



Summary Financial Analysis

City Cycle

Fiscal Year Ending 2023

Developed by:

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Introduction and Report Overview

The balance sheet and income statement for the fiscal year ending 2023 for City Cycle (referred to as "City Cycle" throughout this report) were provided. Various ratios were developed from these financials and then compared to data for the "NAICS Code 441228: Motorcycle, ATV, and All Other Motor Vehicle Dealers" industry for firms in the \$0-\$1 M Sales range. This industry benchmark information has been compiled and aggregated from industry specific data over a four year period by Universal Accounting Center Research and segmented for each NAICS code by Net Sales intervals.

This comparison process provides an indication of where the company is strong and where improvements may need to be made. It is recognized that all firms are unique and have different operating and financial characteristics. Nonetheless, comparing against industry norms can be useful in identifying possible problem areas before they get out of hand. Also, investors and lending institutions are very interested in how a given firm compares to others of similar size in the same industry.

This report contains an analysis of the ratios for City Cycle and results that management can consider in their efforts to improve performance. This report can be used as a tool for looking ahead, developing benchmark goals, and for ideas in helping to reach those goals.

In some cases, comparable industry data will be either unavailable or insufficient

for a meaningful value. For these situations, the industry data will appear as "n/a" or "ins. data", respectively. Furthermore, "ins. data" may appear for company sample when insufficient company data was available or supplied. Finally, all ratios are rounded to one decimal place.

LIMITATIONS AND DISCLAIMER

Please note that the industry data used was compiled from a sample not necessarily statistically representative or reliable, and that reliance therefore should be limited accordingly. The data has been obtained from, or is based on, sources believed by Universal Accounting Center, Inc. to be reliable. However, the data is provided without warranty on the understanding that any person or entity that acts upon it or otherwise changes position in reliance thereon does so entirely at such person's or entity's risk. There were 115 firms comprising the "industry" sample for your size group in this study. In rare cases where statistics are not available on a particular size group for a NAICS classification, the industry-wide statistics will be used.

Therefore, Universal Accounting, Inc., the developers of the BizBench Financial Analysis Software, nor any other individuals or parties assumes any responsibility for decisions or results arising out of the use of the presented data, calculations, interpretations, or discussion ideas included in this report. Users must employ their own business knowledge and experience in deciding what is best for their enterprise.

Executive Summary

Financial statements for the fiscal year ending 2023 for City Cycle (referred to as "City Cycle" throughout this report) were provided. This included the balance sheet and income statement for that period. This information has been analyzed, and the results are presented in this report.

Based upon analysis of the financial information provided by City Cycle, the following key results were developed:

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Areas of Strength

- Gross profit percentage is above average for similar-sized firms in the industry.
- Operating profit percentage is higher than the average.
- Profit before taxes (as a percentage of sales) exceeds the average.
- The company has a higher than average level of net worth relative to assets.
- The debt level of the company relative to assets is low compared to similar-sized firms.
- The company liquidity is good.
- The company is creating an acceptable number of inventory turns.
- The company's return on assets is good.
- The company has an acceptable days in accounts receivable.

Observed Areas for Improvement

- Operating expense percentage is higher than the average.
- Sales to fixed assets is at a low level.

- A relatively low level of sales is being created with the existing asset base.

Preparer Comments

- This is a comment.
- This is a comment also
- This is another comment
- And still I opine.

The tables on the following pages provide a summary and analysis of the balance sheet, income statement, and financial ratios for City Cycle. The relationships to similar sized firms in the same industry are also shown. The source of the industry data is the Risk Management Association, a respected authority on such information.

The reported net sales for City Cycle for the fiscal year 2023 was \$820,393. In this report, it is compared to firms in the "\$0-\$1 M Sales" range.

Balance sheet line items are shown as a percentage of total assets. Income statement items are shown as a percentage of sales. This standard approach shows the relative magnitude of these line items and allows for more direct comparison to different firms. Balance sheet and income statement items are compared to the "industry average", based upon a data from a sample of companies with the same North American Industry Classification System (NAICS) Code and in your sales range.

For financial ratios, your company's percentiles relative to the entire industry for 441228 are shown. The higher the percentile value, the more favorably your company compares to the set of comparison firms in the industry for that ratio (note that for some ratios, having a lower numerical ratio value for that particular ratio may be better). The "Introduction" section contains information on the limitations and application of results that should be reviewed by the reader. Note that financial ratios involving profitability are "before tax" to make benchmarking results more meaningful.

