SaaS Performance & Profitability Report
Based on FP20 Analytics Challenge 26 Dataset

Income Statement (Actual vs Budget)

Characteristic	Actuals	Budget	Variance	Variance %
Revenue	17,899,600.00	16,940,000.00	⬆ 959,600.00	⬆ 5.66%
COGS	-3,471,350.00	-2,855,350.00	⬇ -616,000.00	⬇ -21.57%
Gross Profit	14,428,250.00	14,084,650.00	⬆ 343,600.00	⬆ 2.44%
Gross Margin	0.81	0.83	⬇ -0.03	⬇ -3.05%
Operating Expenses	-15,571,270.00	-16,938,337.50	⬆ 1,367,067.50	⬆ 8.07%
EBITDA	-1,143,020.00	-2,853,687.50	⬆ 1,710,667.50	⬆ 59.95%
Depreciation	-282,150.00	-65,200.00	⬇ -216,950.00	⬇ -332.75%
EBIT	-1,425,170.00	-2,918,887.50	⬆ 1,493,717.50	⬆ 51.17%
Interest Expense	-82,200.00	-90,000.00	⬆ 7,800.00	⬆ 8.67%
Interest Income	58,870.00	34,970.00	⬆ 23,900.00	⬆ 68.34%
Net Income before Tax	-1,448,500.00	-2,973,917.50	⬆ 1,525,417.50	⬆ 51.29%

| Revenue	COGS	Gross Profit	Net Profit Before T...

In each year, Actual revenue exceeded the Budget. Cost of Goods Sold remained relatively low, resulting in Gross Profit margins consistently above 75%. Overall, the Gross Margin was 83% in 2022, 79% in 2023 and 81% in 2024.

Although Actual Gross Profit outperformed the Budget forecast, Net Income before tax was negative in both 2022 and 2023. Specifically, Net Income before tax was **-$385,000** in 2022 and declined further to **-$1,363,200** in 2023.

However, in 2024, performance improved significantly: Net Income before tax turned positive at **$299,900,** which was **142% higher than the Budget expectation.** The largest budgeted loss was forecast for 2023 at -$1,701,801.50, but the actual loss came in lower at -$1,363,200, demonstrating that the business was able to mitigate part of the expected deficit and prevent even greater loss.
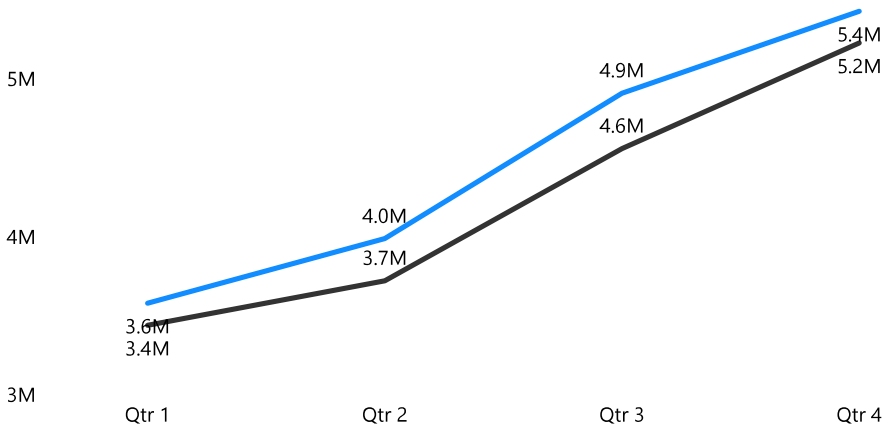
Revenue vs. COGS vs. Gross Profit
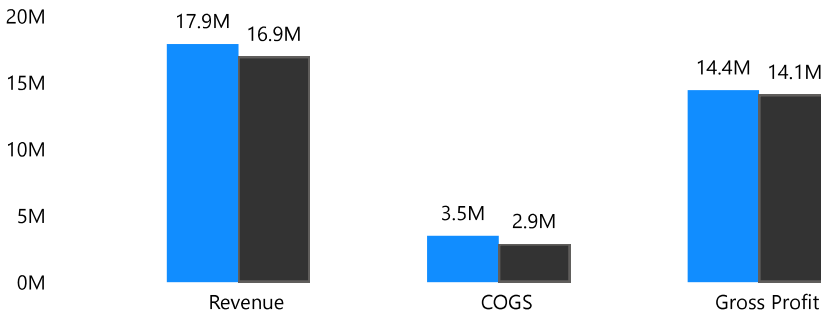
Selected Value by Quarter and Scenario

