REVENUE, EXPENSES AND PROFIT ANALYSIS

FINANCIAL REPORT 2013/2014

BY MOSES OGILO

BUSINESS UNDERSTANDING

Problem Statement

- This Is a business company that deal in the sale of six different products across various region. The company seeks to improve its budget performance and identify cost saving opportunities by tracking revenue, expenses, profits and units sold in 2013 and 2014 across different regions and segments. This analysis will provide insights and recommendations to help better budget performance by identifying opportunities to maximize on profit gained and minimize on the cost of goods sold to better the general budget performance .
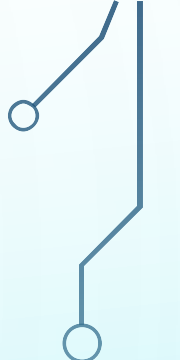
BUSINNESS UNDERSTANDING

Goals

➤ Identify product expenses by region and year.

➤ Identify product that attracts high revenue across the region and year,

➤ Identify product that attracts the highest profit across the region and segment.

➤ Identify product that attracts the highest losses across the region and segments.

➤ Assess profit gained against region and segment and their impact.

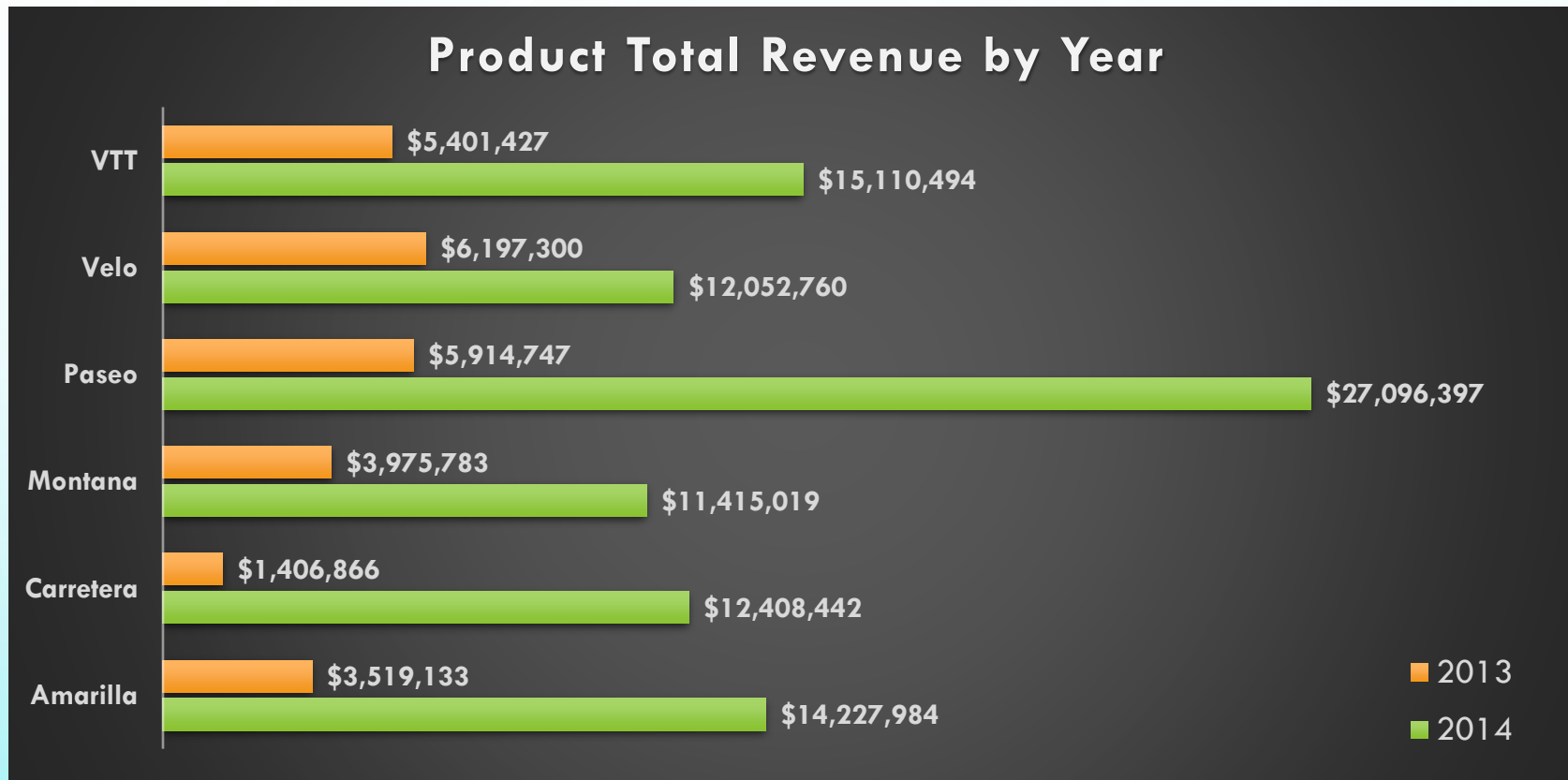➤ Provide actionable recommendations based on the findings.

