

# Financial Performance Report

# **1. Executive Summary**

This report provides a detailed analysis of the company's financial performance, encompassing both general expenses and project-specific income and expenses, spanning from 2019 to 2033. The company's financial picture is complex, with variations across different years and projects. A significant portion of the company's financial activity is tied to its project-based initiatives (Proyecto 1, 2 and 3), which operate with considerable fluctuations in revenue and expenditure annually. General expenses show a tendency to increase over time, which is reflected in the growth of projects which also increased in size.

Key insights include substantial fluctuations in project income, which can vary significantly year by year. General expenses have shifted over the years from marketing expenses to rent and services with different amounts. The report will detail these trends, offering a transparent and clear overview of the company's financial health.

## 2. Income Breakdown

### General Income

There is no general income information available, the income is related to project initiatives.

### Project Income - Proyecto 1

- **2020:** Total Income 7438.02 PLN. Sources: Others (1239.67 PLN), Salary (6198.35 PLN).
- **2021:** Total Income 7438.02 PLN. Source: Salary (7438.02 PLN).
- **2022:** Total Income 826.45 PLN. Source: Investment (826.45 PLN).
- **2023:** Total Income 4958.68 PLN. Source: Business (4958.68 PLN).
- **2024:** Total Income 6611.57 PLN. Source: Salary (6611.57 PLN).
- **2025:** Total Income 7851.24 PLN. Source: Salary (7851.24 PLN).
- **2026:** Total Income 1033.06 PLN. Source: Investment (1033.06 PLN).
- **2027:** Total Income 5371.9 PLN. Source: Business (5371.9 PLN).
- **2028:** Total Income 1446.28 PLN. Source: Others (1446.28 PLN).
- **2029:** Total Income 7024.79 PLN. Source: Salary (7024.79 PLN).
- **2030:** Total Income 8264.46 PLN. Source: Salary (8264.46 PLN).
- **2031:** Total Income 1239.67 PLN. Source: Investment (1239.67 PLN).
- **2032:** Total Income 5785.12 PLN. Source: Business (5785.12 PLN).
- **2033:** Total Income 1652.89 PLN. Source: Others (1652.89 PLN).

### Project Income - Proyecto 2

- **2020:** Total Income 7438.02 PLN. Sources: Others (1239.67 PLN), Salary (6198.35 PLN).
- **2021:** Total Income 7438.02 PLN. Source: Salary (7438.02 PLN).
- **2022:** Total Income 826.45 PLN. Source: Investment (826.45 PLN).
- **2023:** Total Income 4958.68 PLN. Source: Business (4958.68 PLN).
- **2024:** Total Income 6611.57 PLN. Source: Salary (6611.57 PLN).
- **2025:** Total Income 7851.24 PLN. Source: Salary (7851.24 PLN).
- **2026:** Total Income 1033.06 PLN. Source: Investment (1033.06 PLN).
- **2027:** Total Income 5371.9 PLN. Source: Business (5371.9 PLN).
- **2028:** Total Income 1446.28 PLN. Source: Others (1446.28 PLN).
- **2029:** Total Income 7024.79 PLN. Source: Salary (7024.79 PLN).
- **2030:** Total Income 8264.46 PLN. Source: Salary (8264.46 PLN).
- **2031:** Total Income 1239.67 PLN. Source: Investment (1239.67 PLN).
- **2032:** Total Income 5785.12 PLN. Source: Business (5785.12 PLN).
- **2033:** Total Income 1652.89 PLN. Source: Others (1652.89 PLN).

### Project Income - Proyecto 3

- **2020:** Total Income 7438.02 PLN. Sources: Others (1239.67 PLN), Salary (6198.35 PLN).
- **2021:** Total Income 7438.02 PLN. Source: Salary (7438.02 PLN).
- **2022:** Total Income 826.45 PLN. Source: Investment (826.45 PLN).

- **2023:** Total Income 4958.68 PLN. Source: Business (4958.68 PLN).
- **2024:** Total Income 6611.57 PLN. Source: Salary (6611.57 PLN).
- **2025:** Total Income 7851.24 PLN. Source: Salary (7851.24 PLN).
- **2026:** Total Income 1033.06 PLN. Source: Investment (1033.06 PLN).
- **2027:** Total Income 5371.9 PLN. Source: Business (5371.9 PLN).
- **2028:** Total Income 1446.28 PLN. Source: Others (1446.28 PLN).
- **2029:** Total Income 7024.79 PLN. Source: Salary (7024.79 PLN).
- **2030:** Total Income 8264.46 PLN. Source: Salary (8264.46 PLN).
- **2031:** Total Income 1239.67 PLN. Source: Investment (1239.67 PLN).
- **2032:** Total Income 5785.12 PLN. Source: Business (5785.12 PLN).
- **2033:** Total Income 1652.89 PLN. Source: Others (1652.89 PLN).

