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PRIVATE & CONFIDENTIAL

FINANCIAL HEALTH CHECK

How healthy is *your business?*

Prepared for **Little Oak Café**

Covering the 12 months to 30 September 2026

PREPARED

October 2026

PERIOD REVIEWED

Oct 2025 – Sep 2026

INCLUDES

Your Health Score

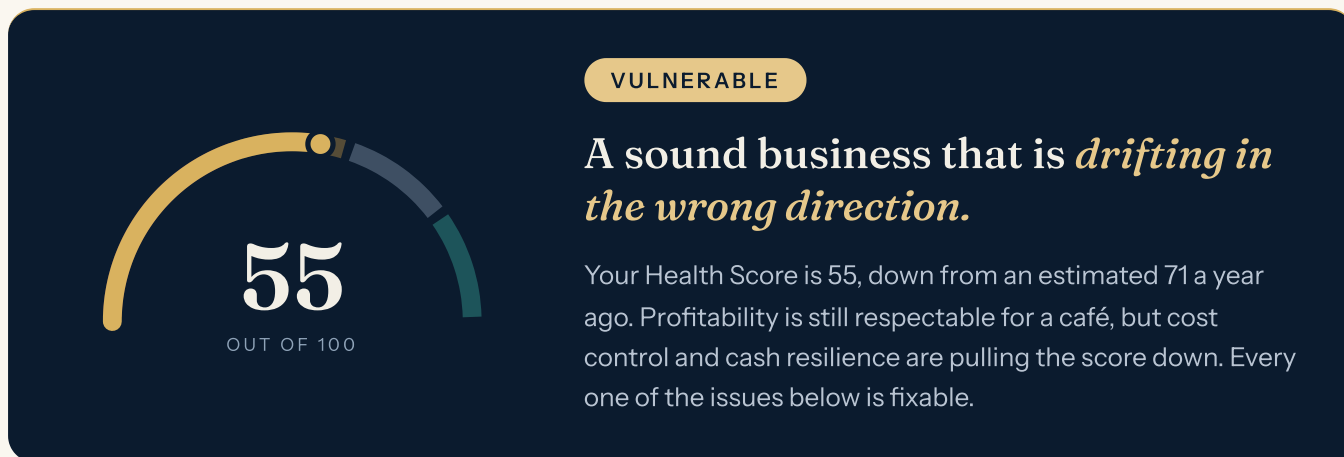
NetReport.

netreport.co.uk · Sample report, fictional business

01 · THE SHORT VERSION

Busier than last year, *but keeping less.*

Little Oak Café took 4% more than last year, yet profit fell by 29%. Rising food and wage costs absorbed the growth. The business is still profitable and has a loyal trade, but cash is thin and two big bills land in the next 13 weeks.



