

Your Industry Performance Benchmarks Report

Make your business more profitable & valuable

Introduction

Your **Industry Performance Benchmarks Report** lists 18 key performance benchmarks, to help you to firstly identify and then plan your priorities to change your business' strengths and weaknesses for increased profit and value. We encourage you to analyse these industry benchmarks and then compare your business performance with your industry average as well as top benchmark performers.

ABOVE BENCHMARK PERFORMANCE - you are a top performer, minimal improvement is required.

AVERAGE TO BENCHMARK PERFORMANCE - you are achieving above industry average performance, but improvement is still available to achieve benchmark performance.

BELOW AVERAGE PERFORMANCE - you are performing below the industry average; substantial improvement is required.



Nexis Accountants and Business Advisors
Level 1, 21 Benjamin Way
Belconnen, ACT, 2617

PO Box 3111,
Belconnen, ACT, 2617

Phone: (02) 6264 8000
Fax: (02) 6253 1052

www.nexis.net.au | general@nexis.net.au

Comparable Performance Benchmarking Information

We have prepared your Report on the basis of 43 comparable businesses for benchmarking purposes.

Industry

Business Profile		Post Code Range	Date Range	Sample
Turnover Range	FTE Range			
All	All	All	Jul 2012 - Jun 2013	43

Key Industry Benchmarks and Performance Indicators

The following three tables list your industry's average and top 20% performer's performance benchmarks/key performance indicators.

1. Growth Benchmarks

What is your average change in sales (%), are your sales growing above or below the industry average and benchmark sales growth rates?

	Industry Average	Industry Benchmark
Sales Growth	22.3%	101.9%

2. Profitability Benchmarks

Where is your business performing well and where can you improve when compared with the following key industry profitability benchmarks?

	Industry Average	Industry Benchmark
Gross Profit Margin/Sales	60.1%	93.4%
Salaries, Wages and On Costs/Sales	31.6%	13.5%
Earnings before Interest and Taxation/Sales	11.3%	26.6%
Net Profit before Tax/Sales	10%	25.7%
Gross Margin Return on Inventory	2.2	10.2
Return on Capital Employed	43%	110.6%

Your Industry Performance Benchmarks Report

3. Cash Flow and Finance Benchmarks

What can you do to improve your business' cash flow and how will the achievement of cash flow and finance benchmark performance create opportunities for you to secure more Bank finance for business growth, improvement and succession?

	Industry Average	Industry Benchmark
Work in Progress and Debtors Days	41	4
Stock Turnover Days	2	0
Trade Creditor Days	68	0
Cash Cycle Days	10	-19
Working Capital Ratio/Sales	6.4%	0.3%
Marginal Cash Flow/Sales	54.2%	86.9%
Interest Cover	17.8	45.8
Current Ratio	3.6	9.9
Quick Ratio	3.5	9.9
Total Debt to EBIT	1.5	0
Total Liabilities to Equity	2.9	0.3



Nexis Accountants and Business Advisors
Level 1, 21 Benjamin Way
Belconnen, ACT, 2617

PO Box 3111,
Belconnen, ACT, 2617

Phone: (02) 6264 8000
Fax: (02) 6253 1052

www.nexis.net.au | general@nexis.net.au

Weaknesses/Opportunities for Improvement

Profitability

If you achieved industry benchmark **Gross Profit Margin and Stock Turn** performance, what improvement would that have on your future net profit, cash flow and business value?

Strategy: review your product, services and/or sales mix to improve Gross Profit Margin and Stockturn.

Cash Flow

If you achieved industry benchmark **Work in Progress and Debtors Days** performance, what improvement would that have on your future cash flow and business value?

Strategy: prepare a flow of funds statement to determine changes that can be made to improve net profit cash flow generation from changes to WIP and debtor days.

Business Value

If you achieved industry benchmark **Earnings before Interest and Taxation** performance, what improvement would that have on your future business value?

Strategy: analyse your business value drivers to determine opportunities for value improvement.

Get the 'VIP' Treatment

VIP - Value Improvement Package

For more information on how to make your business more profitable, valuable and an industry 'benchmark' then we recommend our VIP or Value Improvement Package.

Our Package includes Industry Analysis Report(s), Client Business Improvement Report(s), a SWOT Analysis Workshop and Report and a Value Improvement Analysis Workshop and Report.

Invest in this powerful information and advice NOW so you can grow your sales, increase your profits, improve your cash flow and maximise your business value.

Make your business a 'very important performer' today.