**Balance Sheet Comparison Summary
For City Cycle**

	<u>Fiscal Year Ending</u> 2023	<u>%Assets</u>	<u>Industry Average:</u> \$0-\$1 M Sales	<u>% Point Difference</u>
<u>Assets</u>				
<u>Current Assets</u>				
Cash & Equivalent	29,571	8.2%	10.4 %	-2.2 %
Accounts Receivable	7,332	2 %	1.5%	0.5%
Inventory	108,489	30.1%	61%	-30.9%
Other Current Assets	116,804	32.4%	56.4%	-24%
Total Current	262,196	72.7%	78.8%	-6.1%
<u>Non Current(Fixed) Assets</u>				
Land	0	0	-	0%
Building	0	0	-	0%
Equipment	38,127	10.6%	-	10.6%
Lease Hold Improvement	33,632	9.3%	-	9.3%
Other Non-Current Assets	12,542	3.5%	-	3.5%
Less Depreciation Amortization	0	0	-	0%
Intangible Assets(net)	17243.00	4.8%	5.28%	-0.5%
Total Non-Current Assets	84,301	23.4%	11.26%	12.1%
Total Assets	360,730	149%	95%	
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Notes Payable (Short-Term)	24,902	6.9%	28.9%	-22%
Current Maturity LTD	3,456	1%	2.6%	-1.6%
Trade Payables	8,243	2.3%	11.7%	-9.4%

Income Taxes Payable	0	0	0.1%	-0.1%
All Other Current	16,943	4.7%	8.9%	-4.2%
Total Current Liabilities	53,544	14.8%	52.1%	-37.3%
<u>Non-Current Liabilities</u>				
Long-Term Debt	12,582	3.5%	11.2%	-7.7%
Deferred Taxes	12,534	3.5%	0.1%	3.4%
All Other Non-Current	6,280	1.7%	6.7%	
Total Non-Current Liabilities	31,396	8.7%	18%	-9.3%
Total Liabilities	84,940	23.5%	70.1%	-46.6%
Total Equity	275,790	76.5%	29.9%	46.6%
Liabilities And Equity	360,730	100%	100%	

Income Statement Comparison Summary For City Cycle

	<u>Fiscal Year Ending</u>		<u>Industry Average:</u>	
	<u>2023</u>	<u>% Sales</u>	<u>\$0-\$1 M Sales</u>	<u>% Point Difference</u>
Net sales	820,393	100%	100.0%	
Gross profit	333,180	40.6%	23.4%	17.2%
Operating expenses	247,845	30.2%	21.5%	9
Operating profit	85,335	10.4%	1.9%	8.50%
Other expense (net)	0	0	0.3%	-0.3%
Profit before taxes	85,335	10.4%	1.6%	8.80%

	<u>Fiscal Year Ending</u>		<u>Industry Average:</u>	
	<u>2023</u>	<u>% Sales</u>	<u>\$0-\$1 M Sales</u>	<u>% Point Difference</u>
Additional Data Provided				
Depreciation & amortization	0	0	0.6%	-0.6%
Interest paid	0	0	n/a	
Owner's compensation	0	0	1.9%	-1.9%
Sales per FTE	102,549			
Gross profit per FTE	41,648			