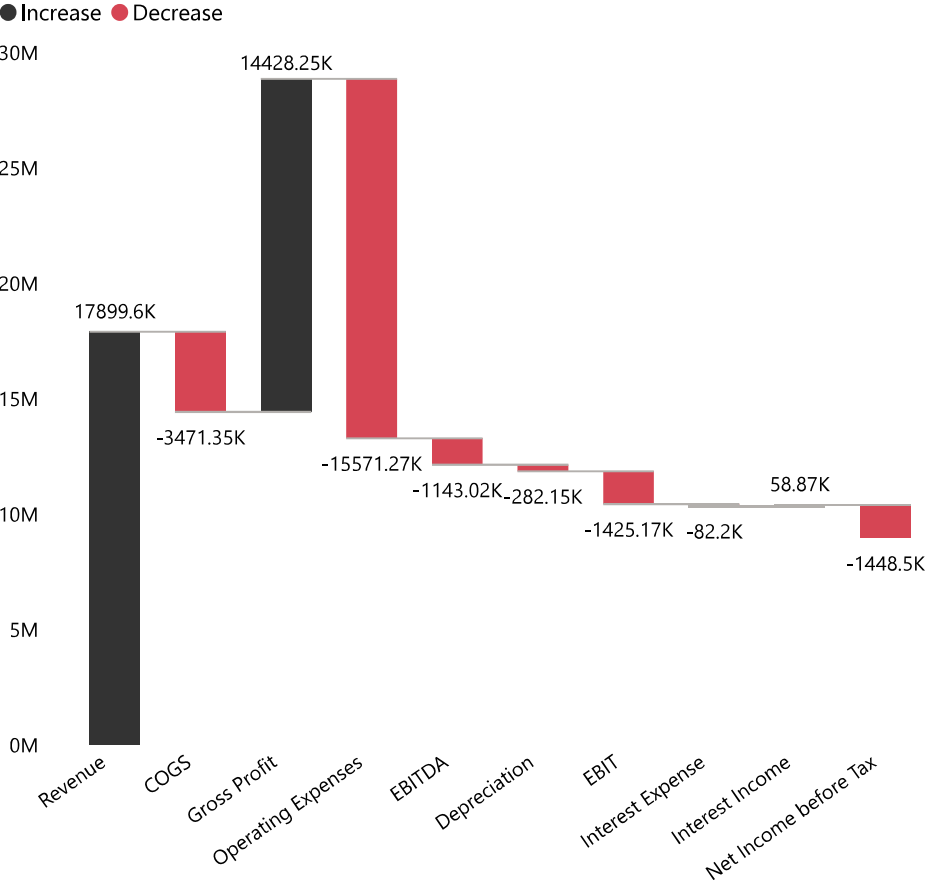# SaaS Performance & Profitability Report

