Sample Client (Pty) Ltd

Management Accounts for the month ended 31 May 2026

ILLUSTRATIVE SAMPLE - This pack shows the layout, depth and analysis of a typical monthly management accounts report. The client and all figures are fictional and do not represent any actual client or results.

R 1.25m REVENUE (MONTH)	**40.5%** GROSS MARGIN	**R 81 792** NET PROFIT (MONTH)	**2.7** CURRENT RATIO

Statement of Comprehensive Income

	Actual R	Budget R	Var R	Year to date R
Revenue	1 248 500	1 200 000	48 500	13 920 400
Cost of sales	(742 300)	(720 000)	(22 300)	(8 105 600)
Gross profit	**506 200**	**480 000**	**26 200**	**5 814 800**
Other income	18 400	15 000	3 400	96 200
Operating expenses	(398 700)	(405 000)	6 300	(4 372 100)
Salaries and wages	(210 000)	(212 000)	2 000	(2 310 000)
Rent and occupancy	(45 000)	(45 000)	0	(495 000)
Administration and other	(143 700)	(148 000)	4 300	(1 567 100)
Operating profit	**125 900**	**90 000**	**35 900**	**1 538 900**
Finance costs	(12 300)	(12 500)	200	(138 600)
Profit before taxation	**113 600**	**77 500**	**36 100**	**1 400 300**
Taxation	(31 808)	(21 700)	(10 108)	(392 084)
Profit for the period	**81 792**	**55 800**	**25 992**	**1 008 216**

Statement of Financial Position

As at 31 May 2026	R
Non-current assets	
Property, plant and equipment	1 720 000
Intangible assets	130 000
Current assets	
Inventory	540 000
Trade and other receivables	1 165 600
Cash and cash equivalents	710 000
Total assets	**4 265 600**
Equity	
Share capital	100 000
Retained earnings	2 640 200
Non-current liabilities	
Long-term borrowings	620 000
Current liabilities	
Trade and other payables	612 400
SARS / VAT payable	168 000
Current portion of borrowings	125 000
Total equity and liabilities	**4 265 600**

Cash Flow Summary (year to date)

	R
Cash generated from operations	920 000
Cash used in investing activities	(310 000)
Cash used in financing activities	(180 000)
Net increase in cash	**430 000**
Cash at the beginning of the period	280 000
Cash at the end of the period	**710 000**

Financial Analysis

Budget comparison - month

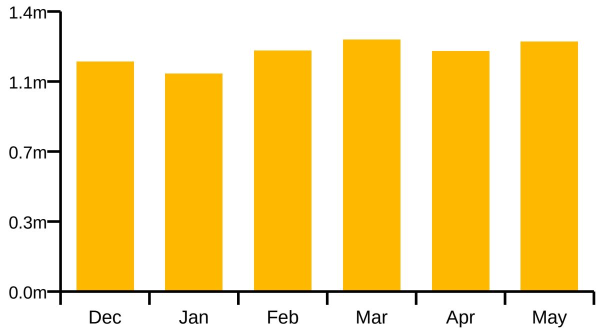
	Actual R	Budget R	Var R	Var %
Revenue	1 248 500	1 200 000	48 500	+4.0%
Gross profit	**506 200**	**480 000**	**26 200**	**+5.5%**
Operating profit	125 900	90 000	35 900	+39.9%
Net profit	**81 792**	**55 800**	**25 992**	**+46.6%**

Key ratios

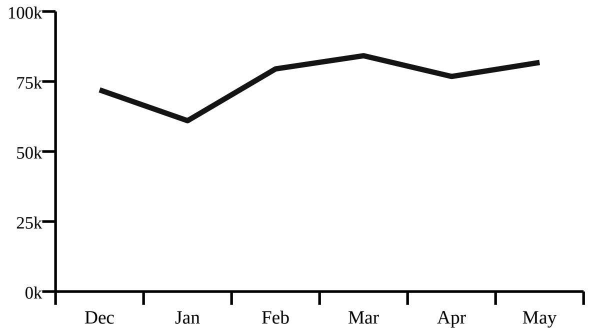
Ratio	Month	YTD	Read
Gross margin	40.5%	41.8%	Healthy and stable
Operating margin	10.1%	11.1%	Ahead of budget
Net margin	6.6%	7.2%	Solid for the sector
Current ratio	2.7	-	Comfortable liquidity
Quick ratio	2.1	-	Strong without inventory
Debt-to-equity	0.27	-	Conservative gearing
Return on equity	-	36.8%	Strong YTD return

Charts

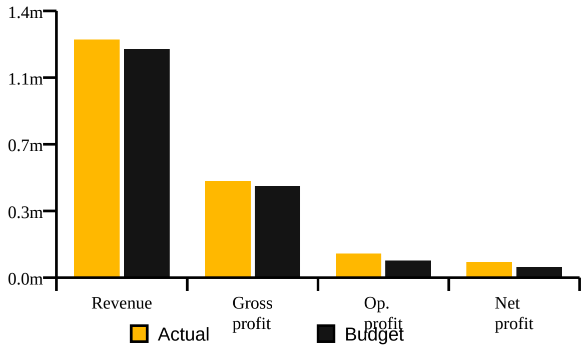
Revenue - last 6 months



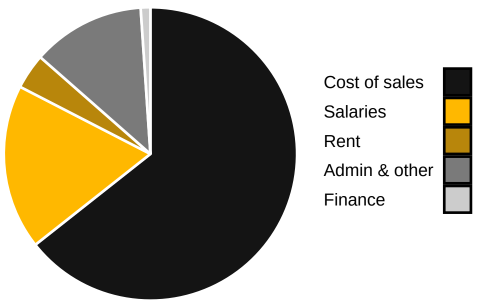
Net profit - last 6 months



Actual vs Budget - month



Cost breakdown - month



Commentary

- **Against budget.** Every key line beat budget for the month: revenue +4.0%, gross profit +5.5%, operating profit +39.9% and net profit +46.6%, driven by stronger sales and tight cost control.

- **Profitability.** The gross margin holds at ~40.5% and the net margin at 6.6%, both in line with or ahead of plan.

- **Costs.** Cost of sales remains the dominant cost at ~59% of revenue; operating expenses came in R6 300 under budget.

- **Liquidity.** A current ratio of 2.7 and quick ratio of 2.1 show the business can comfortably meet short-term obligations; cash closed at R710 000, up R430 000 year to date.

- **Outlook.** If current trends hold, full-year profit is tracking ahead of budget. Monitoring receivables days is recommended to protect the cash position.