

WATERS BOOKS & OPS, LLC

Business Numbers Report

Your numbers, page by page

Prepared for

Planting Together, Inc. (Sample Company)

January 1 – June 30, 2026

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About this report: the pages follow the order of the free FP&A Guide on the Waters Books & Ops website, which explains each one. Pages with months show every month through June, then earlier quarters as totals and the latest quarter by month, always in full dollars.

Your Margins and Ratios – Summary

Planting Together, Inc. (Sample Company) | January 1, 2026 – June 30, 2026

MEASURE	SOURCE	SCORE	BENCHMARK	COMPARED
IS MY CASH FLOW STABLE?				
Core Capital Coverage <i>(Core Capital ÷ Monthly Operating Expenses)</i>	Crabtree	1.96	2.0 months	Low
Days Sales Outstanding (DSO) <i>(Ending Receivables ÷ Revenue × Days in Period)</i>	Terms	30.1 days	Net 30	Standard
Days Payable Outstanding (DPO) <i>(Ending Payables ÷ Revenue × Days in Period)</i>	Terms	3.9 days	Net 30	Early
HOW BALANCED IS MY CLIENT LIST?				
Customer Concentration <i>(Top 2 Customers' Revenue ÷ Total Revenue)</i>	Guideline	25.7%	Under 30%	Standard
WHERE DO I BREAK EVEN?				
Contribution Margin <i>((Revenue – Variable Costs) ÷ Revenue)</i>	Guideline	39.6%	30% – 60%	Standard
Margin of Safety <i>((Revenue – Breakeven Revenue) ÷ Revenue)</i>	Guideline	36.1%	20%+	Standard
AM I PROFITABLE?				
Gross Margin after labor <i>(Gross Profit ÷ Revenue)</i>	Crabtree	48.6%	dLER 2.0+	Standard
Operating Profit Margin <i>(EBIT ÷ Revenue)</i>	Crabtree	15.6%	mLER 2.0 – 4.0	Standard
EBITDA Margin <i>(EBITDA ÷ Revenue) - see note on mLER</i>	Crabtree	15.9%	Graded by mLER	Standard
Net Profit Margin <i>(Net Income ÷ Revenue)</i>	Guideline	14.3%	8% – 25%	Standard

MEASURE	SOURCE	SCORE	BENCHMARK	COMPARED
CAN I PAY MY BILLS?				
Current Ratio <i>(Current Assets ÷ Current Liabilities)</i>	Guideline	3.78	1.0 – 3.0	High
Quick Ratio <i>((Current Assets – Inventory – Prepaid) ÷ Current Liabilities)</i>	Guideline	3.60	1.0 – 2.0	High
HOW AM I FINANCED?				
Debt-to-Equity Ratio <i>(Debt ÷ Equity)</i>	Guideline	0.26	Under 1.0	Standard
Debt-to-Assets Ratio <i>(Debt ÷ Assets)</i>	Guideline	0.19	Under 0.5	Standard
Capital Turnover (part of ROIC) <i>(Annual Revenue ÷ Invested Capital)</i>	Crabtree	8.4x	Feeds ROIC	Light
IS MY LABOR PRODUCTIVE?				
Direct Labor Efficiency Ratio <i>(Gross Margin before labor ÷ Direct Labor)</i>	Crabtree	2.16	2.0+	Standard
Management Labor Efficiency Ratio <i>(Crabtree CM ÷ Management Labor)</i>	Crabtree	3.29	2.0 – 4.0	Standard
Total Labor Efficiency Ratio <i>(Gross Margin before labor ÷ Total Labor)</i>	Crabtree	1.60	2.0+	Low
HOW HARD IS MY DOLLAR WORKING?				
Return on Invested Capital <i>(Operating Margin × Capital Turnover)</i>	Crabtree	131.0%	75% – 100%+	High

Sources Crabtree: Simple Numbers (2011) and Simple Numbers 2.0 (2020) · Guideline: advisory rules of thumb used in this guide · Terms: measured against the client's own payment terms, customers net 30 and vendors net 30

Profit & Loss Statement

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Each month of the period, and the year to date

