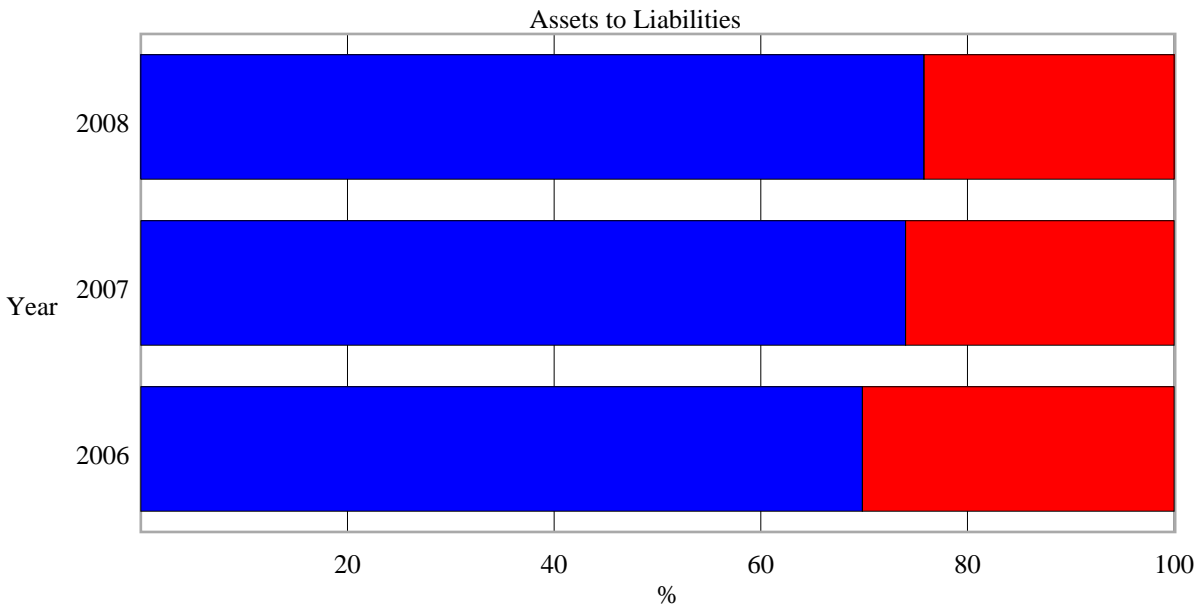
	2008	2007	2006
Balance	£154,514	(£192,634)	(£263,028)

**ASSETS TO LIABILITIES**

The chart below compares your total assets to total liabilities.

Assets are made up of tangible fixed assets (eg equipment), intangible fixed assets (eg goodwill), investments, stock, trade debtors, other debtors and cash and bank balances.

Liabilities are made up of bank loans and overdrafts, other loans (eg hire purchase agreements, loans from directors), trade creditors, tax and social security, provisions and equity.



	2008	2007	2006
Total assets	76%	74%	70%
Total liabilities	24%	26%	30%