

Joan Sydney's Florist Shop Pty Ltd - 2016 Financial Summary

	2016	% to G.I.	2015	% to G.I.	
Gross Income	462,000		433,000		
Gross Profit	259,875	56.25%	235,985	54.50%	
Less: Overheads Expenses	Rank				
Employee Costs	1	71,610	15.50%	73,610	17.00%
Rent & Electricity	2	48,510	10.50%	47,630	11.00%
Motor Vehicle Expenses	3	11,650	2.50%	12,990	3.00%
Freight Paid	4	11,550	2.50%	11,908	2.75%
Advertising	5	11,319	2.45%	10,392	2.40%
Telephone	6	8,085	1.75%	8,227	1.90%
Interest Paid	7	6,930	1.50%	6,928	1.60%
Other Expenses		13,860	3.00%	11,908	2.75%
Total Overheads		183,514	39.70%	183,592	42.40%
Owner's Profit before Depreciation and Owner's Salary & Superannuation		76,361	16.53%	52,393	12.10%

Reconciliation to Accounting Loss

- Depreciation	-5,500	-6,000
- Owner's Salary and Superannuation	-70,000	-45,000
Profit as Per Accounts	861	1,393

Top Six/ Seven Overhead Expenses

The Top Six or Seven of your Overhead Expenses represent about 80% of your overhead expenses (20X1 92.44%; 20X2 93.51%).

They should be seen as investments in earning your income, rather than just costs. It means you should focus on how you can improve each of these areas to make the business more productive and therefore profitable in both the short and long term. Sometimes it may mean increasing expenses such as purchasing a New Truck to improve productivity.

Each year you should focus on at least one of these investments to improve its ability to generate short and long term profits.

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Chart 1 - Gross Income & Gross Profit

	<u>G.Income</u>	<u>G.Profit</u>
2011	435,000	230,550
2012	453,000	246,885
2013	468,000	262,080
2014	398,000	212,930
2015	433,000	235,985
2016	462,000	259,875

Chart 2 - Gross Profit Percentage (GPM)

	<u>GPM</u>
DJC B/M	55.00%
2011	53.00%
2012	54.50%
2013	56.00%
2014	53.50%
2015	54.50%
2016	56.25%

Chart 3 - Owners Profit before Depreciation and Owner's Salary & Superannuation

	<u>\$ O.P.</u>
2011	61,450
2012	65,425
2013	69,500
2014	42,525
2015	52,393
2016	76,361

Chart 4 - Owners Profit Percentage

	<u>O.P. %</u>
DJC Target	17.00%
2011	14.13%
2012	14.44%
2013	14.85%
2014	10.68%
2015	12.10%
2016	16.53%

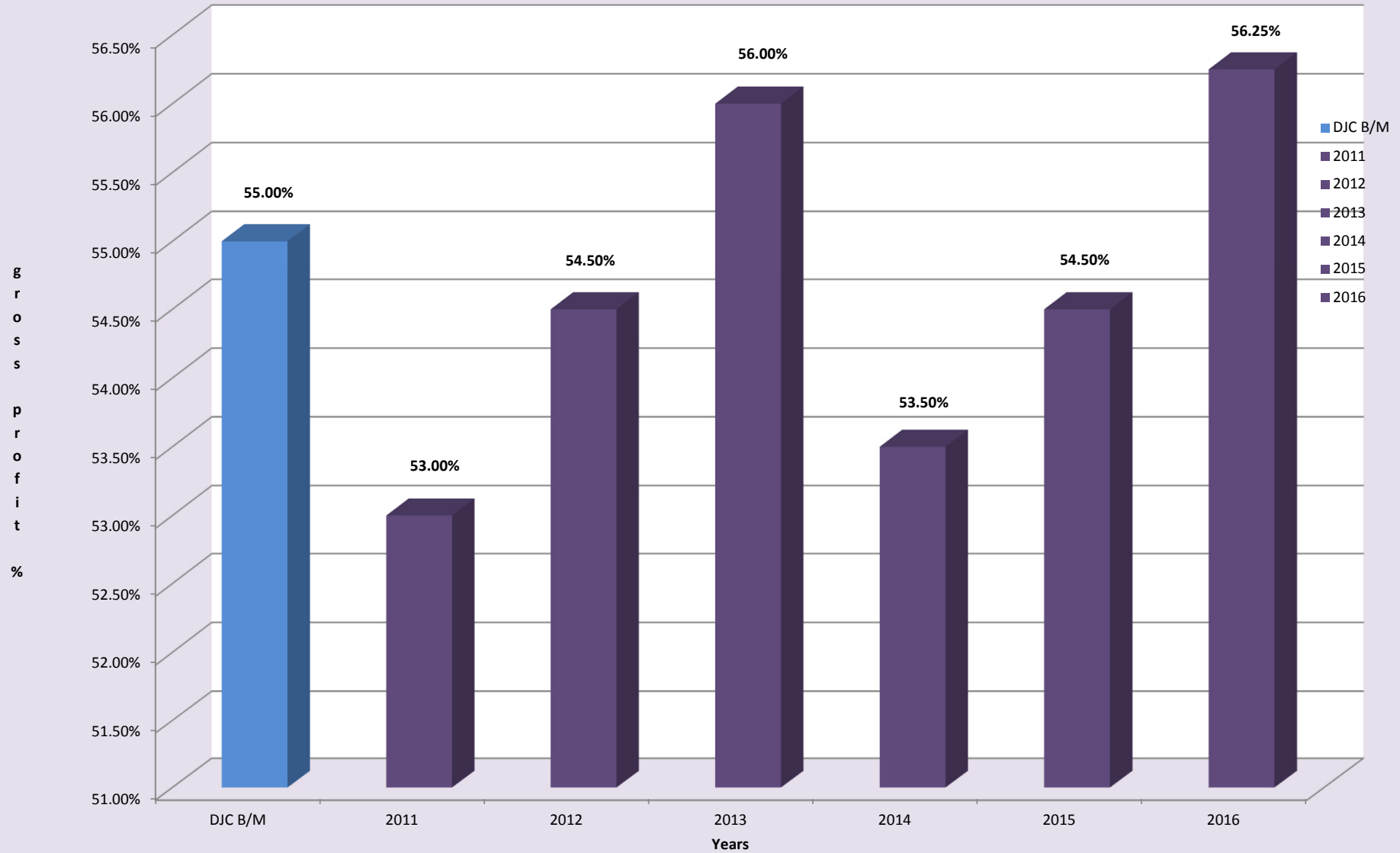
Joan Sydney's Florist Shop Pty Ltd- Chart 3 - Owner's Profit before Depreciation, Owner's Salary and Superannuation



Joan Sydney's Florist Shop Pty Ltd - Chart 1 - Gross Income & Gross Profit



Joan Sydney's Florist Shop Pty Ltd - Chart 2 - Gross Profit Percentage



Joan Sydney's Florist Shop Pty Ltd - Chart 4 - Owner's Profit Percentage