DATA UNDERSTANDING

- This dataset was obtained from Microsoft. This dataset contains information on sales, expenses and profits across different categories and Regions

Product Total Expenses by Year
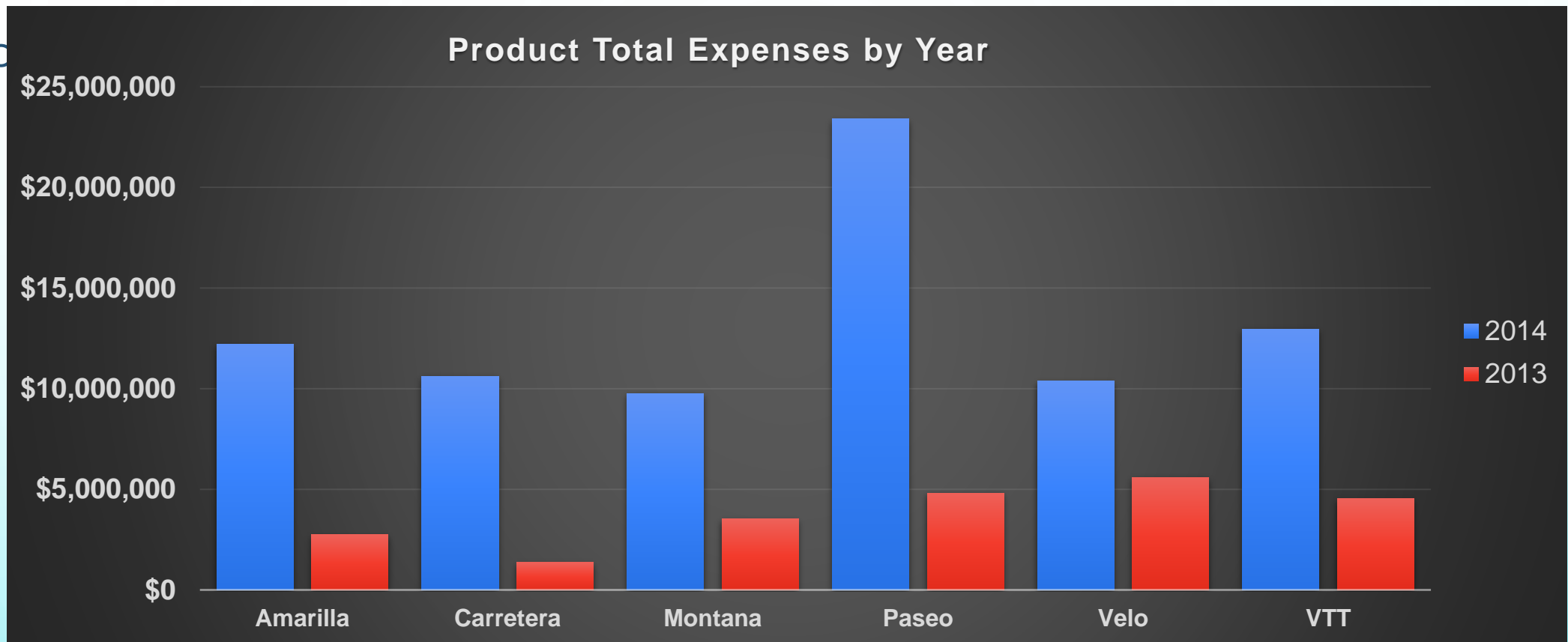
- Velo had the highest expenses rate in 2013 while Paseo had the highest expense in 2014.
- Cumulatively Paseo had the highest expense across all the regions.

Product Total Revenue by Year

VTT — 2013: $5,401,427 — 2014: $15,110,494
Velo — 2013: $6,197,300 — 2014: $12,052,760
Paseo — 2013: $5,914,747 — 2014: $27,096,397
Montana — 2013: $3,975,783 — 2014: $11,415,019
Carretera — 2013: $1,406,866 — 2014: $12,408,442
Amarilla — 2013: $3,519,133 — 2014: $14,227,984

2013
2014

- Velo attracted the highest revenue in 2013 while Paseo attracted the highest revenue in 2014 across all the regions.

- Cumulatively Paseo still attracted the highest revenue gained.

