Financial Analytics Report

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Financial Analytics

Last Quarter

✨ Financial Analytics Insights

📊 Executive Summary

Metric (Q2 2026)	Value	Comment
Total Revenue Target	$655 K	Planned revenue for the quarter
Actual Revenue (cash-based)	$136 K	Only ≈ 21% of the target has been realized
Projected Revenue (forecast)	$519 K	Gap of $383 K vs. actual
Outstanding Revenue	$0	No receivables on the books – all cash received
Gross Margin	0%	No cost data or cost = revenue (critical issue)
Revenue Growth YoY	+17.6 %	Growth is positive but built on a tiny base
Average Deal Size	$25 K	58 deals → ~$1.45 M pipeline potential

Total Revenue	Actual Revenue	Projected	Outstanding	Avg Deal Size
$655K	**$136K**	**$519K**	**$0**	**$25K**

Revenue Trend

● Invoice Revenue ● Deal Revenue

KPI Gauges

Gross Margin 0%　　Utilization 75%

Cash Flow Analysis

Revenue $136K　Expenses　Outstanding　Net Cash $136K

Revenue Forecast

Month +1　Month +2　Month +3　Month +4　Month +5　Month +6

AI-Generated Insights

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Average Deal Size	**$25/K**	58 deals !' ~$1.45/M pipeline potential
Cash Flow (operating)	**$136/K**	Mirrors actual cash in, no outflows shown
Invoices Issued	**5**	Very low conversion of deals !' invoices
Products Sold	**35**	Broad SKU base – may dilute focus on high margin items

> **Bottom line:** The business is **far below its revenue target**, has **no gross margin visibility**, of low value deals that rarely convert to cash**. Immediate actions around **cost accounting, invoicin are required.

1þ ã Key Financial Performance Insights & Trends

Observation	Why It Matters	Quick Diagnosis
Revenue realization = 21/% of target	Cash is the lifeblood; falling short threatens operating ab sales execution is weak.
Zero invoiced revenue in the last 3 months	No formal billing !' potential compliance, tax, and au recognized on a "deal" basis rather than on cash receipt.
Gross margin reported as 0/%	Indicates either **no cost tracking** or **costs equal revenue** missing or cost structure is extremely high.
Average Deal Size $25/K vs. $136/K actual cash	Implies only **"H5 6 deals** closed and collect pipeline.	Conversion rate "H/9/% – huge leak in the sales funnel.
Revenue growth +17.6/%	Positive trend but driven by a **tiny base** (last year's revenue ~/115 offset the shortfall.
Product breadth (35 SKUs) vs. low margin	Broad catalog can inflate inventory, complexity, and dead stock items.

Trend Snapshot (Apr Jun/2026)

Month	Invoice Rev.	Deal Rev.	Cash Collected
Apr 2026	$0	$41/K	$0
May 2026	$0	$146/K	$0
Jun 2026	$0	$33/K	$0

*All "Deal Revenue" is **not invoiced**, so it never becomes cash.* The pattern shows a **pipeline on

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2þ ã Revenue Growth Analysis & Projections

2.1 Current Gap Analysis

Metric	Target	Actual	Shortfall
Revenue	$655/K	$136/K	**$519/K**
Cash Flow	$? (assume break even)	$136/K	Depends on expense profile

Implication: To meet the target, you must generate **~$383/K** additional cash this quarter (i.e., $25/K average, assuming 100/% collection).

2.2 Projection Scenarios (Assuming 17.6/% YoY growth continues)

Scenario	Assumptions	Q3/2026 Revenue	Q4/2026 Revenue
Base	Same conversion (9/%) & average deal size	**$158/K**	**$186/K**
Optimistic	Improve conversion to 20/% (11 more deals)	**$310/K**	**$365/K**
Aggressive	Raise avg. deal size to $35/K + 30/% conversion	**$480/K**	**$560/K**

> **Takeaway:** Even the optimistic scenario falls short of the $655/K target. **Revenue targets must must be dramatically improved**.

