



شريك عملك
Your Business Ally

Episode 3
Financial Projection
Part 2

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Chief Operating Officer - COO

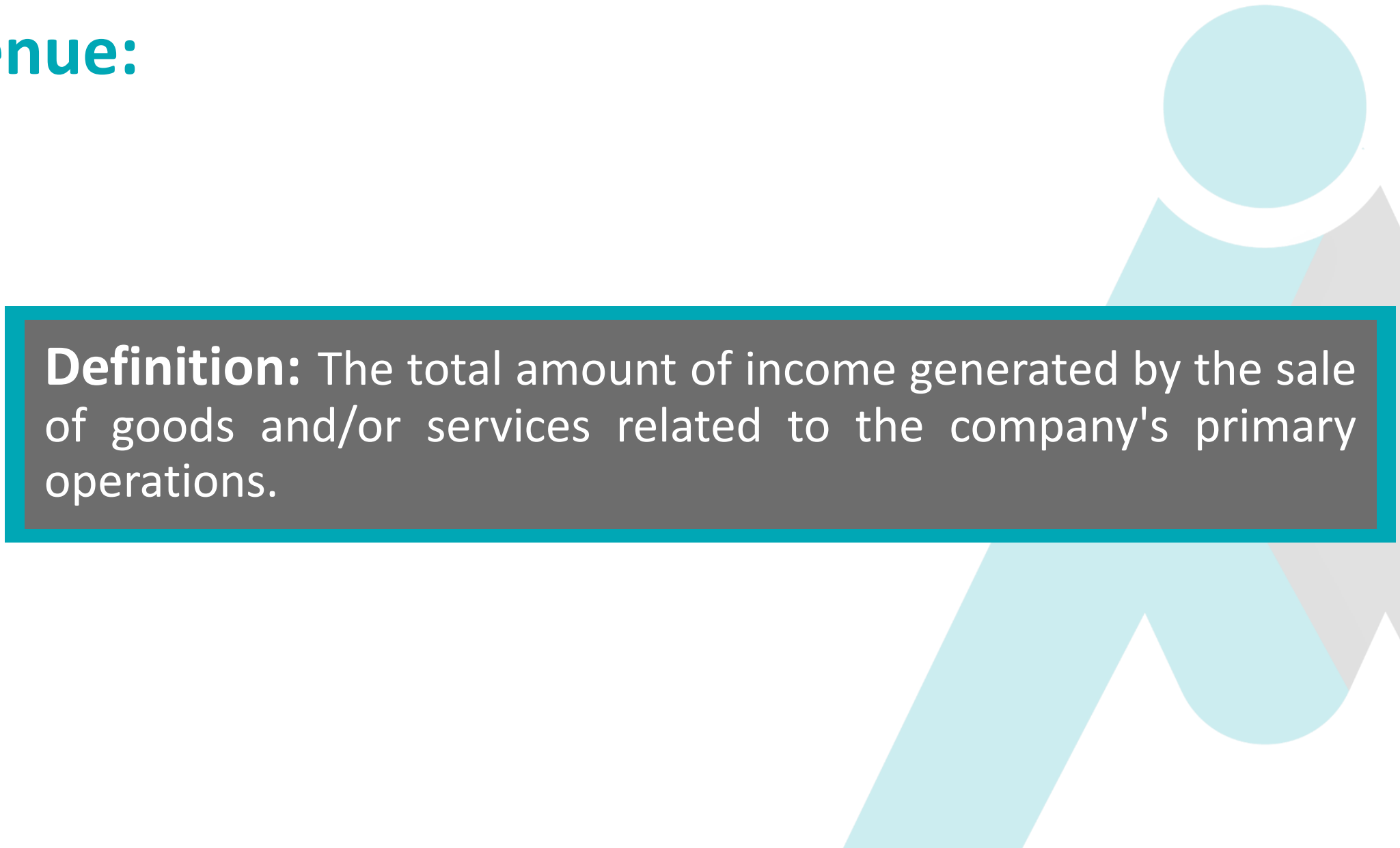


Revenue

- Revenue Stream/s
- Price Strategy:
 - a) Selling Price
 - b) Variable Cost
 - c) Weightages
 - d) Breakeven point



Revenue:



Definition: The total amount of income generated by the sale of goods and/or services related to the company's primary operations.

Contd. Revenue:

Revenue Stream/s:

The various sources from which a business earns money from the sale of goods and/or provision of services.

