

Year

Select all

2018

2019

2020

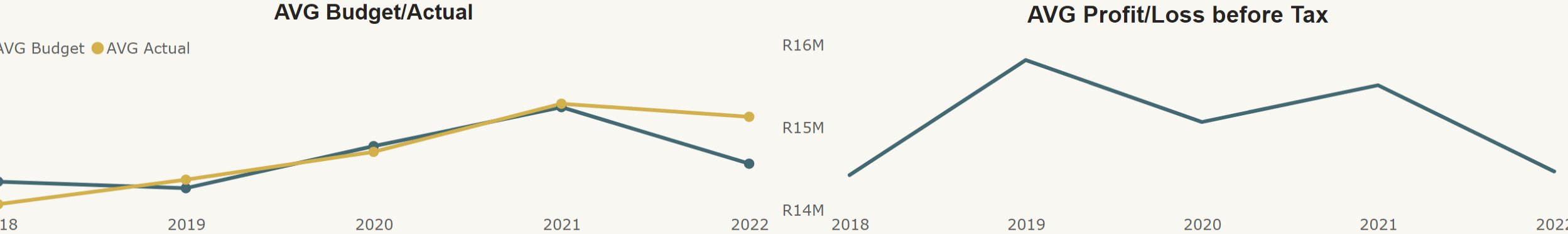
2021

2022

Element

All

Statement of Profit and Loss						
Financial Year		2018		2019		
Element	General Ledger	Actual	Budget Var %	Actual	Budget Var %	
REV	Revenue	R84,215,841.03	-0.44%	R94,401,464.9712	-11.1%	
	Total	R84,215,841.03	-0.44%	R94,401,464.9712	-11.1%	
Cost of service	Distribution					
	Freight Logistics - Internal	R1,313.8873	-100.00%	R1,400	-100.0%	
	Linehaul Rental	R15,371.083	-100.00%	R0		
	Subhire vehicles - Internal			R637	-100.0%	
	Truck Rental	R18,501.466	-100.00%	R0		
	Warehousing	R70,783,324.9042	10.68%	R84,914,033.3158	-1.5%	
	Warehousing - Internal	-R722,376.4329	-100.00%	-R362,834.6906	5.0%	
	WHS Labour	R1,836,974.0949	-36.65%	R2,928,951.3608	-44.8%	
	WHS Other recoveries	R4,817,296.6702	-35.96%	R3,067,080.8558	56.8%	
	WHS Overtime	R1,910,554.1669	-39.99%	R2,326,400.0538	-52.4%	
	Total	R78,660,959.8396	6.45%	R92,875,667.8956	-2.2%	
Direct Variable Costs	Accident damages	R30	-100.00%	R0		
	Freight charges - External	R2,437.86	-100.00%	-R483.13	-397.4%	
	Freight charges - Internal	R140,597.5732	-74.27%	R138,614.1747	-100.0%	
	Fuel & Oil	R133,722.5162	30.47%	R151,641.3949	7.5%	
	Hire of equipment	R1,142,483.9071	-5.62%	R1,192,202.739	-22.7%	