	Jan	Feb	Mar	Apr	May	Jun	YTD
REVENUE							
Products	\$8,305	\$9,050	\$9,650	\$8,305	\$9,250	\$11,650	\$56,210
Services & other income	\$25,513	\$26,613	\$27,613	\$30,798	\$33,733	\$32,853	\$177,123
Total revenue	\$33,818	\$35,663	\$37,263	\$39,103	\$42,983	\$44,503	\$233,333
COST OF GOODS SOLD							
Owner compensation	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$18,000
Staff salaries	\$6,498	\$6,778	\$7,078	\$6,698	\$6,778	\$7,078	\$40,910
Subcontractor fees	\$5,197	\$5,397	\$5,607	\$7,197	\$7,397	\$7,607	\$38,400
Direct labor costs	\$14,695	\$15,175	\$15,685	\$16,895	\$17,175	\$17,685	\$97,310
Materials	\$2,805	\$2,925	\$3,055	\$2,805	\$2,925	\$3,055	\$17,569
Other COGS	\$800	\$850	\$910	\$800	\$850	\$910	\$5,120
Total cost of goods sold	\$18,300	\$18,950	\$19,650	\$20,500	\$20,950	\$21,650	\$119,999
Gross profit	\$15,518	\$16,713	\$17,613	\$18,603	\$22,033	\$22,853	\$113,334
Gross margin after labor	45.9%	46.9%	47.3%	47.6%	51.3%	51.4%	48.6%
OPERATING EXPENSES							
Wages (operating)	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$15,000
Owner comp (operating)	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$12,000
Payroll tax & benefits – mgmt	\$1,244	\$1,244	\$1,244	\$1,244	\$1,244	\$1,244	\$7,466
Total management labor	\$5,744	\$5,744	\$5,744	\$5,744	\$5,744	\$5,744	\$34,466
Payroll tax & benefits – direct	\$2,626	\$2,704	\$2,787	\$2,682	\$2,704	\$2,787	\$16,289
Occupancy	\$1,610	\$1,620	\$1,630	\$1,610	\$1,620	\$1,650	\$9,740
Sales and marketing	\$580	\$300	\$320	\$580	\$500	\$520	\$2,800
Variable overhead	\$625	\$695	\$745	\$825	\$895	\$765	\$4,550
Other fixed overhead	\$1,275	\$1,365	\$1,385	\$1,455	\$1,385	\$1,565	\$8,430
Other operating expenses	–	–	–	–	–	–	–
Total operating expenses	\$12,461	\$12,428	\$12,611	\$12,896	\$12,848	\$13,031	\$76,274
EBITDA	\$3,058	\$4,285	\$5,002	\$5,707	\$9,185	\$9,822	\$37,060
EBITDA margin	9.0%	12.0%	13.4%	14.6%	21.4%	22.1%	15.9%
Depreciation & amortization	\$100	\$100	\$100	\$100	\$100	\$100	\$600
Operating income (EBIT)	\$2,958	\$4,185	\$4,902	\$5,607	\$9,085	\$9,722	\$36,460
Operating profit margin	8.7%	11.7%	13.2%	14.3%	21.1%	21.8%	15.6%
Interest expense	\$50	\$85	\$111	\$108	\$109	\$106	\$569
Taxes	\$214	\$295	\$343	\$391	\$629	\$673	\$2,546
Net income	\$2,694	\$3,804	\$4,449	\$5,108	\$8,347	\$8,943	\$33,345
Net profit margin	8.0%	10.7%	11.9%	13.1%	19.4%	20.1%	14.3%

Explained in the FP&A Guide: Standard Reports, pages 5–6

Balance Sheet

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Opening balances, then month-end balances

KEY FIGURES

Cash on hand, June 30	\$34,009
Cash minus current liabilities	\$13,751
Change in equity since January 1	\$28,345