Product Total Profit By Region
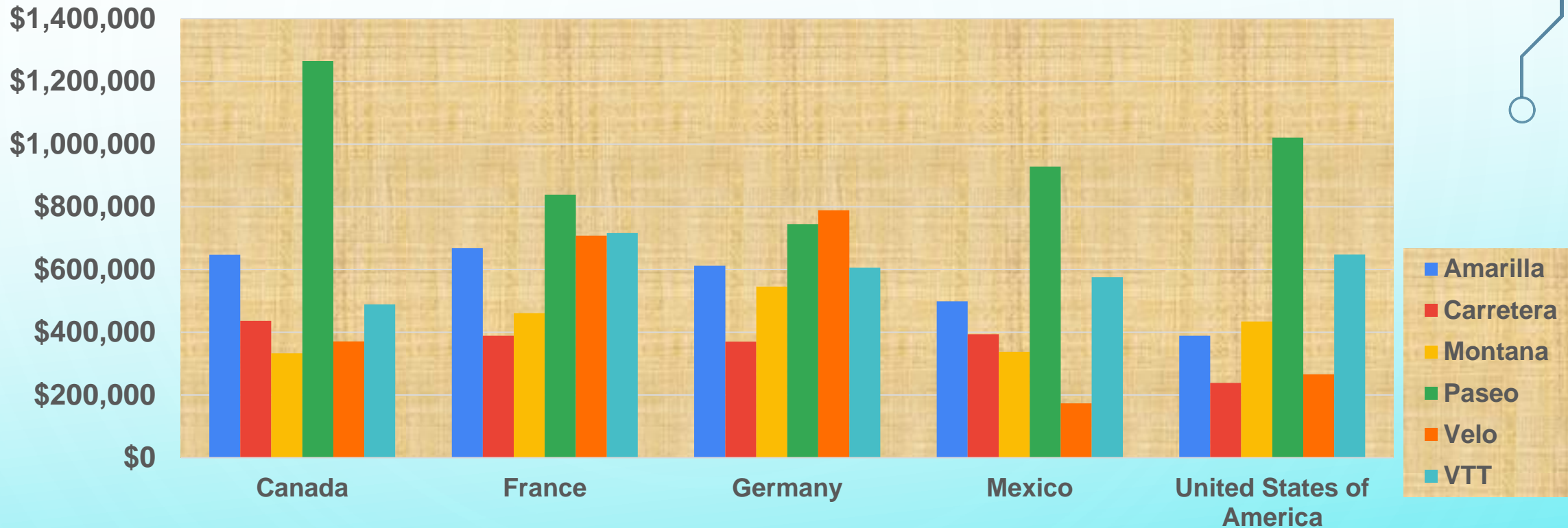
- Germany attracted the highest profit gained across different products sold.

- Paseo gained the highest profits in Canada and relatively good profits gained across all the regions both in 3014 and 2014.

Product Total Profit and Loss By Segment in 2013
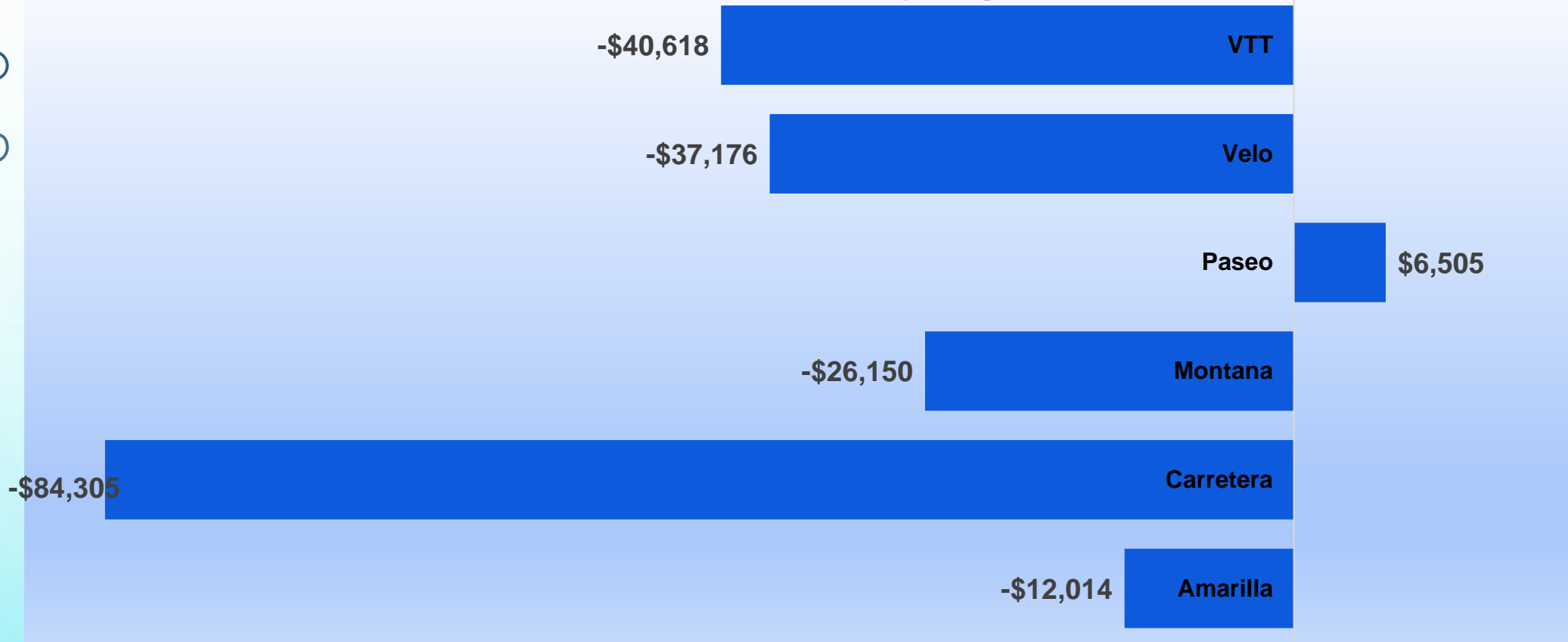
- Carretera attracted the highest losses across all the regions within the Enterprise segment.
- The only profit gained was in 2013 by Paseo.