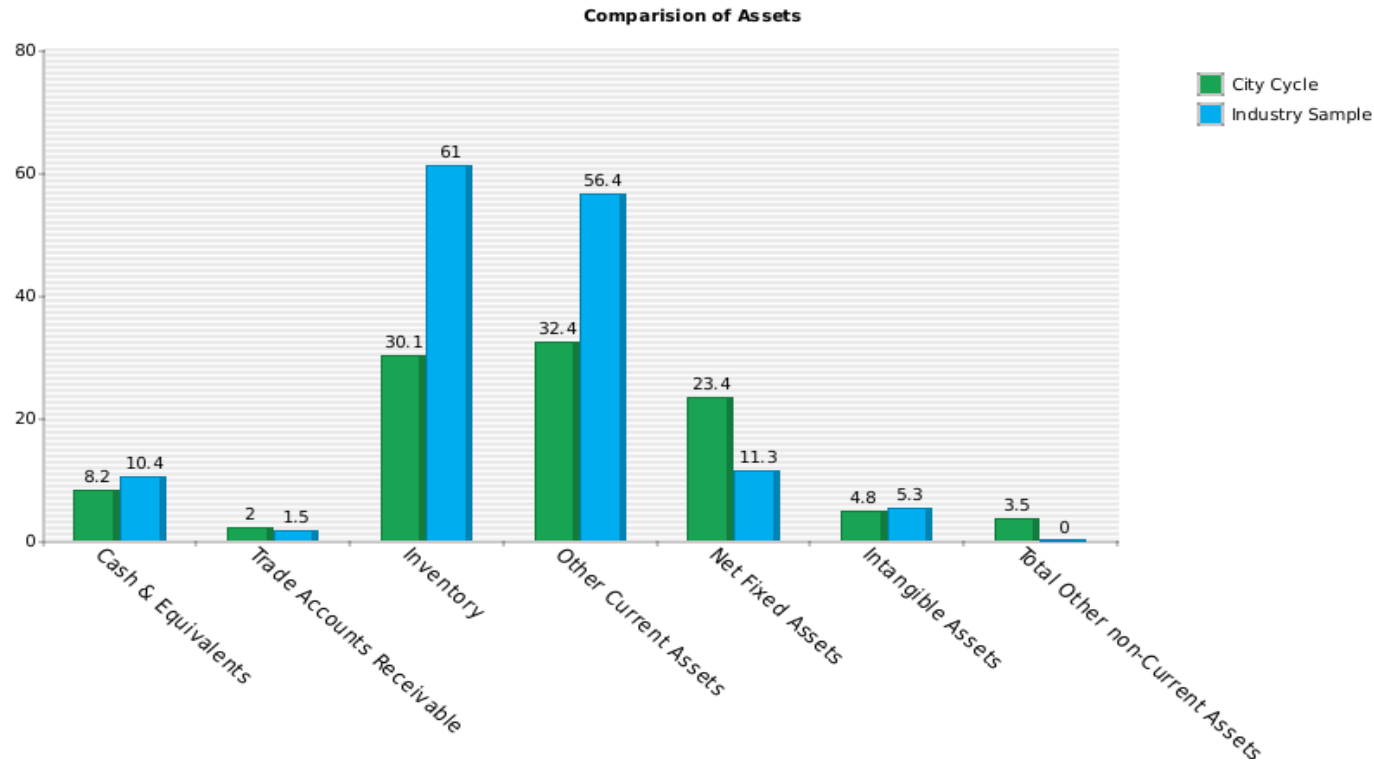
Financial Ratio Comparison Summary For City Cycle

	<u>Fiscal Year</u> <u>Ending 2023</u>	<u>50th Percentile</u> <u>Industry Ratio</u> <u>\$0-\$1 M Sales</u>	<u>75th Percentile</u> <u>Industry Ratio</u> <u>\$0-\$1 M Sales</u>	<u>Estimated</u> <u>Industry</u> <u>Percentile for</u> <u>Company Ratio</u> <u>\$0-\$1 M Sales</u>
Liquidity Ratios				
Current ratio	4.9	1.42	2.36	99
Quick ratio	2.9	0.24	0.7	99
Working capital to sales (%)	25.4	11	6	72
Efficiency Ratios				
Days in accounts receivable	3.3	4.0	1.2	60.0
Days in accounts payable	6.2	9.4	3.6	64.0
Days in inventory	81.3	124.8	ins. data	99.0
Operating cycle	84.5	n/a	n/a	n/a
Operating Ratios				
Inventory Turnover	2.3	2.3	3.3	44.0
Sales to fixed assets	9.7	48.0	122.5	25.0
Sales to working capital	3.9	10.82	6.14	72
Financing Ratios				
Debt to equity	0.3	3.0	1.3	99.0
Cash flow to current LT debt	0.0	ins. data	ins. data	ins. data
Times interest earned				

Net fixed assets to equity	0.3	0.3	0.1	43.0
Financial leverage	1.3	n/a	n/a	n/a
Trade AP to inventory	0.1	n/a	n/a	n/a
Profitability Ratios				
Return on sales (%)	10.4	1.6	n/a	44.0
Return on equity (%)	30.9			ins. data
Return on assets (%)	23.7	15.8	43.7	54.0

Percentiles are on a 1 to 99 basis, with higher values being better. A percentile value of 50 is (by definition) the median value, with half of the companies below that ratio and half above. The percentiles are color-coded (with color printers) as follows: green represents the upper quartile (good), blue represents the middle half, and red represents the lower quartile.