	Dec 31	Jan 31	Feb 28	Mar 31	Apr 30	May 31	Jun 30
ASSETS							
Cash	\$15,043	\$16,819	\$13,216	\$28,590	\$26,647	\$16,681	\$34,009
Accounts receivable	\$28,000	\$29,718	\$39,576	\$24,676	\$36,431	\$51,476	\$38,820
Inventory	\$958	\$770	\$1,023	\$1,437	\$2,377	\$2,753	\$3,163
Prepaid expenses	\$960	\$2,080	\$1,800	\$1,520	\$1,240	\$960	\$680
Current assets	\$44,960	\$49,387	\$55,615	\$56,222	\$66,694	\$71,870	\$76,672
Equipment (gross)	\$20,000	\$20,000	\$20,000	\$20,000	\$25,200	\$25,200	\$25,200
Less accumulated depreciation	\$100	\$200	\$300	\$400	\$500	\$600	\$700
Equipment (net)	\$19,900	\$19,800	\$19,700	\$19,600	\$24,700	\$24,600	\$24,500
Total assets	\$64,860	\$69,187	\$75,315	\$75,822	\$91,394	\$96,470	\$101,172
LIABILITIES							
Line of credit & current loan	\$2,221	\$2,221	\$10,221	\$10,221	\$10,221	\$10,221	\$10,221
Accounts payable	\$3,200	\$3,525	\$3,353	\$2,464	\$7,820	\$6,577	\$5,060
Accrued liabilities	\$5,800	\$7,071	\$3,948	\$4,031	\$3,926	\$3,948	\$4,031
Unearned revenue	–	–	–	–	–	–	–
Income taxes payable	–	\$214	\$509	\$52	\$443	\$1,073	\$946
Current liabilities	\$11,221	\$13,031	\$18,031	\$16,768	\$22,410	\$21,819	\$20,258
Notes payable (long-term)	\$9,779	\$9,602	\$9,425	\$9,247	\$9,068	\$8,889	\$8,709
Total liabilities	\$21,000	\$22,633	\$27,457	\$26,015	\$31,479	\$30,708	\$28,967
EQUITY							
Contributed capital & opening equity	\$12,000	\$12,000	\$12,000	\$12,000	\$17,000	\$17,000	\$17,000
Less owner's draws (cumulative)	–	–	\$2,500	\$5,000	\$5,000	\$7,500	\$10,000
Retained earnings (prior years)	\$31,860	\$31,860	\$31,860	\$31,860	\$31,860	\$31,860	\$31,860
Net income (this year)	–	\$2,694	\$6,498	\$10,947	\$16,055	\$24,402	\$33,345
Total equity	\$43,860	\$46,554	\$47,858	\$49,807	\$59,915	\$65,762	\$72,205
Total liabilities + equity	\$64,860	\$69,187	\$75,315	\$75,822	\$91,394	\$96,470	\$101,172

Explained in the FP&A Guide: Standard Reports, pages 5–6

CASH FLOW - ESSENTIAL COVERAGE

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

CORE CAPITAL COVERAGE	1.96	2.00
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Months of average operating expenses covered by cash the business owns

Core capital available	\$25,063	Crabtree: "two months is the new zero" (see Crabtree's Force #3)
Core capital target (2 x average monthly expenses)	\$25,625	
Surplus / (shortfall) against target	(\$562)	

CASH FLOW BREAKDOWN		
<i>Beginning cash and pretax profit, then where the cash went and what is left</i>		
Beginning cash	\$15,043	
Pretax profit	\$35,891	
CASH AVAILABLE		\$50,933
Sales taxes paid (Force #1)	\$0	
Income tax paid (Force #1)	(\$2,546)	
Loan principal repaid (Force #2)	(\$1,070)	
Line of Credit/Revolving Debt (Force 2)	\$8,000	
Contributed capital (Force #2)	\$5,000	
Owner's distributions taken (Force #4)	(\$10,000)	
Working capital, fixed assets, depreciation	(\$16,308)	
TOTAL CASH ADJUSTMENTS		(\$16,924)
CASH AT THE END OF THE PERIOD		\$34,009
Less: line of credit and tax set aside (Force #1, #2)	(\$8,946)	
CASH TO MEET CORE CAPITAL (Force #3)		\$25,063
Core capital target (2 x average monthly expenses)	(\$25,625)	
CASH FOR DISTRIBUTIONS (Force #4)		(\$562)