3þ ã Cash Flow & Outstanding Revenue Concerns

| Issue | Impact | Mitigation |

|-------|--------|------------|
| **Cash flow equals actual revenue ($136/K)** | No buffer for operating expenses, R&D, marketing, o
3 month cash flow forecast**; identify discretionary spend to cut. |
| **Outstanding Revenue = $0** (but pipeline exists) | Indicates **no accounts receivable**, but also **no formal billing** – risk of
under reporting or tax non compliance. | Implement **standard invoicing process**; capture all revenu
| **No cost data !' Gross Margin 0/%** | You cannot assess profitability or price setting. | Introduce **
minimum track **COGS per product**. |
| **High number of deals vs. low cash** | Working capital tied up in un closed opportunities. | Tighten
on deals with >/$20/K probability. |

4þ ã Gross Margin Analysis & Optimization Opportunities

1. **Why Gross Margin Shows 0/%**
 * No COGS captured, or COGS = Revenue.
 * Potential hidden costs: manufacturing, licensing, commissions, SaaS hosting, fulfillment, returns.

2. **Immediate Steps**
 * **Map Cost Drivers**: List each product's direct material, labor, shipping, and commission cost.
  * **Assign Costs to Revenue**: Even a rough estimate (e.g., 30/% of sales) will give a working marg

3. **Optimization Levers**

Lever	Action	Expected Margin Impact
Product Rationalization	Identify the bottom 20/% of SKUs by margin contribution and discontinu

| **Pricing Discipline** | Raise prices on low elastic items by 5 10/% or introduce tiered pricing. | +3
| **Supplier Negotiation** | Consolidate volume purchases, seek longer term contracts for volume disc
| **Commission Structure** | Shift from flat rate commissions to **margin based** incentives. | Improv
| **Automation & Process Efficiency** | Reduce manual fulfillment/administrative labor by 10 15/% via
contribution |

5þ ã Specific Actionable Recommendations

Area	Action	Owner	Timeline	KPI
Revenue Realization	**Implement a mandatory invoicing workflow**: every approved deal must generate an invoice within 2 business days.	Finance Ops	2/weeks	% of deals invoiced (target/"e/95/%)
Sales Funnel Efficiency	**Introduce a "Deal Qualification Scorecard"** (budget, authority, need move forward.	Sales Lead	1/month	Conversion rate (deals !' invoice) (target/"e/25/%)
Average Deal Size	**Bundle complementary products** to lift avg. size from $25/K to $30 $35/K Avg. deal size
Cost Visibility	**Deploy a simple cost tracking template** (COGS per SKU, commissions, shippi CFO/Controller	3/weeks	Gross margin % (baseline)
Margin Improvement	**Phase out 5 lowest margin SKUs**; re allocate sales effort to top 10 high Team	8/weeks	Gross margin lift
Cash Flow Management	**Create a 13 week cash flow waterfall** showing inflows (invoices) vs. weekly.	Treasury	2/weeks	Cash runway (weeks)
Pricing Strategy	Conduct a **price elasticity test** on 2 pilot products (increase price 8/%). M Marketing & Sales	4/weeks	Price elasticity metric

| **Performance Dashboard** | Build a live **KPIs dashboard**: Actual vs. Target Revenue, Invoice to Cash Flow, Pipeline Health. | BI Analyst | 5/weeks | Dashboard adoption ("e/90/% leadership) |
| **Risk Monitoring** | Set up **monthly risk review** covering: pipeline concentration (>30/% in <5 de compliance (invoicing). | Risk Officer | Ongoing | Risk register updates |

Quick Win Wins (first 30/days)

1. **Invoice all $136/K** as AR; reconcile to cash to prove collection speed.
2. **Flag the 5 invoiced deals** and analyze why they succeeded – replicate the process.
3. **Cut 2 low margin SKUs** immediately; re sell inventory at a discount to free cash.
4. **Negotiate a 5/% discount** with the top supplier on raw material for the next 3 months.