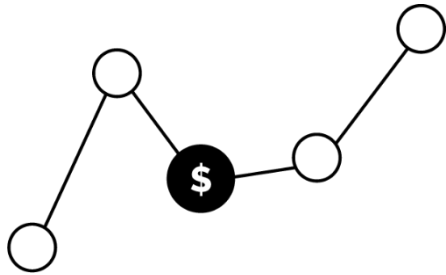
***Types of revenue streams depends on the type and the module of the business.**

Contd. Revenue:

Pricing Strategy



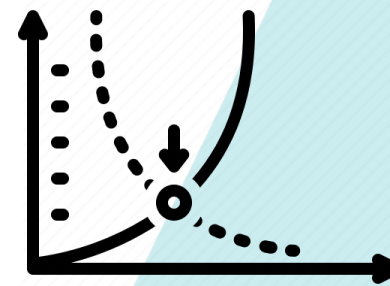
Selling Price



**Variable Cost/
COGS/ Direct Cost**



Weightages

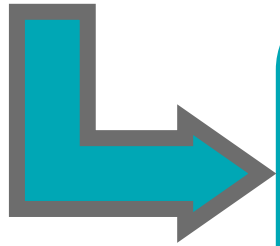


Breakeven point

Contd. Revenue:

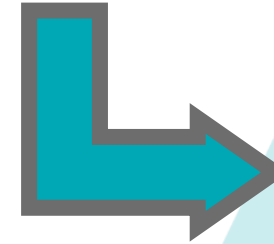
Pricing Strategy

- **Selling price:**



The price at which the goods or services are sold by the seller to the buyer.

- **Variable Cost / COGS / Direct Cost:**

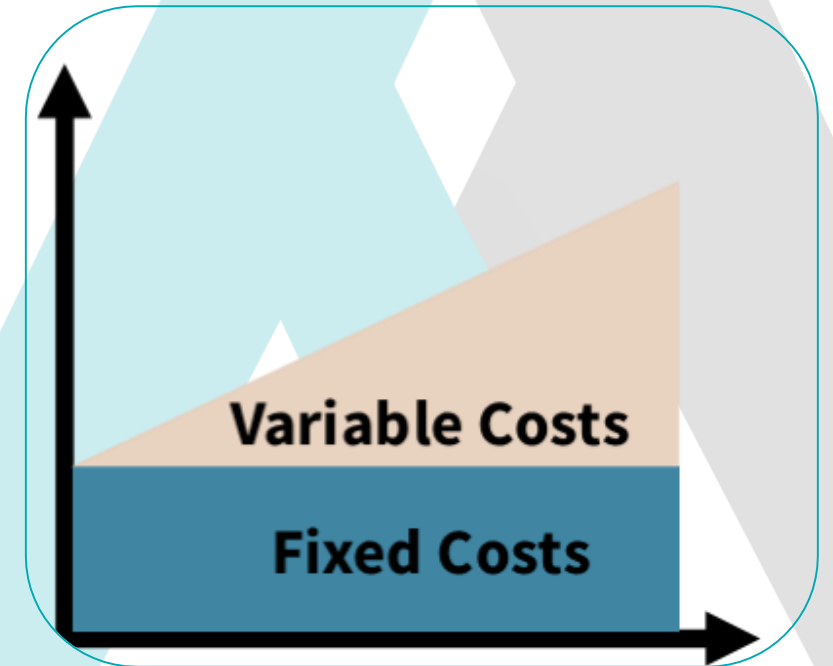


The expense that changes in proportion to production output.

Contd. Revenue:

Pricing Strategy

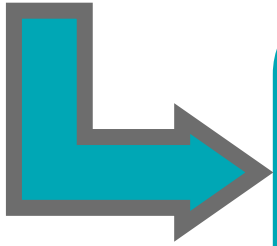
- **Difference between Fixed Cost & Variable Cost:**
 - a) **Fixed Cost:** Rent, Employee Salaries, insurance, etc...
 - b) **Variable Cost:** Raw Materials, Packaging, etc...



Contd. Revenue:

Pricing Strategy

- **Weightage:**



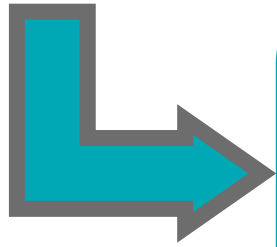
The percent of the contribution that each of the goods and/or services offered contribute to the business.