GREG CRABTREE'S FOUR FORCES OF CASH FLOW

1. Pay taxes first, as applicable to the entity.

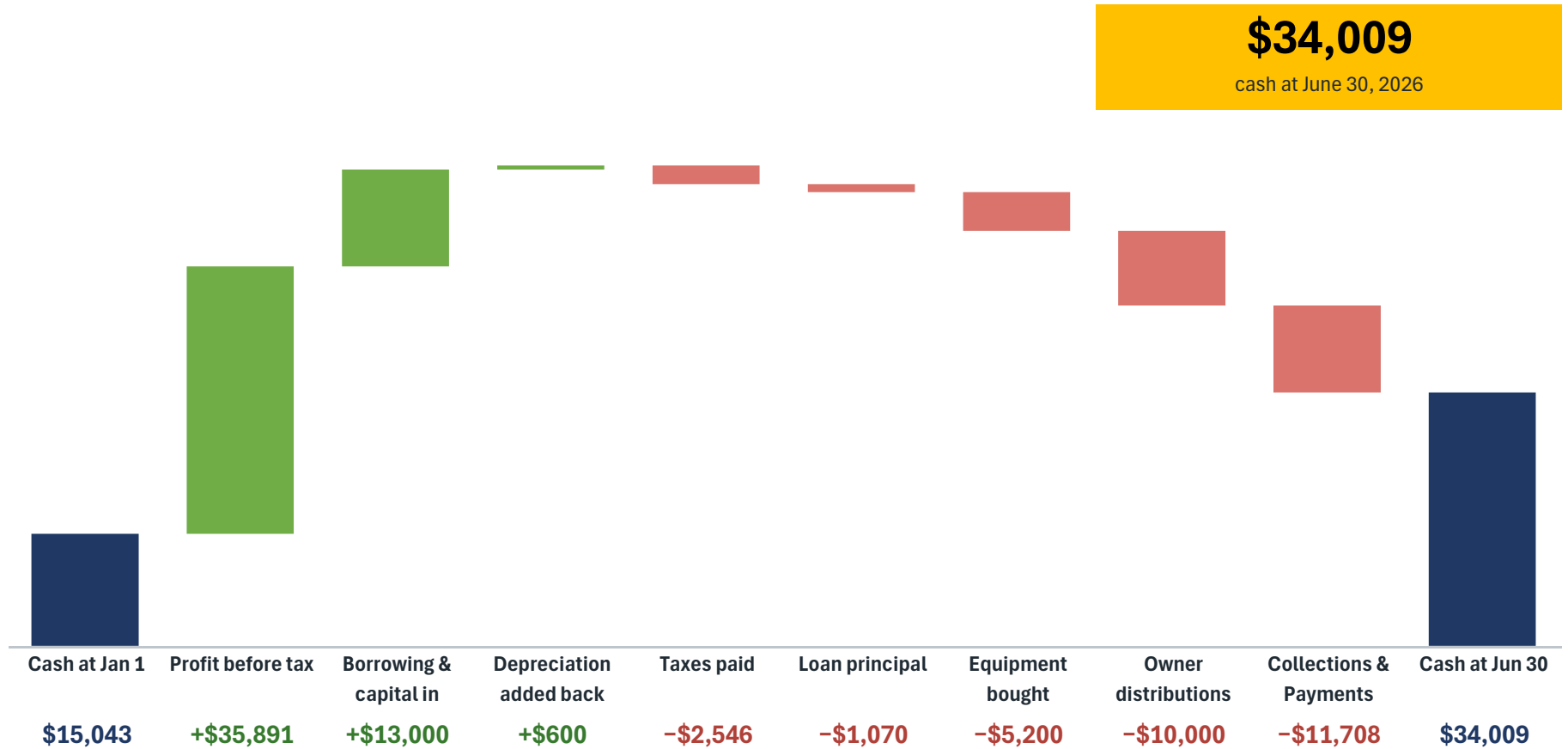
2. Repay outstanding debt, revolving line of credit.

3. Build your Core Capital Target - two months of operating expenses held in cash.

4. Once steps 1 to 3 are covered, it is safe to make an Owner's Distribution.

Cash Inflows and Outflows

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026



Collections & Payments Detail

-\$10,820	-\$2,206	+\$280	+\$1,860	-\$823
Accounts receivable	Inventory	Prepaid expenses	Accounts payable	Other short-term items
customers owe you more	more stock on the shelf	fewer bills paid ahead	you owe vendors more	accrued bills, taxes owed and similar

Cash Cycle Timeline

30 days	for customers to pay you Terms: net 30 (+15 days grace)	Standard
4 days	for you to pay vendors Vendor terms: net 30	Early
26 days	cash gap you carry Guideline: 30 – 60 days	Short

Cash gap = days to collect – days to pay. Inventory days are not included here.