Comparison of Asset Components for City Cycle

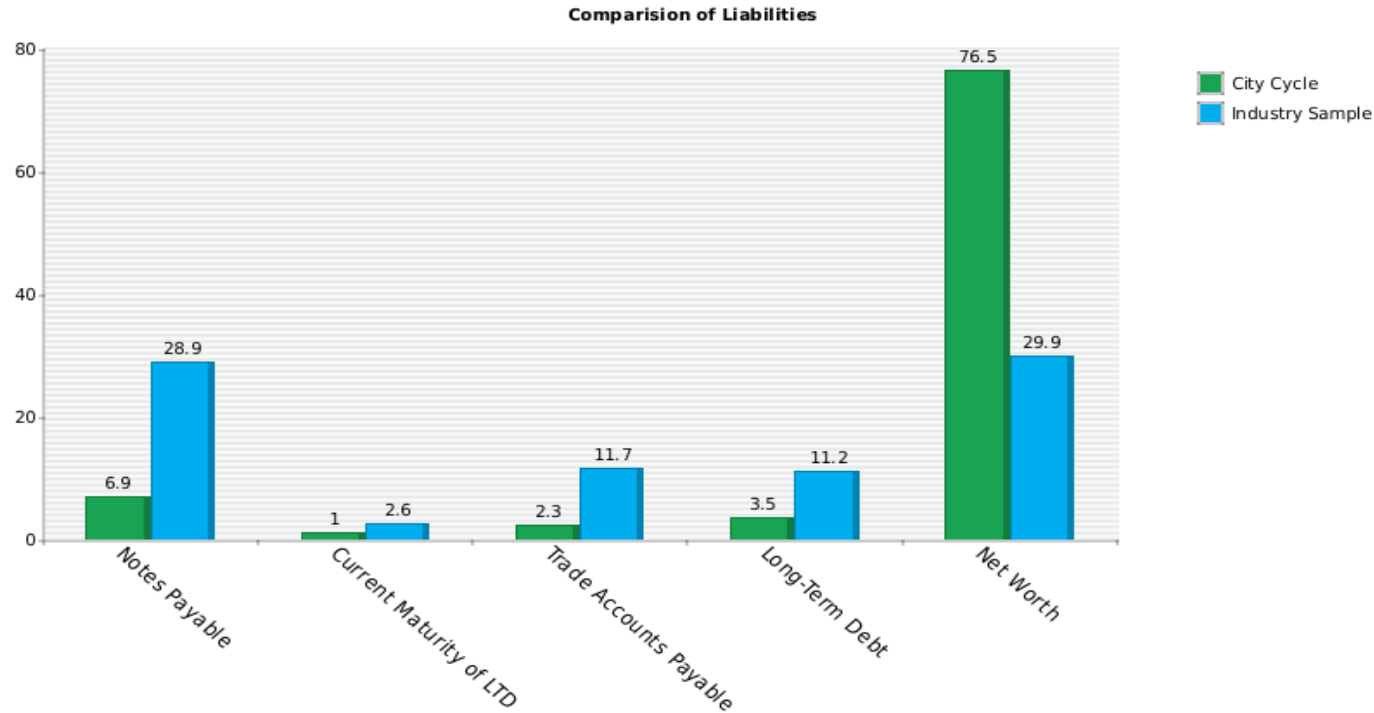


Y Axis = % of Total Assets

Note: Above industry sample are averages for the entire industry.

If no bar appears, there is insufficient data available for representation in the graph.

Comparison of Liabilities & Net Worth Components for City Cycle (% of Total Assets)

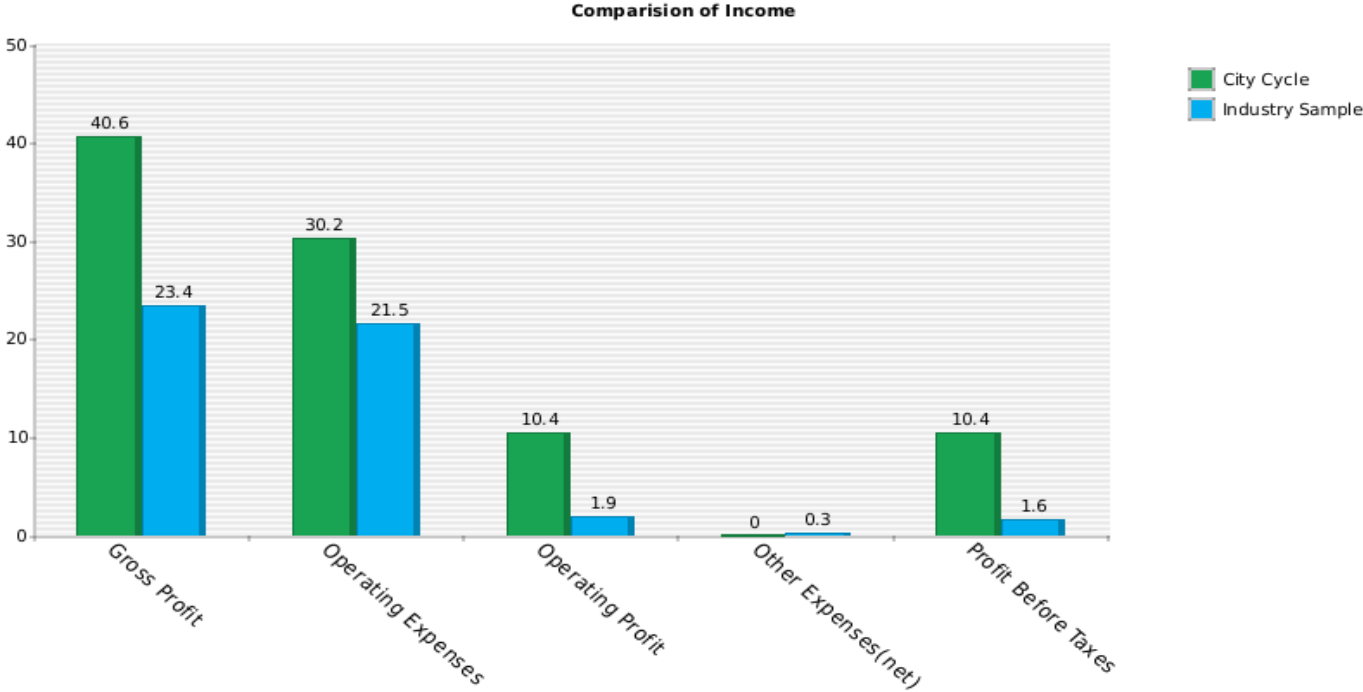


Y Axis = % of Total Assets

Note: Above industry sample are averages for the entire industry.

If no bar appears, there is insufficient data available for representation in the graph.

Comparison of Net Income Components for City Cycle (% of Net Sales)

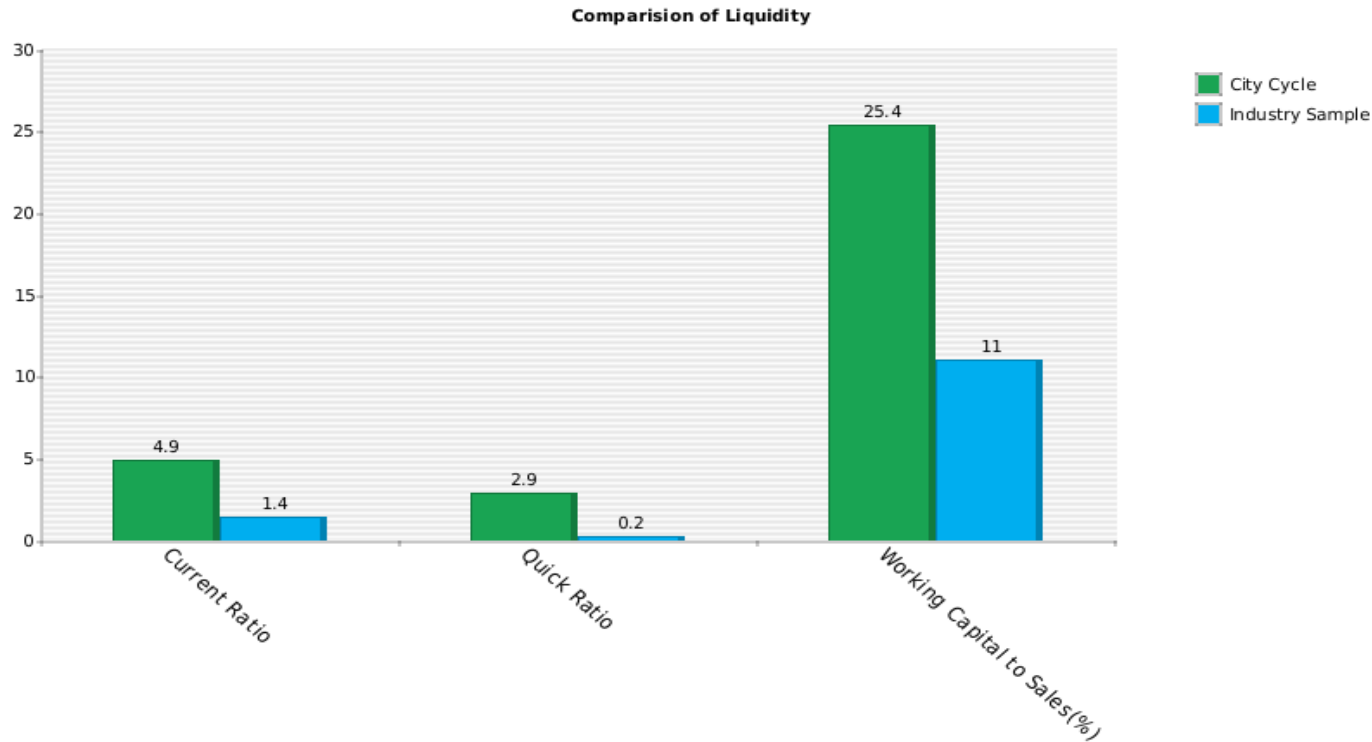


Y Axis = % of Net Sale

Note: Above industry sample are averages for the entire industry.