TAKINGS

£386,000

▲ 4.0% on last year

NET PROFIT

£36,606

▼ 29% on last year

PROFIT PER £1

9p

Down from 14p

CASH LOW POINT

£1,100

w/c 28 Dec

The three things that matter most

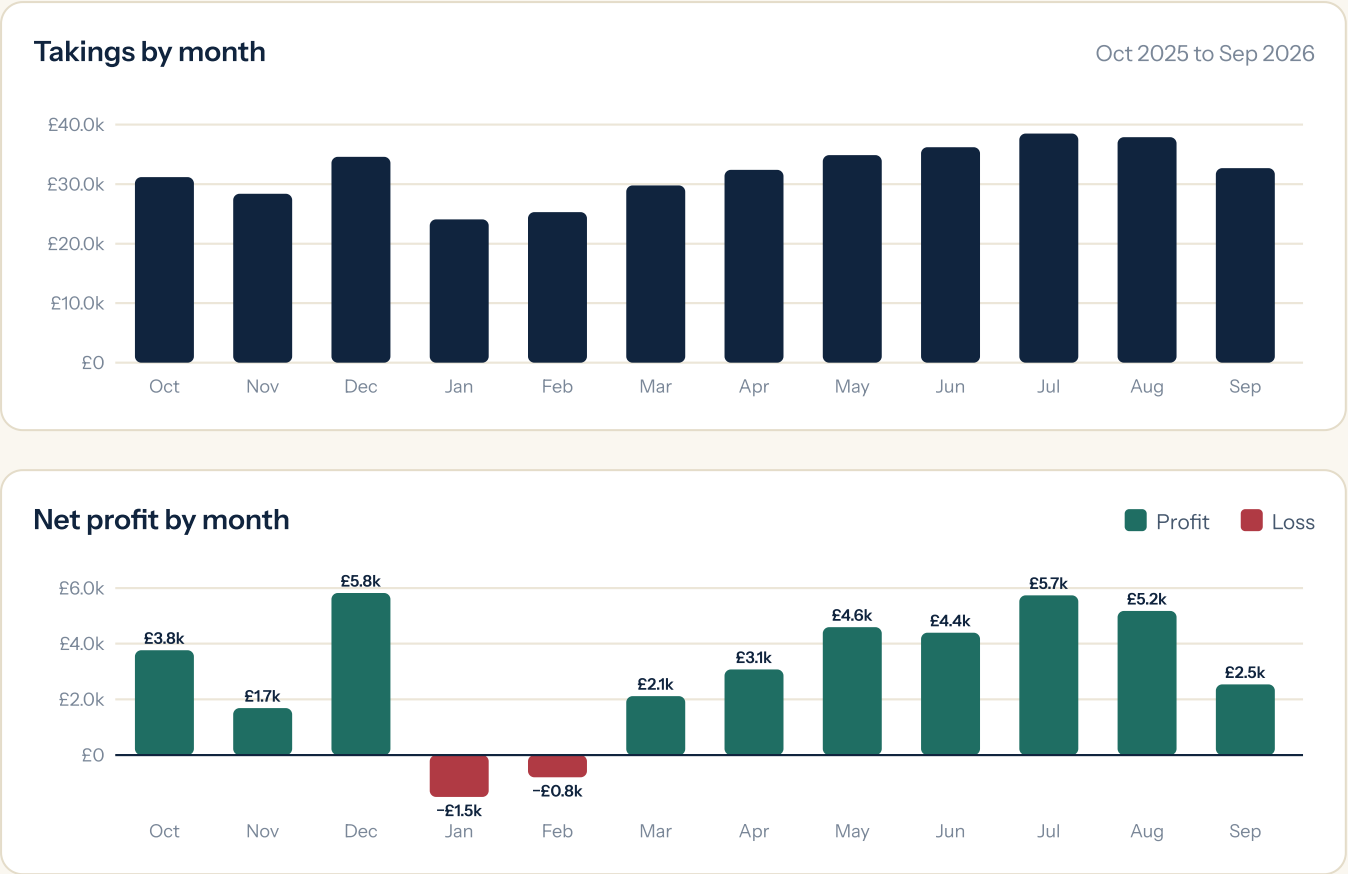
- 1 Costs are rising faster than prices**
Food and drink now take 32p of every £1, up from 28p. Menu prices haven't moved since last summer. See page 4.
- 2 Wages are high for a café**
Staff costs are 37% of takings against a guide of under 30%. Quiet afternoons are staffed like busy mornings. See pages 4 and 5.
- 3 Christmas leaves the bank nearly empty**
VAT in November and the quarter's rent on 25 December could take the balance down to about £1,100. See page 6.

Based on bank statements, till reports and payroll for October 2025 to September 2026, and last year's full accounts to 30 September 2025.

02 · YOUR YEAR IN NUMBERS

A strong summer, *a hard winter.*

Takings follow the seasons: December was the best month for profit at £5,821, and January the worst at -£1,501. Over the year you kept £36,606.