Contribution Margin and Margin of Safety

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

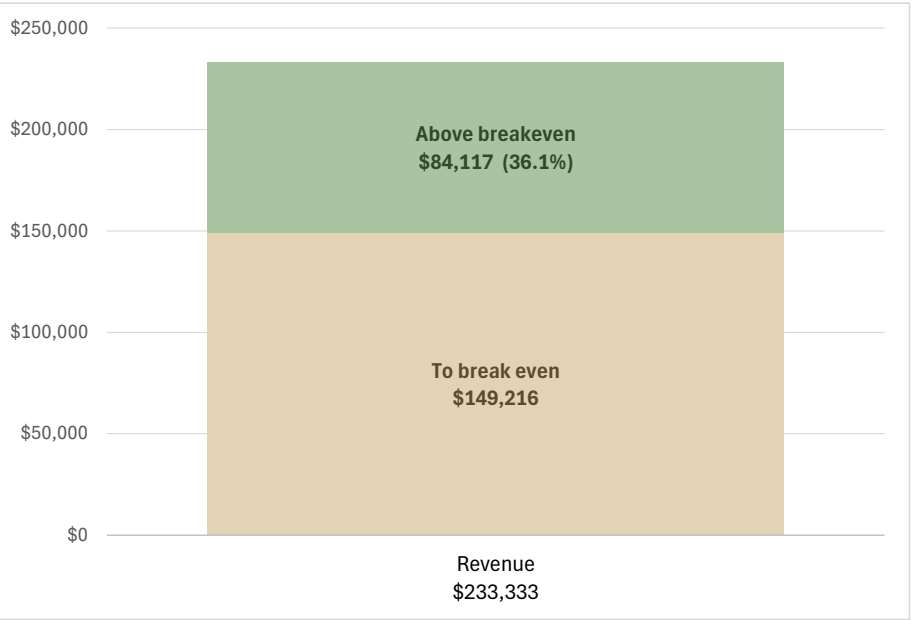
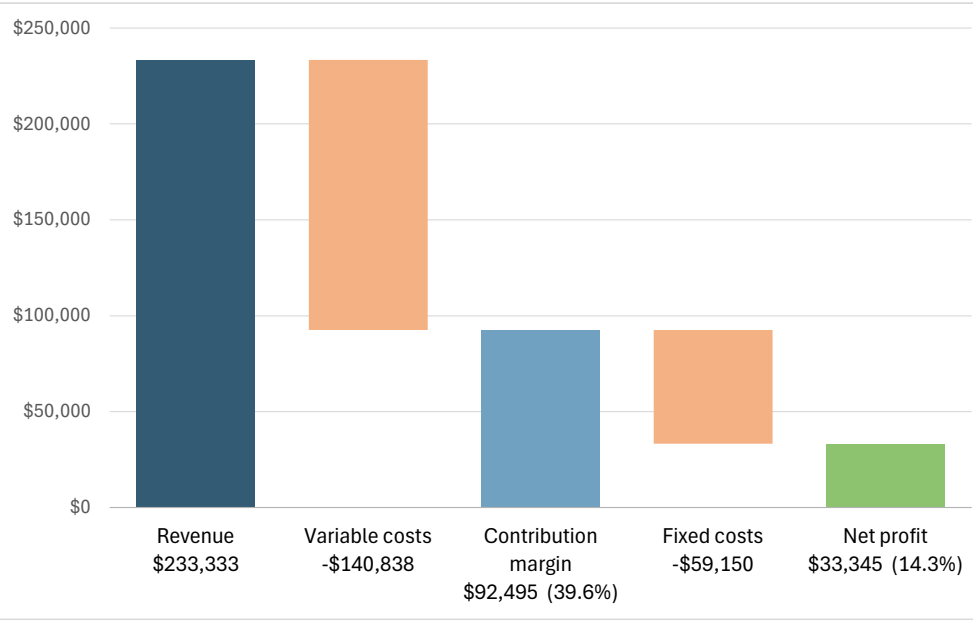
Contribution Margin	39.6%	Jan – Jun 2026	Margin of Safety	36.1%	Period to date, Jan – Jun 2026
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(Revenue – Variable Costs) ÷ Revenue

(Actual Revenue – Breakeven Revenue) ÷ Actual Revenue

Contribution margin	\$92,495	Breakeven revenue	\$149,216	Total Fixed Costs/Contribution Margin %
Total variable costs	\$140,838	Actual revenue	\$233,333	
Total revenue	\$233,333	Revenue above breakeven	\$84,117	