### 3. Expense Breakdown

#### General Expenses

- **2019:** Total Expenses 2272.73 PLN. Distribution: Marketing (2272.73 PLN).
- **2020:** Total Expenses 371.9 PLN. Distribution: Supplies (371.9 PLN).
- **2021:** Total Expenses 854.7 PLN. Distribution: Services (854.7 PLN).
- **2022:** Total Expenses 1446.28 PLN. Distribution: Transport (1446.28 PLN).
- **2024:** Total Expenses 9236.08 PLN. Distribution: Marketing (2066.12 PLN), Rent (4958.68 PLN), Services (641.03 PLN), Supplies (330.58 PLN), Transport (1239.67 PLN).
- **2025:** Total Expenses 2479.34 PLN. Distribution: Rent (2479.34 PLN).
- **2026:** Total Expenses 2892.56 PLN. Distribution: Rent (2892.56 PLN).
- **2027:** Total Expenses 1068.38 PLN. Distribution: Services (1068.38 PLN).
- **2028:** Total Expenses 413.22 PLN. Distribution: Supplies (413.22 PLN).
- **2029:** Total Expenses 1652.89 PLN. Distribution: Transport (1652.89 PLN).
- **2030:** Total Expenses 2479.34 PLN. Distribution: Marketing (2479.34 PLN).

#### Project Expenses - Proyecto 1

- **2020:** Total Expenses 3305.79 PLN. Distribution: Rent (3305.79 PLN).
- **2021:** Total Expenses 206.61 PLN. Distribution: Food (206.61 PLN).
- **2022:** Total Expenses 413.22 PLN. Distribution: Services (413.22 PLN).
- **2023:** Total Expenses 330.58 PLN. Distribution: Food (247.93 PLN), Transport (82.64 PLN).
- **2024:** Total Expenses 826.45 PLN. Distribution: Food (826.45 PLN).
- **2025:** Total Expenses 5371.9 PLN. Distribution: Food (2066.12 PLN), Marketing (1652.89 PLN), Rent (619.83 PLN), Supplies (1033.06 PLN).
- **2026:** Total Expenses 2479.34 PLN. Distribution: Rent (2066.12 PLN), Services (413.22 PLN).
- **2027:** Total Expenses 1859.5 PLN. Distribution: Services (1859.5 PLN).
- **2028:** Total Expenses 2272.73 PLN. Distribution: Marketing (1446.28 PLN), Rent (826.45 PLN).
- **2029:** Total Expenses 4338.84 PLN. Distribution: Rent (2479.34 PLN), Supplies (1859.5 PLN).
- **2030:** Total Expenses None.
- **2031:** Total Expenses None.
- **2032:** Total Expenses None.
- **2033:** Total Expenses None.

#### Project Expenses - Proyecto 2

- **2020:** Total Expenses 3305.79 PLN. Distribution: Rent (3305.79 PLN).
- **2021:** Total Expenses 206.61 PLN. Distribution: Food (206.61 PLN).

- **2022:** Total Expenses 413.22 PLN. Distribution: Services (413.22 PLN).
- **2023:** Total Expenses 330.58 PLN. Distribution: Food (247.93 PLN), Transport (82.64 PLN).
- **2024:** Total Expenses 826.45 PLN. Distribution: Food (826.45 PLN).
- **2025:** Total Expenses 5371.9 PLN. Distribution: Food (2066.12 PLN), Marketing (1652.89 PLN), Rent (619.83 PLN), Supplies (1033.06 PLN).
- **2026:** Total Expenses 2479.34 PLN. Distribution: Rent (2066.12 PLN), Services (413.22 PLN).
- **2027:** Total Expenses 1859.5 PLN. Distribution: Services (1859.5 PLN).
- **2028:** Total Expenses 2272.73 PLN. Distribution: Marketing (1446.28 PLN), Rent (826.45 PLN).
- **2029:** Total Expenses 4338.84 PLN. Distribution: Rent (2479.34 PLN), Supplies (1859.5 PLN).
- **2030:** Total Expenses None.
- **2031:** Total Expenses None.
- **2032:** Total Expenses None.
- **2033:** Total Expenses None.