If no bar appears, there is insufficient data available for representation in the graph.

Comparison of Liquidity Ratios for City Cycle

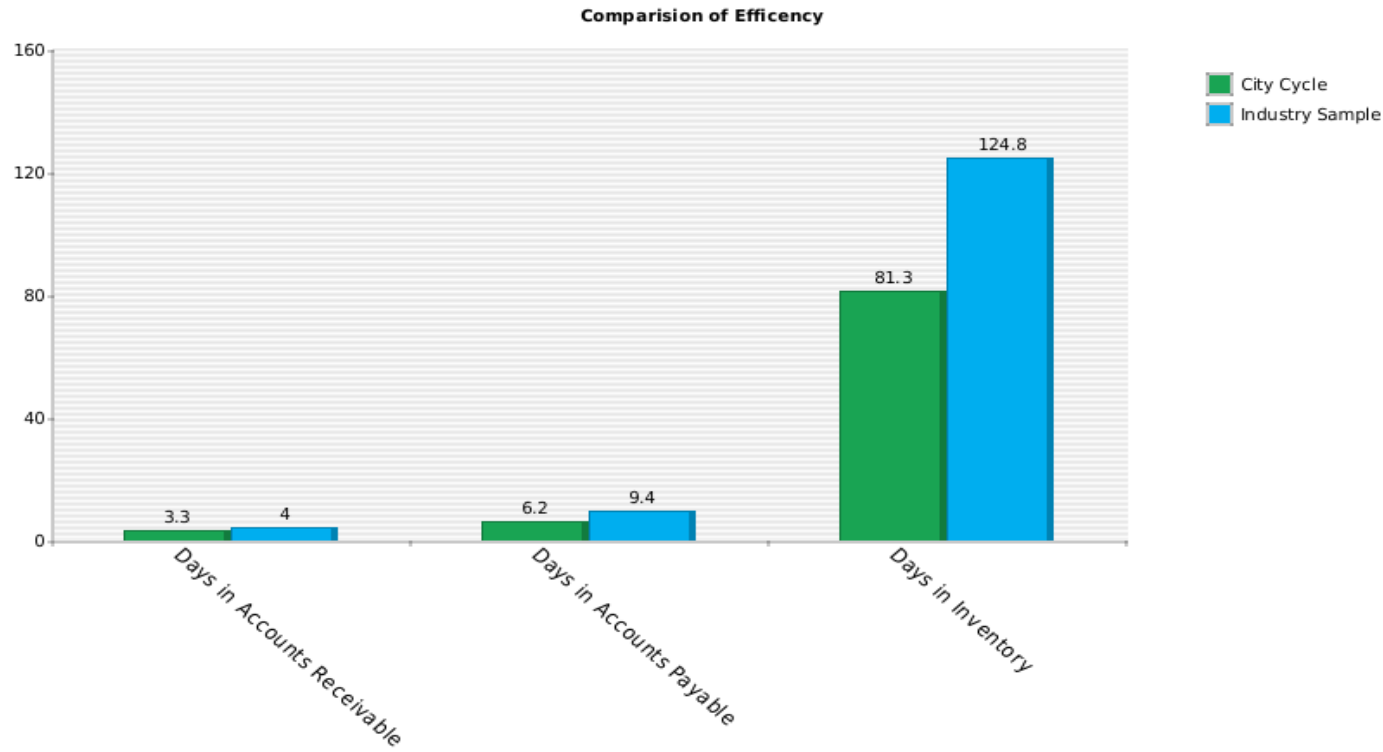


Y Axis = % of Total Ratio Values

Note: Above industry sample are averages for the entire industry.

If no bar appears, there is insufficient data available for representation in the graph.