Based on FP20 Analytics Challenge 26 Dataset

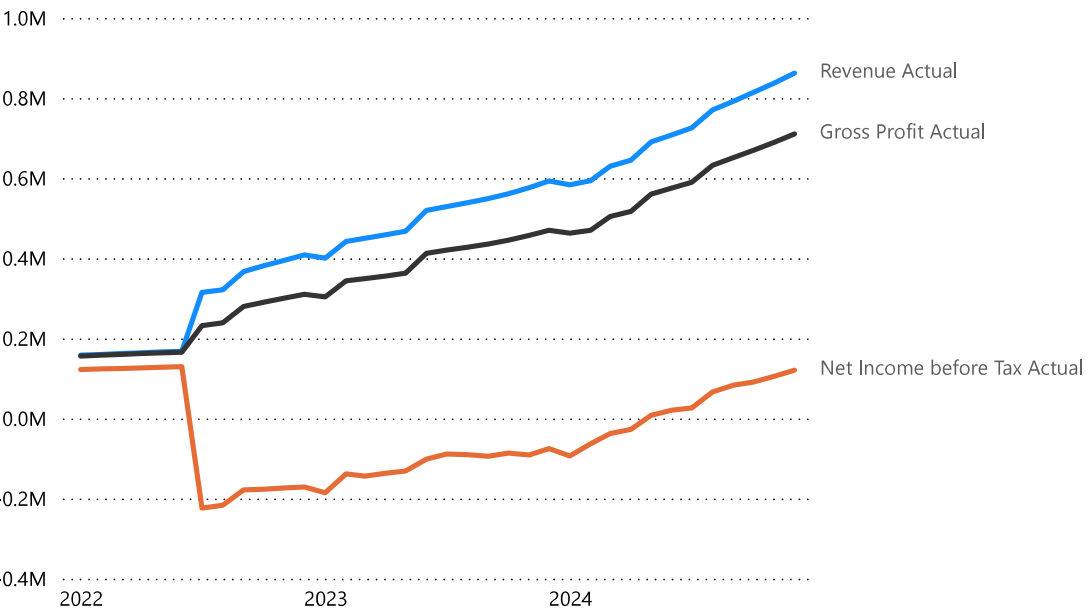## Full Financial Breakdown

● Increase ● Decrease

- Revenue: 17899.6K
- COGS: −3471.35K
- Gross Profit: 14428.25K
- Operating Expenses: −15571.27K
- EBITDA: −1143.02K
- Depreciation: −282.15K
- EBIT: −1425.17K
- Interest Expense: −82.2K
- Interest Income: 58.87K
- Net Income before Tax: −1448.5K

Revenue Actual, Gross Profit Actual and Net Income before Tax Actual by Year, Quarter and Month

Revenue Actual
Gross Profit Actual
Net Income before Tax Actual

The largest contributors to expenses are **Operating Expenses** and **Cost of Goods Sold** (COGS). From the *Full Financial Breakdown* visual, it is clear that Operating Expenses are nearly five times higher than COGS (**-15,572,150** vs. **–3,471,350,** respectively).

Net Income after tax dropped significantly in July 2022, with actual result falling below the Budget for that period. For three consecutive years, the business reported losses, before finally achieving positive Net Income in 2024. This turnaround was supported by strong Revenue and high Gross Profit , but the consistently elevated level of Operating Expenses highlights a structure cost challenge that limited profitability.
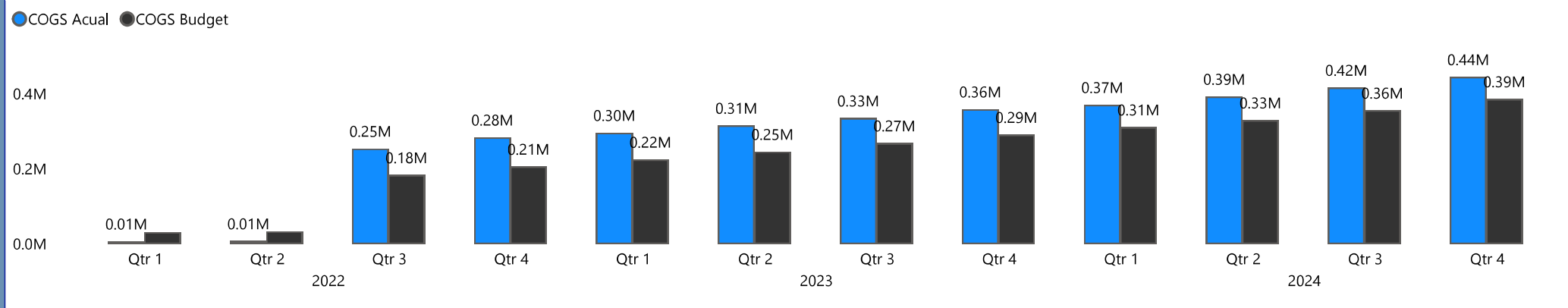
SaaS Performance & Profitability Report
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COGS Performance: Actual vs Budget by Year & Quarter

● COGS Acual ● COGS Budget

COGS Performance: Actual vs Budget by Year & Quarter

Year	COGS Acual	COGS Budget	Variance COGS %	Revenue Actual	Revenue Budget	Var_Revenue %
⊟ 2022	548,550.00	450,350.00	-21.81%	3,164,800.00	2,950,000.00	7.28%
January	2,000.00	10,000.00	80.00%	158,000.00	150,000.00	5.33%
February	2,050.00	10,100.00	79.70%	160,000.00	152,500.00	4.92%
March	2,100.00	10,200.00	79.41%	162,000.00	155,000.00	4.52%
April	2,150.00	10,750.00	80.00%	164,000.00	162,500.00	0.92%
May	2,200.00	10,850.00	79.72%	166,000.00	165,000.00	0.61%
June	2,250.00	10,950.00	79.45%	168,000.00	167,500.00	0.30%
July	82,900.00	60,000.00	-38.17%	314,500.00	285,000.00	10.35%
August	82,400.00	60,000.00	-37.33%	321,300.00	287,500.00	11.76%
Total	**3,471,350.00**	**2,855,350.00**	**-21.57%**	**17,899,600.00**	**16,940,000.00**	**5.66%**

At the beginning of 2022, **COGS were below budgeted levels**. However, in July 2022, they rose sharply from $2,250 to $82,900 and continued to increase steadily, reaching $152,000 per month by 2024. This significant increase was not matched by proportional revenue growth. In 2022, Cost of Goods Sold (COGS) rose by **26.84%**, while Revenue grew by only **6.91%**, indicating a widening gap between operational costs and income. The disparity became more pronounced in Q4 of 2022, where COGS surged nearly **40%**, compared to just **7–10%** growth in Revenue. By the end of 2024, the imbalance persisted, with a 17% increase in COGS resulting in only 0.52% Revenue growth.

SaaS Performance & Profitability Report
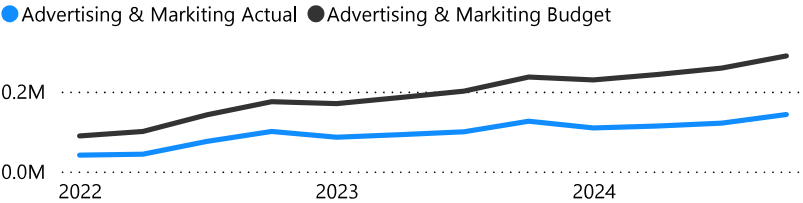## Based on FP20 Analytics Challenge 26 Dataset

OPEX Actual vs Budget

Operating Expenses Acual and Operating Expenses Budget by ACCOUNT

||| zebra bi

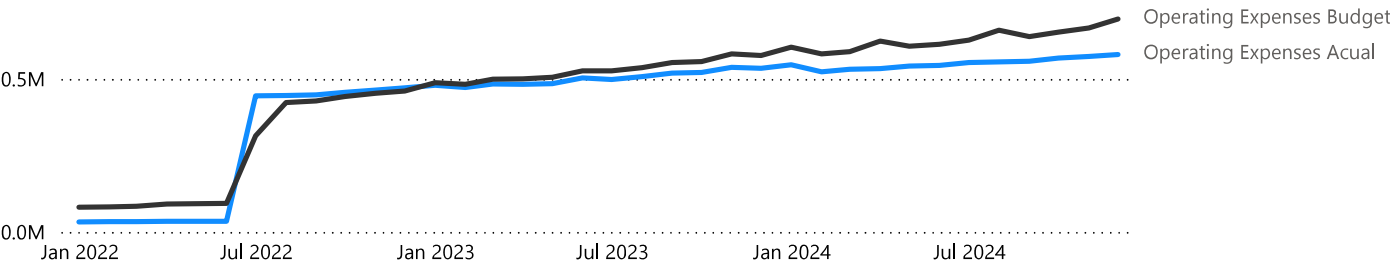|	AC ↓	FC	ΔFC	ΔFC%
60810 Salary & Wages	8.6M	8.4M	+226.3K	+2.7
60830 Health Insurance	1.6M	832.8K	+794.5K	+95.4
60850 Commissions Expense	1.2M	1.4M	-152.7K	-11.0
60100 Advertising & Marketing	1.1M	2.3M	-1.2M	-50.5
60820 Payroll Taxes	687.5K	666.2K	+21.3K	+3.2
60620 Rent & Lease	486.0K	349.2K	+136.8K	+39.2
50200 Merchant Account Fees	375.3K	639.5K	-264.2K	-41.3
60720 Consulting Fees	272.4K	259.2K	+13.2K	+5.1
60740 Recruiting Fees	242.4K	427.2K	-184.8K	-43.3
60730 Legal Fees	162.6K	490.8K	-328.2K	-66.9

Salary & Wages Actual vs Budget

● Salary & Wages Actual ● Salary & Wages Budget

1.0M
0.5M
0.0M
2022   2023   2024
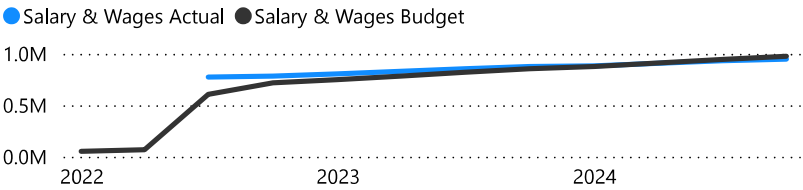
Advertising & Marketing Actual vs Budget

● Advertising & Markiting Actual ● Advertising & Markiting Budget

0.2M
0.0M
2022   2023   2024

Operating Expenses Trend vs Budget

Operating Expenses Budget
Operating Expenses Acual

0.5M

0.0M
Jan 2022   Jul 2022   Jan 2023   Jul 2023   Jan 2024   Jul 2024

Operating Expenses (OPEX) represented a substantial portion of total expenditures. In July 2022, OPEX exceeded budget and remained above forecasted levels through year-end. Beginning in 2023, expenses started to decline, falling below projections, and by 2024 were significantly under budget. Within OPEX, **Salaries and Wages** showed minimal variance from budget. However, **Health Insurance** consistently exceeded expectations, rising by 119.6% in 2022, 103.5% in 2023, and 79.2% in 2024. In contrast, **Marketing expenses** remained consistently under budget across all three years.
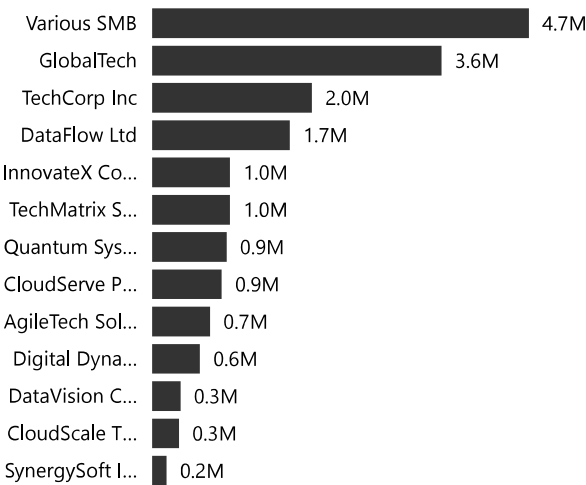
SaaS Performance & Profitability Report

