

Business Financial Report

Income: 8,000,000

Expenses: 5,000,000

Savings: 3,000,000

Cash: 6,000,000

Investment: 2,000,000

Net Worth: 8,000,000

Runway Months: 1.2

AI Insights:

****Insights:**** - The business generates a healthy profit of \$3,000,000 (Income of \$8,000,000 minus Expenses of \$5,000,000), indicating good operational profitability. - Despite strong profitability and \$6,000,000 in cash holdings, the runway is only 1.2 months, signaling that monthly burn rate is relatively high compared to available liquid assets. - The net worth (\$8,000,000) aligns with the sum of savings (\$3,000,000) and investments (\$2,000,000) plus cash (\$6,000,000), indicating accurate asset accounting and healthy equity.

****Recommendation:**** - Improve expense management to extend the runway beyond 3-6 months, ensuring the business can operate safely during periods of revenue decline or economic downturns.

****Risk Warning:**** - The short runway (1.2 months) poses significant liquidity risk, making the business vulnerable to cash flow disruptions that could impact sustained operations or growth opportunities.