Comparison of Efficiency Ratios for City Cycle

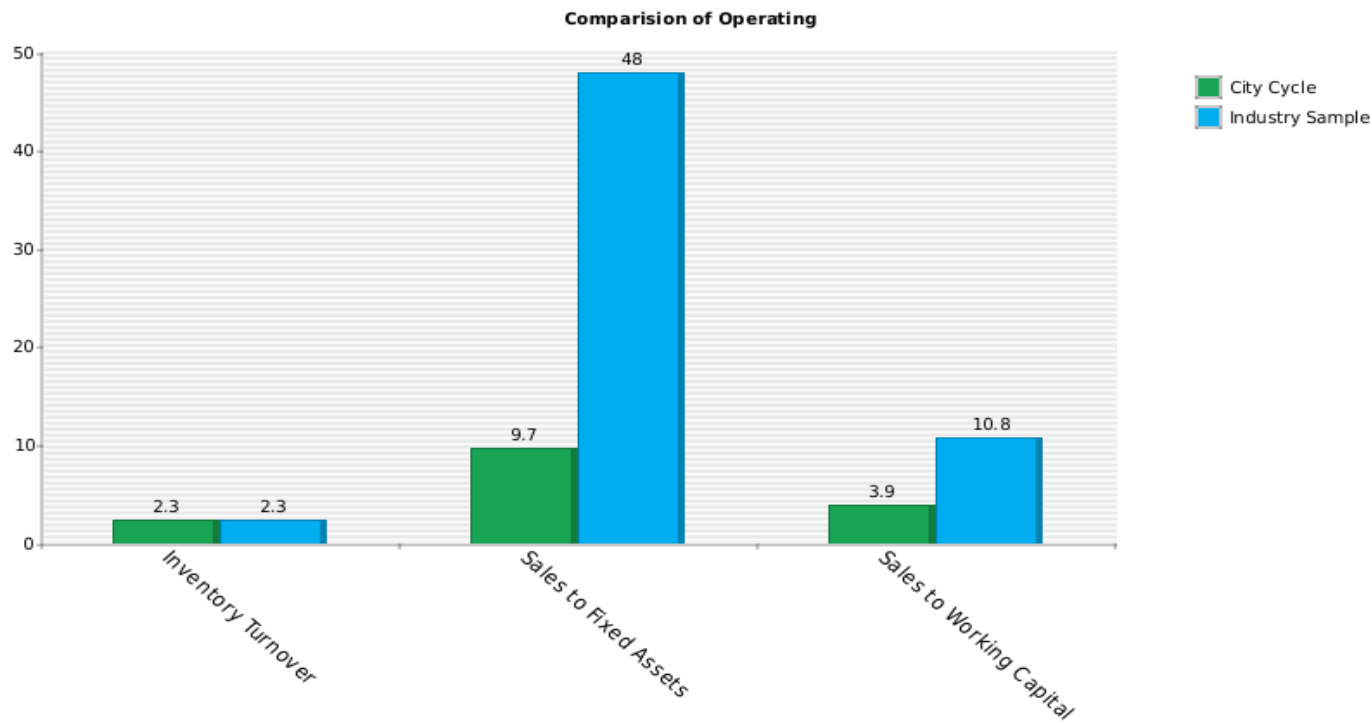


Y Axis = % of Ratio Values

Note: Above industry sample are averages for the entire industry.

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Comparison of Operating Ratios for City Cycle