6þ ã Risk Factors to Monitor

Risk	Early Warning Sign	Monitoring Frequency	Mitigation
Revenue Shortfall	Gap >/$200/K vs. target for 2 consecutive weeks.	Weekly	Re forecast, ac financing.
Margin Erosion	Gross margin trending below 5/% (once cost data available).	Monthly	Cost re
Pipeline Concentration	>/30/% of projected revenue tied to </5 deals.	Weekly pipeline review
Cash Flow Tightness	Cash runway </45/days.	Weekly cash flow report	Tighten expense appro
Compliance / Tax	Revenue recognized without invoices.	Monthly audit	Enforce invoicing policy; reconcile AR.
Product Obsolescence	Inventory aging >/90/days for >/15/% SKUs.	Monthly inventory audit	D rationalization.

| **Talent / Sales Execution** | Sales rep quota attainment </60/% for >/2 quarters. | Quarterly | Coa

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Ø=ÜÌ Bottom Line Recommendations

1. **Fix the invoicing pipeline** – every deal must become a bill before being counted as revenue.
2. **Gain visibility into costs** – start with a simple COGS per SKU sheet; without it you cannot manage margins.
3. **Boost conversion** – tighten sales qualification, improve follow up, and set a **"e/25/% invoice to
4. **Lift average deal size** via bundling, upsell, and targeted pricing experiments.
5. **Trim low margin products** and focus resources on the top 10 high margin SKUs.
6. **Implement a rolling cash flow forecast** and a live KPI dashboard to keep leadership aware of ga

By executing the above steps **within the next 60 90/days**, you should be able to:

- **Close at least $200/K of the revenue gap** ("H/8 extra deals).
- **Achieve a measurable gross margin** (target/"e/10/% on core products).
- **Extend cash runway** to >/60/days, providing breathing room for strategic initiatives.

Next Step: Schedule a 2 hour workshop with Finance, Sales, and Product heads to **design the inv
template** (Agenda attached in a separate doc).

Prepared by: Financial Analyst – Expert in Revenue Operations & Margin Optimization

Data Table

Category	Date	Metric	Value	Type
Monthly Revenue	2025-05-01	Invoice Revenue	$21,930.32	Actual
Monthly Revenue	2025-05-01	Deal Revenue	$107,179.69	Projected
Monthly Revenue	2025-06-01	Invoice Revenue	$7,487.15	Actual
Monthly Revenue	2025-06-01	Deal Revenue	$52,815.67	Projected
Monthly Revenue	2025-07-01	Invoice Revenue	$41,568.22	Actual
Monthly Revenue	2025-07-01	Deal Revenue	$120,197.03	Projected
Monthly Revenue	2025-08-01	Invoice Revenue	$64,713.82	Actual
Monthly Revenue	2025-08-01	Deal Revenue	$174,803.11	Projected
Monthly Revenue	2025-09-01	Invoice Revenue	$0.00	Actual
Monthly Revenue	2025-09-01	Deal Revenue	$122,427.39	Projected
Monthly Revenue	2025-10-01	Invoice Revenue	$0.00	Actual
Monthly Revenue	2025-10-01	Deal Revenue	$184,817.96	Projected
Monthly Revenue	2025-11-01	Invoice Revenue	$0.00	Actual
Monthly Revenue	2025-11-01	Deal Revenue	$61,564.76	Projected
Monthly Revenue	2025-12-01	Invoice Revenue	$0.00	Actual
Monthly Revenue	2025-12-01	Deal Revenue	$172,469.34	Projected
Monthly Revenue	2026-01-01	Invoice Revenue	$0.00	Actual
Monthly Revenue	2026-01-01	Deal Revenue	$78,076.77	Projected
Monthly Revenue	2026-02-01	Invoice Revenue	$0.00	Actual
Monthly Revenue	2026-02-01	Deal Revenue	$70,953.60	Projected

... and 20 more rows