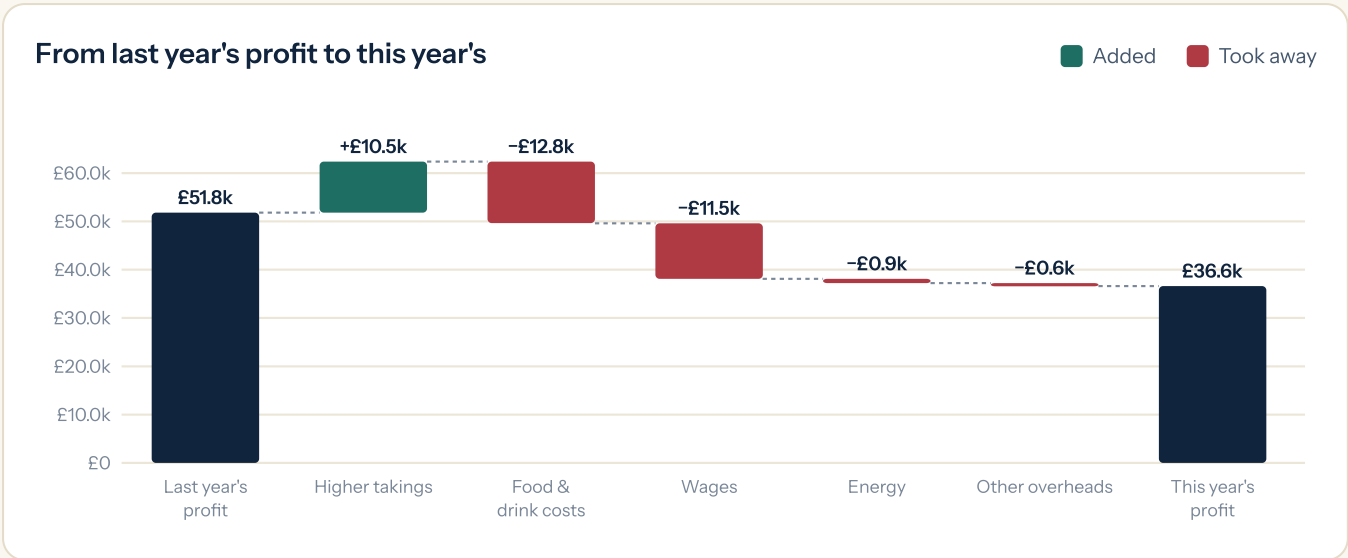


TWELVE MONTHS TO SEPTEMBER	LAST YEAR	THIS YEAR	CHANGE
Takings	£371,000	£386,000	▲ 4.0%
Food & drink costs	£110,187	£127,394	▲ 15.6%
Wages	£131,000	£142,500	▲ 8.8%
Rent, rates & overheads	£78,000	£79,500	▲ 1.9%
Net profit	£51,813	£36,606	▼ 29.3%

03 · WHY PROFIT MOVED

Where last year's £15.2k went.

Higher takings added £10,545 of profit. Rising costs took away more than that. This chart walks from last year's profit to this year's, one cause at a time.



Higher takings +£10,545

About 4% more trade, mostly a stronger summer. At last year's margins, that should have lifted profit by over £10k.

Food & drink costs -£12,752

Supplier prices for dairy, coffee and baked goods rose steadily, from 28.3% of takings to 31.6%. Menu prices stayed the same.

Wages -£11,500

April's National Living Wage rise, plus an extra team member from June to August. Rotas didn't change on quieter days.

Energy and overheads -£1,500

Small rises in energy and insurance. Worth a review at renewal, but not the main story.

04 · WHAT IT COSTS TO KEEP THE DOORS OPEN

You need *£27,600 a month* just to stand still.

Most of your costs are fixed: wages, rent, rates and overheads arrive whether the café is busy or quiet. That's why the winter months hurt, and why every extra sale above break-even is worth so much.