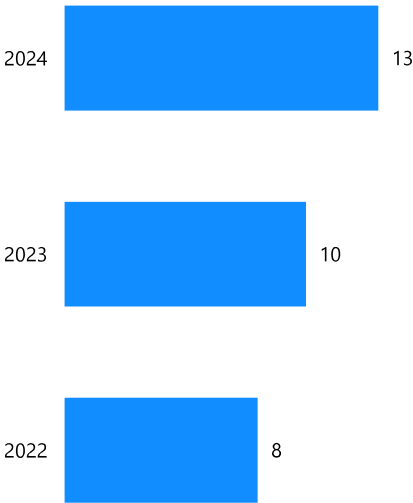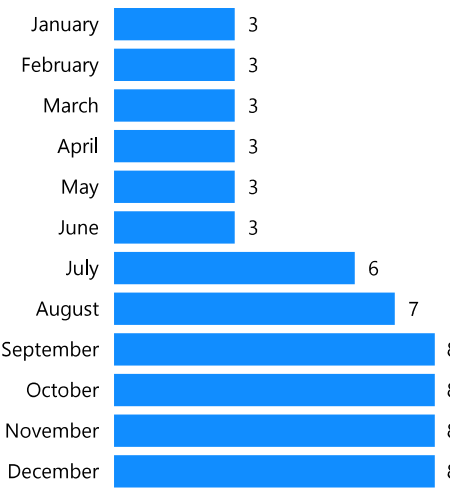Based on FP20 Analytics Challenge 26 Dataset

Realized Sales

Various SMB	4.7M
GlobalTech	3.6M
TechCorp Inc	2.0M
DataFlow Ltd	1.7M
InnovateX Co...	1.0M
TechMatrix S...	1.0M
Quantum Sys...	0.9M
CloudServe P...	0.9M
AgileTech Sol...	0.7M
Digital Dyna...	0.6M
DataVision C...	0.3M
CloudScale T...	0.3M
SynergySoft I...	0.2M

Number of Clients

2024	13
2023	10
2022	8

Number of Clients 2022

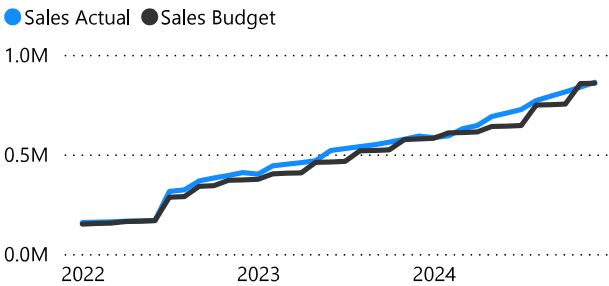|	
January	3
February	3
March	3
April	3
May	3
June	3
July	6
August	7
September	8
October	8
November	8
December	8

Between 2022 and 2024, **actual sales consistently outperformed the budget**. However, in July 2022, the company experienced a sharp decline in net income, primarily driven by a sudden increase in **Cost of Goods Sold (COGS)**. This coincided with an expansion of the client base—from 3 to 6 clients in July 2022—which likely contributed to higher costs. Client growth continued steadily, reaching 10 clients by the end of 2023 and 13 by the end of 2024—more than four times the number in 2022. The modest acquisition of only two new clients in 2023 suggests a temporary slowdown before accelerating again in 2024.

Sales Trend vs Budget

Sales Actual ● Sales Budget

Sales Trend by Year

● 2022 ● 2023 ● 2024
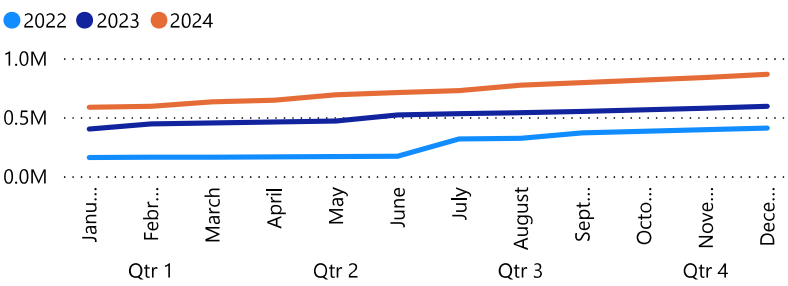
Net Profit Before Tax Actual vs Budget 2022

● Net Income before Tax Budget ● Net Income before Tax Actual