

**XYZ Pty Limited**  
**Company Review for the Period Ended 31 October 2011**

	Period	Year to Date	Targets	Last Year (Full)
Sales	2,007,757	2,007,757	5,000,000	4,942,010
Cost of Goods	1,614,236	1,614,236	4,000,000	3,998,086
Gross Profit	393,520	393,520	1,000,000	943,924
Gross Profit %	19.60%	19.60%	20.00%	19.10%
Expenses	252,939	252,939	570,000	568,332
Net Profit (before depreciation and tax)	140,581	140,581	430,000	375,592
Debtors	881,527	881,527	560,000	701,527
Average days to Collect	48.49	48.49	46.05	51.30
Stock	871,527	871,527	580,000	657,219
Stock turnover (in days)	58.24	58.24	56.45	60.00
Creditors	667,698	667,698	490,000	563,248
Average days to pay	46.90	46.90	48.05	45.00



**Issues / Discussions points**

- 1) What has pushed the increase in sales ?  
 The sales have increased due to Christmas and other suppliers not in business
  - 2) Are we carrying too much stock ?  
 Yes, however with Christmas we are hoping to have the stock levels back to normal by end of December.
  - 3) What controls have we put in place to collect the debtors ?  
 Traditionally we collect all money after December, so we will concentrate on our sales and stock and collect the money in the new year.  
 ADVICE: Start reminding customers now that they owe you money, hire a temp to start collecting now or putting procedures in place to collect.
- Other general discussion issues
- How have we physically handled the increase in stock, both labour and storage
  - Can we do this differently next year
  - Why have our competitors disappeared
  - How do the volumes compare
  - What are we doing in the new year to continue the growth