BREAK-EVEN

£27,600

a month, or about £6,370 a week

MARGIN OF SAFETY

14%

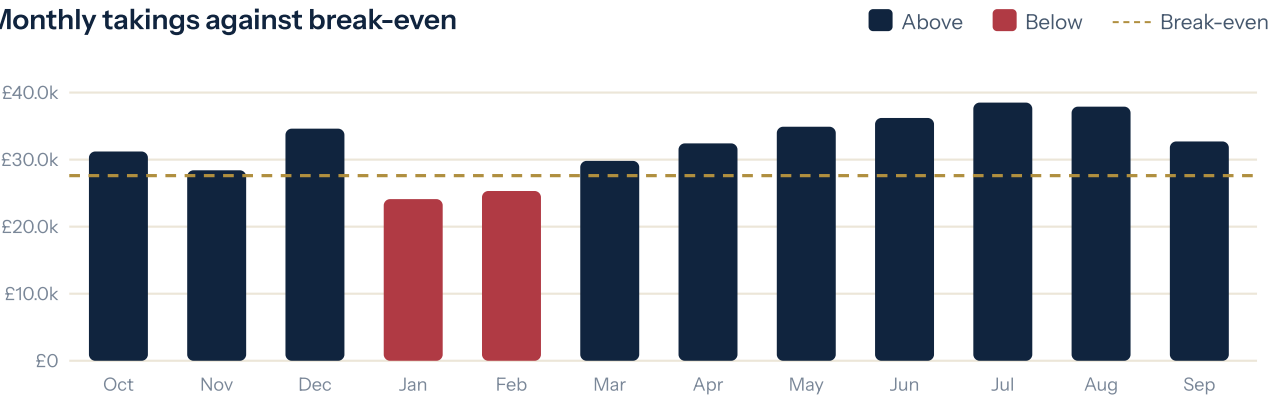
Takings could fall this much before you make a loss

LOSS-MAKING MONTHS

2

January and February didn't cover their costs

Monthly takings against break-even



How your costs behave



Fixed costs, 64% of your total, stay the same however busy you are: wages £142.5k, rent £38.4k, rates, energy, insurance and the equipment lease.

Variable costs rise and fall with sales: food, drink, packaging and card fees, about 33p in every £1.

What this means

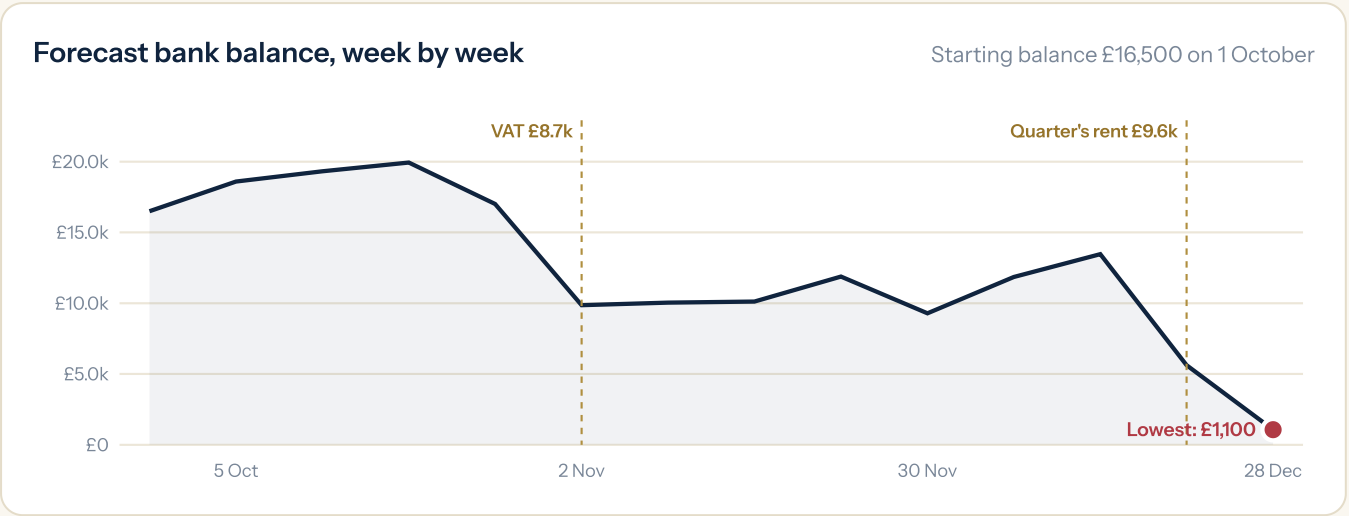
Each extra £1 of sales adds about 67p to profit once break-even is covered. Ten more coffees a day at £3.40 would add roughly **£8,300 of profit a year.**