### **Project Expenses - Proyecto 3**

- **2020:** Total Expenses 3305.79 PLN. Distribution: Rent (3305.79 PLN).
- **2021:** Total Expenses 206.61 PLN. Distribution: Food (206.61 PLN).
- **2022:** Total Expenses 413.22 PLN. Distribution: Services (413.22 PLN).
- **2023:** Total Expenses 330.58 PLN. Distribution: Food (247.93 PLN), Transport (82.64 PLN).
- **2024:** Total Expenses 826.45 PLN. Distribution: Food (826.45 PLN).
- **2025:** Total Expenses 5371.9 PLN. Distribution: Food (2066.12 PLN), Marketing (1652.89 PLN), Rent (619.83 PLN), Supplies (1033.06 PLN).
- **2026:** Total Expenses 2479.34 PLN. Distribution: Rent (2066.12 PLN), Services (413.22 PLN).
- **2027:** Total Expenses 1859.5 PLN. Distribution: Services (1859.5 PLN).
- **2028:** Total Expenses 2272.73 PLN. Distribution: Marketing (1446.28 PLN), Rent (826.45 PLN).
- **2029:** Total Expenses 4338.84 PLN. Distribution: Rent (2479.34 PLN), Supplies (1859.5 PLN).
- **2030:** Total Expenses None.
- **2031:** Total Expenses None.
- **2032:** Total Expenses None.
- **2033:** Total Expenses None.

## 4. Profit and Loss Calculation

The profit and loss for the company is determined by subtracting the total expenses from the total income across all projects and general expenses. As project data includes both incomes and expenses, this section will first summarize the total profit or loss for each project, and then sum the total general expenses to provide a global profit or loss assessment. In the cases where no expenses were generated, the profit is equal to the income.

### Profit and Loss Per Project

#### Proyecto 1

- **2020:** Profit: 4132.23 PLN (7438.02 PLN - 3305.79 PLN).
- **2021:** Profit: 7231.41 PLN (7438.02 PLN - 206.61 PLN).
- **2022:** Profit: 413.23 PLN (826.45 PLN - 413.22 PLN).
- **2023:** Profit: 4628.1 PLN (4958.68 PLN - 330.58 PLN).
- **2024:** Profit: 5785.12 PLN (6611.57 PLN - 826.45 PLN).
- **2025:** Profit: 2479.34 PLN (7851.24 PLN - 5371.9 PLN).
- **2026:** Loss: -1446.28 PLN (1033.06 PLN - 2479.34 PLN).
- **2027:** Profit: 3512.4 PLN (5371.9 PLN - 1859.5 PLN).
- **2028:** Loss: -826.45 PLN (1446.28 PLN - 2272.73 PLN).
- **2029:** Profit: 2685.95 PLN (7024.79 PLN - 4338.84 PLN).
- **2030:** Profit: 8264.46 PLN (8264.46 PLN - 0 PLN).
- **2031:** Profit: 1239.67 PLN (1239.67 PLN - 0 PLN).
- **2032:** Profit: 5785.12 PLN (5785.12 PLN - 0 PLN).
- **2033:** Profit: 1652.89 PLN (1652.89 PLN - 0 PLN).

#### Proyecto 2

- **2020:** Profit: 4132.23 PLN (7438.02 PLN - 3305.79 PLN).
- **2021:** Profit: 7231.41 PLN (7438.02 PLN - 206.61 PLN).
- **2022:** Profit: 413.23 PLN (826.45 PLN - 413.22 PLN).
- **2023:** Profit: 4628.1 PLN (4958.68 PLN - 330.58 PLN).
- **2024:** Profit: 5785.12 PLN (6611.57 PLN - 826.45 PLN).
- **2025:** Profit: 2479.34 PLN (7851.24 PLN - 5371.9 PLN).
- **2026:** Loss: -1446.28 PLN (1033.06 PLN - 2479.34 PLN).
- **2027:** Profit: 3512.4 PLN (5371.9 PLN - 1859.5 PLN).
- **2028:** Loss: -826.45 PLN (1446.28 PLN - 2272.73 PLN).
- **2029:** Profit: 2685.95 PLN (7024.79 PLN - 4338.84 PLN).
- **2030:** Profit: 8264.46 PLN (8264.46 PLN - 0 PLN).
- **2031:** Profit: 1239.67 PLN (1239.67 PLN - 0 PLN).
- **2032:** Profit: 5785.12 PLN (5785.12 PLN - 0 PLN).
- **2033:** Profit: 1652.89 PLN (1652.89 PLN - 0 PLN).

#### Proyecto 3

- **2020:** Profit: 4132.23 PLN (7438.02 PLN - 3305.79 PLN).
- **2021:** Profit: 7231.41 PLN (7438.02 PLN - 206.61 PLN).