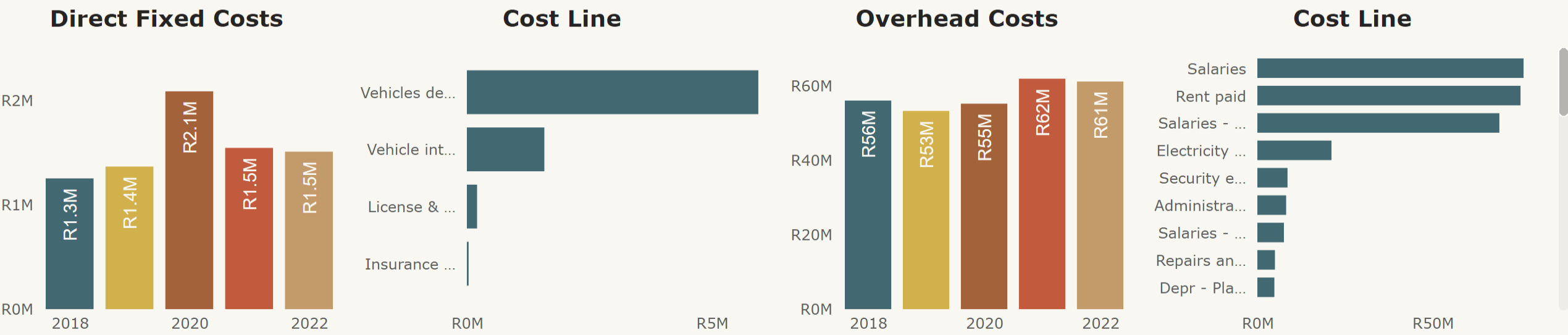
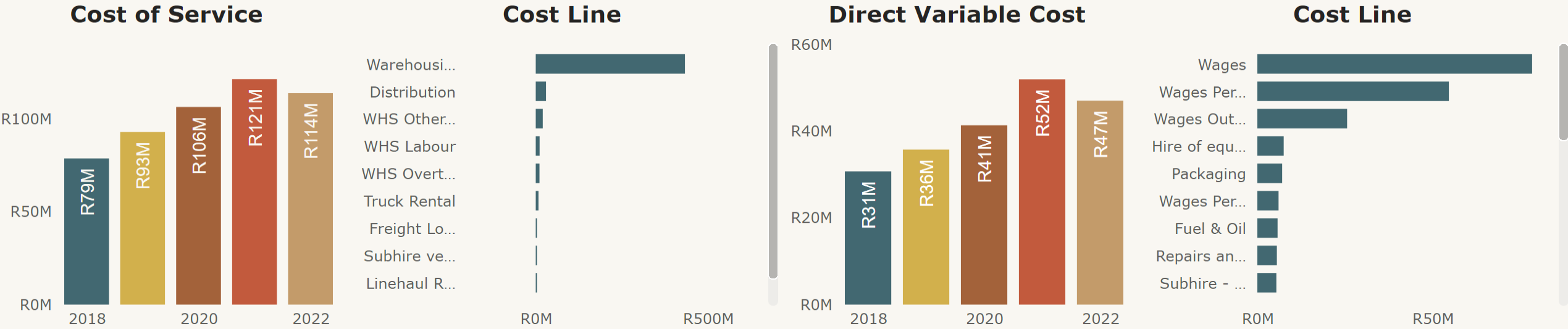


Overview

This report provides key insights of our warehousing financial performance. These insights are descriptive and further investigation should be conducted using these insights as a guide.

Financial performance

- 2019 was the most profitable year reaching a high of R15.8 million.
- There has been a decline in profits since, reaching R14.4 million by 2022. A decrease of 8.53% in the past 4 years.
- Over the years we have managed to stay within budget, but in 2022 there has been an over expenditure, where we incurred a variance of 11.07%.



Cost analysis

- Expenditure indicates that 2021 was our busiest year.
- This can be supported by a 2.95% increase from 2020.
- Cost of services make up 50.53% of our total costs, followed by Overheads (28.33%) and Variable costs (20.37) respectively.

Key cost contributors

- Our total costs largely makes up of warehousing (42.48%).
- Wages
- Salaries
- Rent