Equally, January and February didn't cover their fixed costs. A winter plan, such as shorter hours, a smaller rota or a seasonal offer, would protect those months.

05 · YOUR CASH, THE NEXT 13 WEEKS

Your busiest month *could leave the bank nearly empty.*

Profit and cash aren't the same thing. December is your strongest month for takings, but the quarter's rent lands on Christmas Day, seven weeks after VAT. The forecast shows your balance dropping to about £1,100 in the week of 28 December.



Big bills coming up

BILL	DUE	AMOUNT
Business rates	1st of each month	£420
PAYE & National Insurance	22nd of each month	£1,350
VAT, July to September quarter	7 November	£8,700
Rent, quarter in advance	25 December	£9,600
Corporation tax, year to Sep 2026	1 July 2027	£6,900

How to take the pressure off

Set aside £670 a week into a separate account for VAT, and about £740 a week for rent. Both bills are then covered before they arrive.

Corporation tax of around £6,900 is due in July 2027. Starting a small weekly pot for it now avoids the same squeeze next summer.

06 · YOUR HEALTH SCORE

55 out of 100: *vulnerable, and fixable.*

The NetReport Health Score rolls five areas of financial health into one number, so you can see at a glance how strong the business is and track it month by month.



Profitability

Weighted 25 of 100

17 / 25



A 9.5% net margin is at the top of the 6 to 9% typical for cafés, but it was 14.0% last year.

Growth

Weighted 20 of 100

9 / 20

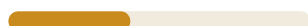


Takings grew 4%, but profit fell 29%. Growth that doesn't reach the bottom line scores low.

Cost control

Weighted 20 of 100

8 / 20



Wages are 37% of takings against a guide of under 30%. Food and drink costs rose from 28.3% to 31.6%.

Cash resilience

Weighted 25 of 100

14 / 25



Cash covers under a month of fixed costs, and nothing is set aside for VAT or the quarter's rent.

Stability

Weighted 10 of 100

7 / 10



Takings are predictable, but January and February ran at a loss.

Benchmarks: café net margins typically run at 6 to 9%; staff costs should ideally sit under 30% of sales and rent under 15%.

07 · WHAT WE'D DO NEXT

Three moves to get *back above 70*.

In order of impact. Together they would restore most of last year's profit and remove the Christmas cash squeeze.

PRICING

1

Review menu prices against today's costs**+£11–14k**

profit a year

A 30p rise on drinks and 50p on food covers the increase in supplier costs. Most customers won't notice; your margin will.

WAGES

2

Match the rota to the till**+£6–8k**

profit a year

Trim one shift on quieter weekday afternoons and through January and February. Bring wages back towards a third of takings.

CASH

3

Open a tax and rent pot**No more**

cash crunch

Move about £1,410 a week into a separate account. VAT and the quarter's rent are covered before they arrive, and Christmas stops being a squeeze.

Hidden Profit *Review*

Want the detail? We'll go through your till data item by item: which drinks and dishes make money, what discounts cost, and where staff time goes. At least three ways to grow profit, each valued in pounds.

Monthly Management *Accounts*

Track your Health Score every month, with a 13-week cash forecast, your break-even and plain-English commentary, plus a call to talk it through. You'll see problems while there's still time to fix them.