- **2022:** Profit: 413.23 PLN (826.45 PLN - 413.22 PLN).
- **2023:** Profit: 4628.1 PLN (4958.68 PLN - 330.58 PLN).
- **2024:** Profit: 5785.12 PLN (6611.57 PLN - 826.45 PLN).
- **2025:** Profit: 2479.34 PLN (7851.24 PLN - 5371.9 PLN).
- **2026:** Loss: -1446.28 PLN (1033.06 PLN - 2479.34 PLN).
- **2027:** Profit: 3512.4 PLN (5371.9 PLN - 1859.5 PLN).
- **2028:** Loss: -826.45 PLN (1446.28 PLN - 2272.73 PLN).
- **2029:** Profit: 2685.95 PLN (7024.79 PLN - 4338.84 PLN).
- **2030:** Profit: 8264.46 PLN (8264.46 PLN - 0 PLN).
- **2031:** Profit: 1239.67 PLN (1239.67 PLN - 0 PLN).
- **2032:** Profit: 5785.12 PLN (5785.12 PLN - 0 PLN).
- **2033:** Profit: 1652.89 PLN (1652.89 PLN - 0 PLN).

## Total General Expenses

- **2019:** Total: 2272.73 PLN.
- **2020:** Total: 371.9 PLN.
- **2021:** Total: 854.7 PLN.
- **2022:** Total: 1446.28 PLN.
- **2024:** Total: 9236.08 PLN.
- **2025:** Total: 2479.34 PLN.
- **2026:** Total: 2892.56 PLN.
- **2027:** Total: 1068.38 PLN.
- **2028:** Total: 413.22 PLN.
- **2029:** Total: 1652.89 PLN.
- **2030:** Total: 2479.34 PLN.

## Company Total Profit/Loss

To calculate the final profit and loss, we have to add the profit of each project and subtract the general expenses. Due to the number of values, this section will present just the yearly values.

- **2019:** Loss -2272.73 PLN.
- **2020:** Profit 12024.89 PLN. (4132.23+4132.23+4132.23 -371.9).
- **2021:** Profit 20970.73 PLN. (7231.41+7231.41+7231.41 - 854.7).
- **2022:** Loss: -2113.07 PLN (413.23+413.23+413.23 - 1446.28).
- **2023:** Profit 13592.78 PLN. (4628.1+4628.1+4628.1).
- **2024:** Profit 7549.31 PLN (5785.12+5785.12+5785.12-9236.08).
- **2025:** Loss -1433.36 PLN (2479.34+2479.34+2479.34- 2479.34).
- **2026:** Loss -6671.20 PLN (-1446.28-1446.28-1446.28- 2892.56).
- **2027:** Profit 9468.82 PLN (3512.4+3512.4+3512.4-1068.38).
- **2028:** Loss: -3279.46 PLN (-826.45-826.45-826.45-413.22).
- **2029:** Profit: 6404.96 PLN (2685.95+2685.95+2685.95-1652.89).
- **2030:** Profit: 22314.14 PLN (8264.46+8264.46+8264.46-2479.34).
- **2031:** Profit 3719.01 PLN.
- **2032:** Profit 17355.36 PLN.
- **2033:** Profit 4958.67 PLN.



## 5. Key Insights and Recommendations

The company's performance fluctuates significantly year to year. The profitability is highly dependent on project income, which shows considerable volatility. Projects appear to have similar behaviours, with high income periods followed by periods of low or negative profit. It's evident that the high incomes of 2020 and 2021 were not sustained in the following years, and that those incomes were not accompanied by a growth in profits.

The most prominent observation is the inconsistent profitability of the company. In early years the company showed significant profits due to its projects, but as general expenses started to grow, profits were reduced significantly. This is an indicator that should be explored by company.

### Recommendations:

- **Project Profitability Analysis:** A deeper dive is needed into the factors driving income fluctuations on each project. Understanding which income sources and expenses are stable and which are not is important for the future of the company.
- **Cost Control:** The trend of expenses increasing over time needs active management. Identifying areas to reduce costs could improve overall profitability. The significant impact of rent should be re-evaluated to identify if cost-effective solutions could be implemented.
- **Income Diversification:** Given that the projects are volatile, the company should explore avenues for diversified income streams to avoid dependency on the projects in case they are not profitable in certain years.
- **Long term planification:** A long term planification with cost projection and income expectations is needed for the company. This way the company would know better what it can expect each year.

Implementing these recommendations will contribute to more predictable and stable financial performance, allowing the company to grow in a more sustainable way.