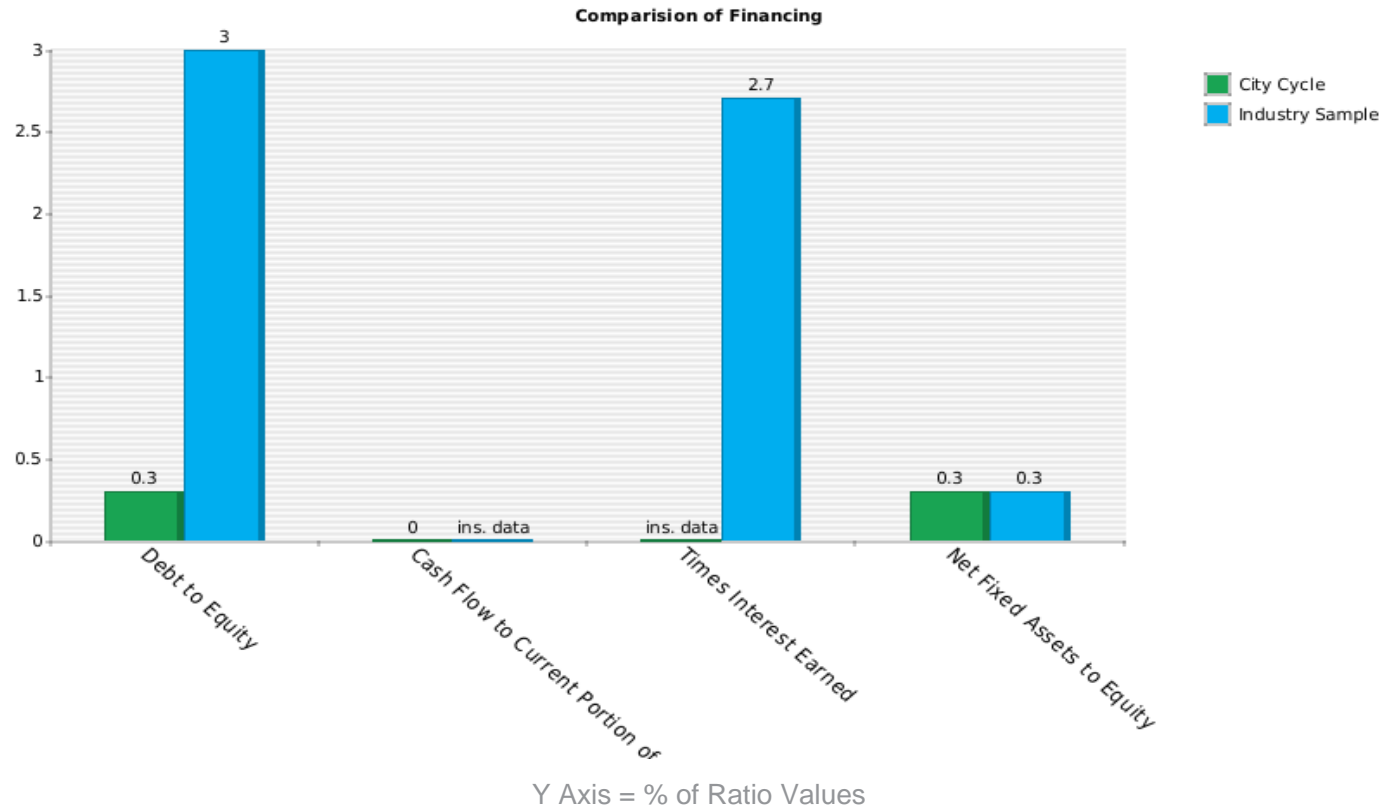


Y Axis = % of Ratio Values

Note: Above industry sample are averages for the entire industry.

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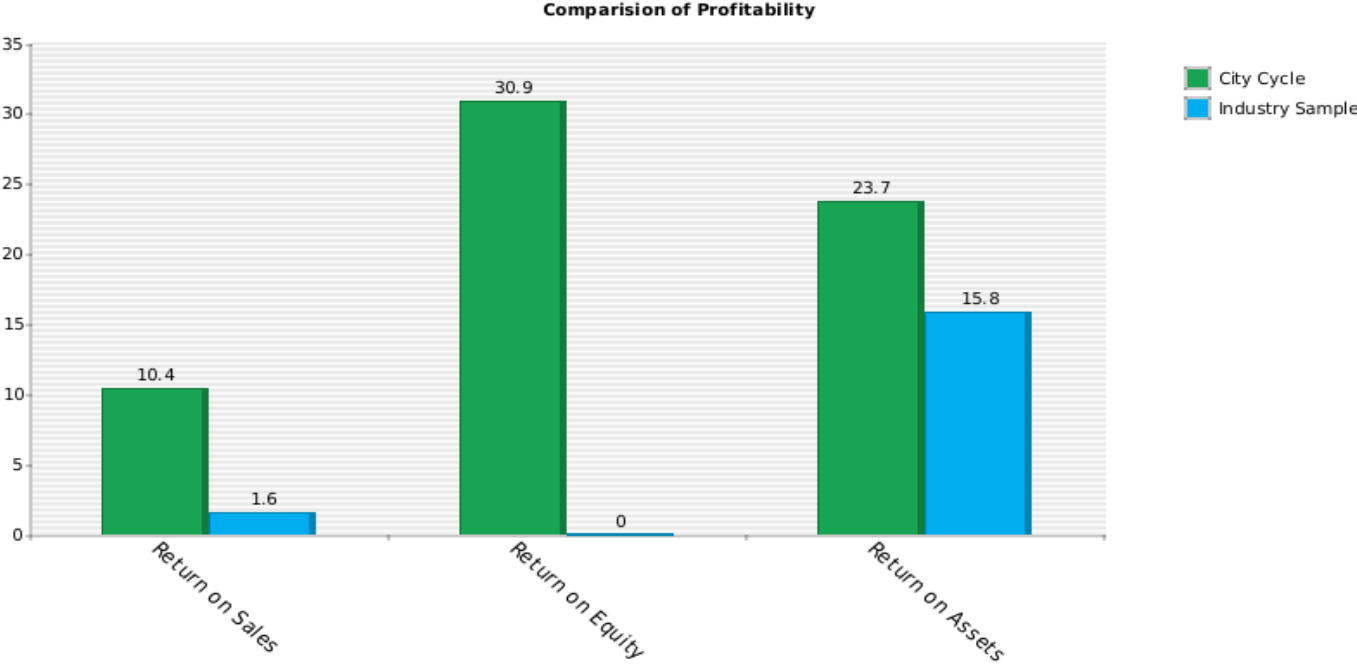
Comparison of Financing Ratios for City Cycle



Note: Above industry sample are averages for the entire industry.

If no bar appears, there is insufficient data available for representation in the graph.

Comparison of Profitability Ratios for City Cycle



Y Axis = % of Ratio Values

Note: Above industry sample are averages for the entire industry.

If no bar appears, there is insufficient data available for representation in the graph.