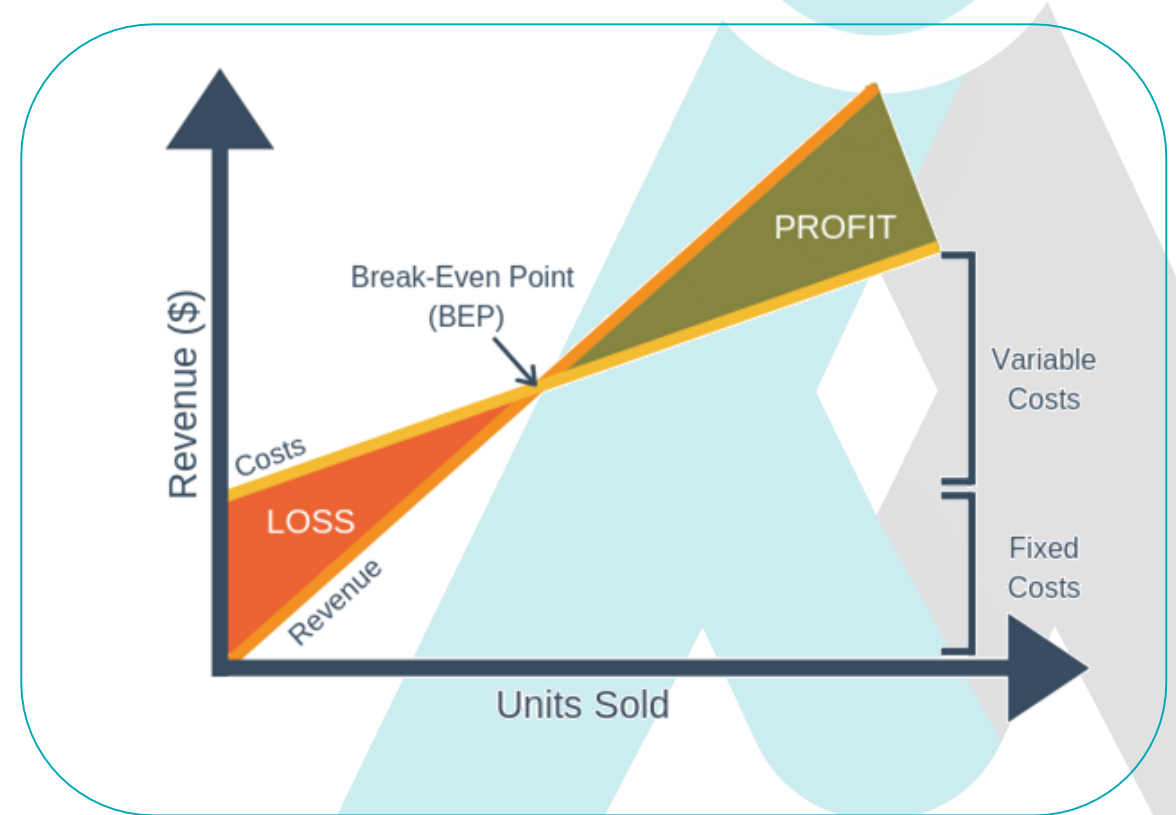
Contd. Revenue:

Pricing Strategy

- **Breakeven point:**



The production level where total revenues equals total expenses.




Profit & Loss (P&L)

- Gross Profit
- Net Profit

Cash Flow



Profit & Loss:

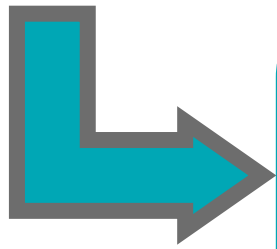


Definition: A financial statement that summarizes the revenues, variable costs, and fixed expenses incurred during a specified period, usually a fiscal quarter or year.

Contd. Profit & Loss:

P&L

- **Gross Profit:**



The profit a company makes after deducting only the direct costs associated with making and selling its products and/or services.

- **Gross Profit:**

- a) **Revenue:** The total amount of money generated from sales for the period.
- b) **Cost of Goods Sold (COGS):** The direct costs associated with producing goods.

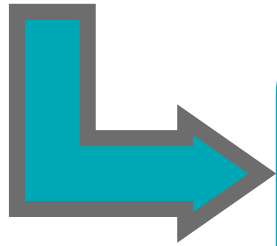
Formula: a – b

Gross Profit = Revenue – Cost of Goods Sold

Contd. Profit & Loss:

P&L

- **Net Profit / Net Earnings:**



The amount of money made by a company for a particular period after paying all the expenses; costs, taxes, etc...

***To calculate net profit, you must know your company's gross profit.**

- **Net Profit:**

- a) Gross Profit
- b) Fixed Expenses: Cost, Tax, etc...

Formula: $a - b$

Net Profit = Gross Profit – Fixed Expenses
(Revenue – Cost of Goods Sold) - Fixed Expenses



Cash Flow:

Definition: The net amount of cash and cash-equivalents being transferred into and out of a business.



To Conclude:

