Company X Oy — Annual Financial Statements

Anonymised sample document · Mid-sized contract machining and metal fabrication company, Finland · Financial years 2023–2025

This document is a fictional, anonymised sample provided by WasalaOptima for test runs of the AI cost-efficiency analysis. All figures are representative of a mid-sized Nordic machine shop but do not describe any real company.

1. Company profile

Item	Detail
Business	Contract machining, welded assemblies and sub-assembly for energy, marine and mining OEMs
Locations	One main plant (9,400 m²) and one satellite finishing unit
Employees (FTE)	112 (production 78, maintenance 9, engineering 11, sales & admin 14)
Shifts	2-shift on machining, 1-shift on welding and assembly
Machine base	14 CNC machining centres, 6 CNC lathes, 3 robotic welding cells, 1 laser cutter
ERP / systems	ERP (2013 version), separate MES pilot, Excel-based production planning, CAD/CAM

2. Income statement (EUR thousand)

	2025	2024	2023
Revenue	24 180	22 640	21 310
Change in inventories of finished goods	-140	215	95
Other operating income	210	185	160
Materials and services	-11 620	-10 610	-9 870
of which raw materials (steel, alloys)	-7 980	-7 260	-6 690
of which subcontracting (surface treatment, heat treatment)	-2 480	-2 260	-2 140
of which consumables and tooling	-1 160	-1 090	-1 040
Personnel expenses	-7 340	-6 880	-6 520
wages and salaries	-5 940	-5 570	-5 280
social security and pension costs	-1 400	-1 310	-1 240
Depreciation and amortisation	-1 290	-1 240	-1 210
Other operating expenses	-3 210	-3 020	-2 880
energy (electricity, gas, district heating)	-980	-905	-860
outbound and inbound logistics	-742	-690	-651
facility, maintenance and repairs	-655	-620	-598
IT, licences and telecom	-236	-214	-198
sales, marketing and travel	-311	-295	-284
insurance, admin and other	-286	-296	-289
Operating profit (EBIT)	790	1 290	1 085
Financial income and expenses	-268	-212	-176
Profit before taxes	522	1 078	909
Income taxes	-104	-216	-182
Profit for the period	418	862	727

3. Balance sheet (EUR thousand)

Assets	2025	2024
Intangible assets	310	288
Machinery and equipment	8 940	8 610
Buildings and land	4 120	4 210
Inventories — raw materials	2 640	2 180
Inventories — work in progress	1 985	1 520
Inventories — finished goods	870	1 010
Trade receivables	4 310	3 720
Cash and cash equivalents	640	1 180
Total assets	23 815	22 718

Equity and liabilities	2025	2024
Share capital and reserves	2 400	2 400
Retained earnings	5 812	5 394
Long-term loans from financial institutions	7 950	7 400
Finance lease liabilities	1 210	980
Short-term loans and overdraft	2 190	1 640
Trade payables	3 480	4 025
Accruals and other liabilities	773	879
Total equity and liabilities	23 815	22 718

4. Key figures

Key figure	2025	2024	2023
Revenue per employee (EUR thousand)	216	208	201
Gross margin %	51.9 %	53.1 %	53.7 %
EBIT %	3.3 %	5.7 %	5.1 %
Equity ratio %	34.5 %	34.3 %	35.8 %
Inventory turnover (times/year)	2.1	2.3	2.4
Days sales outstanding	65	60	57
Days payable outstanding	48	57	55
Order backlog at year end (EUR thousand)	6 480	7 210	6 950

5. Operational data (from ERP and shop-floor reporting)

Metric	2025	2024
CNC machine utilisation (2-shift capacity)	61 %	64 %
Average setup time per job (minutes)	78	72
Unplanned downtime (hours/year)	1 940	1 610
Scrap and rework cost (EUR thousand)	615	512
On-time delivery	87 %	91 %
Quotations produced per year	1 420	1 310
Quotation win rate	23 %	26 %
Average time to produce a quotation (hours)	4.5	4.1
Overtime hours paid	18 400	15 200

Metric	2025	2024
Manual production planning hours per week	26	24
Purchase orders processed manually per year	7 850	7 100
Invoices processed manually per year	11 300	10 400
Express freight share of outbound logistics cost	19 %	14 %
Energy consumption (MWh)	6 380	6 120

6. Management notes

• Revenue grew 6.8 % in 2025, but operating profit fell from 5.7 % to 3.3 %. Management attributes the decline to raw material price volatility, rising overtime, and increased express freight caused by late deliveries.

• Production planning is done in Excel by two planners. Re-planning after a machine breakdown or a rush order typically takes half a working day and is not visible to sales in real time.

• Quotation pricing is based on historical hour rates and the estimator's experience. There is no systematic post-calculation comparing quoted hours to realised hours; the finance team estimates that 15–20 % of jobs are loss-making.

• Maintenance is largely reactive. Condition monitoring exists on three machining centres only, and downtime data is recorded manually in a shared spreadsheet.

• Purchasing is manual: buyers re-key order confirmations into the ERP and follow up supplier delays by email. Raw material safety stocks have been increased to protect delivery reliability, which raised inventory value by EUR 0.9 million.

• Sales and marketing has no CRM in daily use; leads are tracked per salesperson. Customer concentration is high: the three largest customers account for 47 % of revenue.

• The ERP version in use dates from 2013 and does not support API integration without a vendor project. A MES pilot on two machines has been running for one year without a rollout decision.

7. Cost structure summary (2025, EUR thousand)

Cost area	Amount	Share of revenue
Raw materials	7 980	33.0 %
Subcontracting	2 480	10.3 %
Consumables and tooling	1 160	4.8 %
Direct production labour	4 620	19.1 %
Indirect labour (planning, purchasing, admin, sales)	2 720	11.2 %
Depreciation	1 290	5.3 %
Energy	980	4.1 %
Logistics	742	3.1 %
Facility and maintenance	655	2.7 %
IT and licences	236	1.0 %
Other	597	2.5 %