Product Total Profit and Loss By Segment
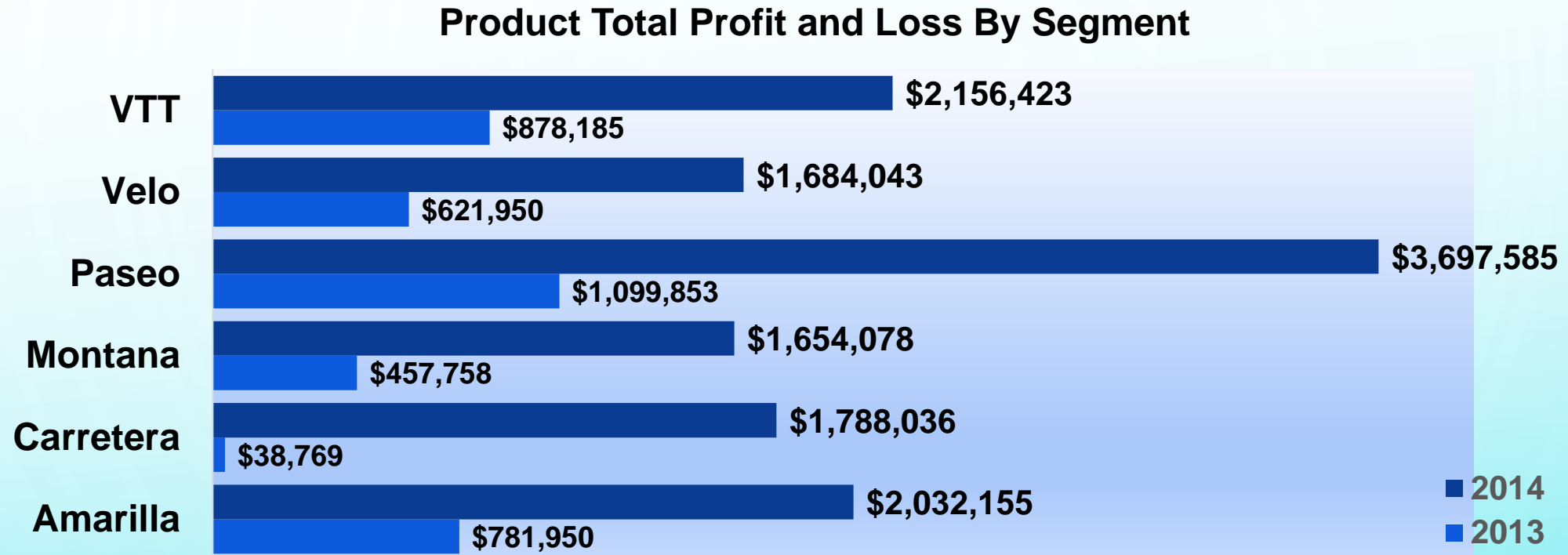
- Highest profit gained is from paseo across different region, segment and years.

- Amarilla had the lowest profit gained across different segments and year.

CONCLUSIONS

- All products relatively does good in terms of expenses and profit gained across all the regions.

- Germany and France is a good destination for sale as they attract relatively higher profit across all the products.

- Paseo perform well across all regions and segments.

- Enterprise segment is not a desirable segment to make sales from as it constantly attracts losses

RECOMMENDATIONS

- **For Maximum Revenue gain.**

The company should maximize on the production and sale of Paseo and Velo across all regions but giving more attention to Germany, France and Canada.

- **To avoid/reduce on losses**

The company should stop making it's sales within the Enterprise segment across all the regions or alternatively they should give zero discount on sales made within this segment.

Thank You!!