Wages - Permanent/Outsourced

2018 2019 2020 2021 2022

Financial year

2018

2019

2020

2021

2022

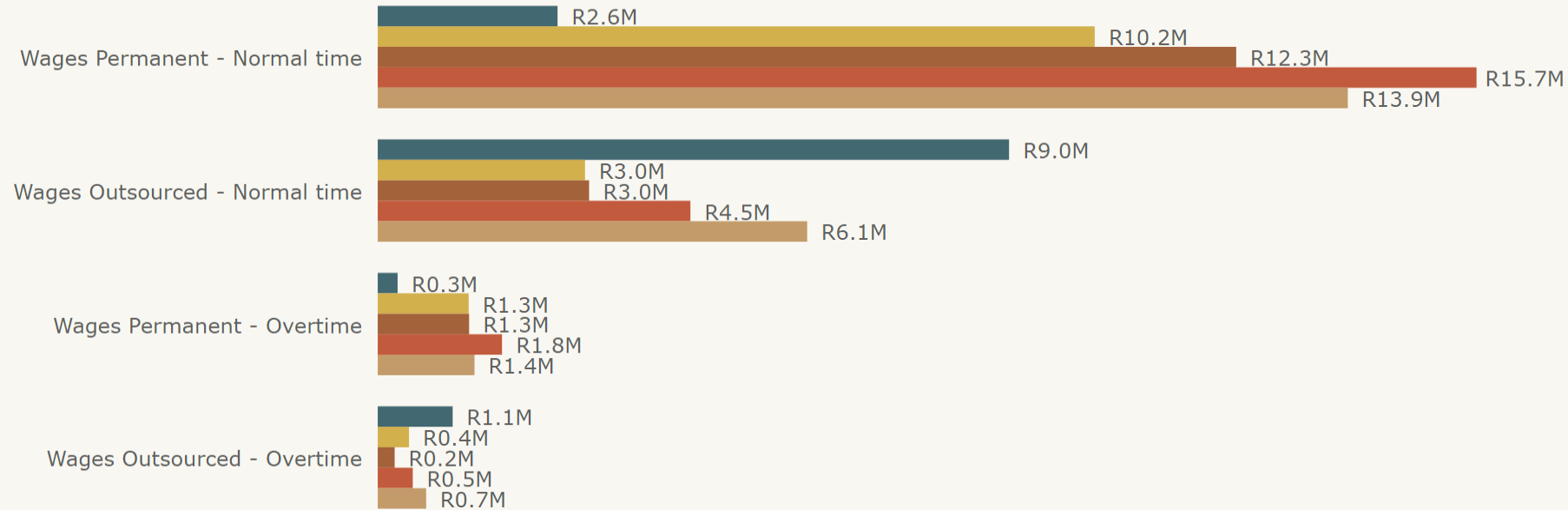
General Ledger

Wages Outsourced - Normal time

Wages Outsourced - Overtime

Wages Permanent - Normal time

Wages Permanent - Overtime



Overtime - Permanent/Outsourced

Wages Outsourced - Overtime Wages Permanent - Overtime

R2.0M

R1.5M

R1.0M

R0.5M

R0.0M

2018

2019

2020

2021

2022

Wages – Permanent vs Outsourcing

- In 2018 we had more outsourced staff than permanent staff, with approximately 1:3.5 ratio.
- A total of R9 million was spent outsourcing as compared to R2.6 million on permanent staff.
- In 2019 onwards we had more permanent staff than outsourced staff. Cutting outsourcing costs to R3 million in 2019 and increasing permanent staff costs to R10.2 million.
- Over the years we have been spending more and more on overtime which is justifiable as operations have been increasing over the years.

Variance of 30% +

Category	General Ledger	Actual	Budget difference % ▼	Under/Over Budget
Direct Variable Costs	Wages Outsourced - Normal time	R10,604,353.1228	-31.19%	Over budget
Direct Variable Costs	Freight charges - External	R2,571,463.6687	-32.06%	Over budget
Cost of service	Distribution	R18,907,133.8225	-33.06%	Over budget
Cost of service	WHS Labour	R11,210,808.6245	-35.91%	Over budget
Cost of service	Truck Rental	R6,931,498.6628	-37.15%	Over budget
Direct Variable Costs	Repairs and maintenance - Repair	R2,743,195.349	-37.16%	Over budget
Direct Variable Costs	Wages Permanent - Overtime	R3,358,618.968	-37.50%	Over budget
Cost of service	WHS Overtime	R9,263,070.0717	-38.24%	Over budget
Overheads	Administration fees paid - external	R3,569,627.6202	-50.55%	Over budget
Direct Variable Costs	Wages Outsourced - Overtime	R1,192,585.9295	-57.53%	Over budget
Direct Variable Costs	Subhire - Vehicles Internal	R2,453,046.9057	-59.55%	Over budget
Direct Variable Costs	Fuel & Oil	R2,836,122.2128	-59.56%	Over budget
Direct Variable Costs	Wages Permanent - Normal time	R12,814,909.0389	-59.84%	Over budget
Direct Variable Costs	Loss of load	R1,770,601.7356	-72.78%	Over budget
Total		R90,227,035.7327	-41.45%	

Variances

I have included elements in which we have a variance of 30% or higher based on the budget vs actual costs incurred. These can serve as focus areas to pay attention to to drive down costs or improve operations.

These costs are not ranked on amounts, a separate report will be available upon request.

Next phase: Reduce/optimize costs and improve warehousing profitability.