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Contribution Margin	36.3%	37.3%	37.8%	38.6%	42.9%	43.4%						



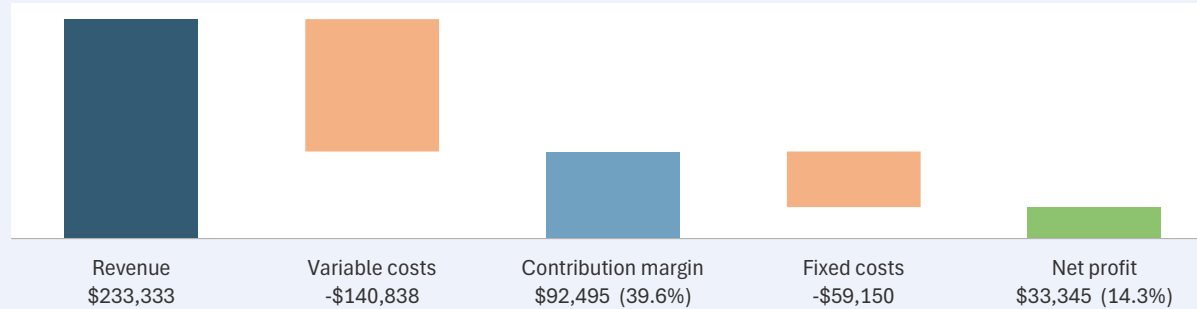
Net Margin = Contribution Margin % × Margin of Safety %	39.6% × 36.1% =	14.3%
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Explained in the FP&A Guide: Breakeven, page 12

The Margin Multiplier

Change one thing and watch which margin moves. Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

Today Actual results for the period



How the multiplier works

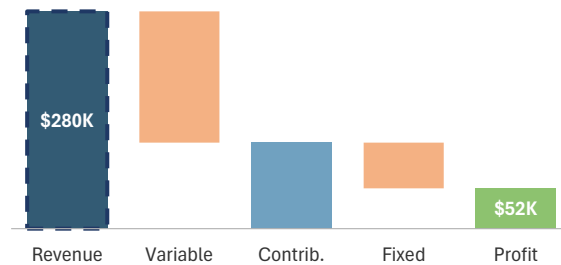
$$39.6\% \times 36.1\% = 14.3\%$$

Contribution margin $\times$ Margin of safety = Net margin

Each change below moves one or both margins. Look at which number moves, and how far net margin follows.

1. Revenue up 20%

Sales rise \$46,667. Variable costs grow with them.



18.5%

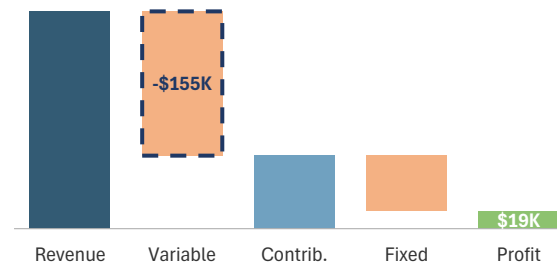
net margin
up from 14.3%

$$39.6\% \times 46.7\% = 18.5\%$$

Contribution margin holds at 39.6%. The margin of safety grows, so profit rises 55%.

2. Fuel and fertilizer up 10%

Variable costs rise \$14,084. Sales stay the same.



8.3%

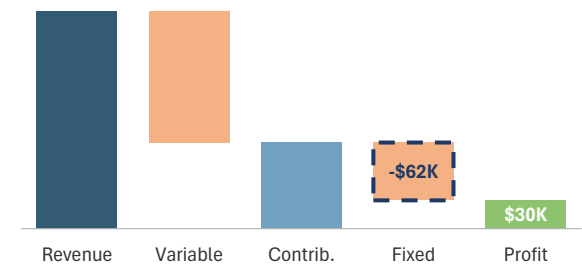
net margin
down from 14.3%

$$33.6\% \times 24.6\% = 8.3\%$$

Both margins shrink at once. With no change in sales, profit falls 42%.

3. Rent, insurance or software up 5%

Overhead rises \$2,958. Sales stay the same.



13.0%

net margin
down from 14.3%

$$39.6\% \times 32.9\% = 13.0\%$$

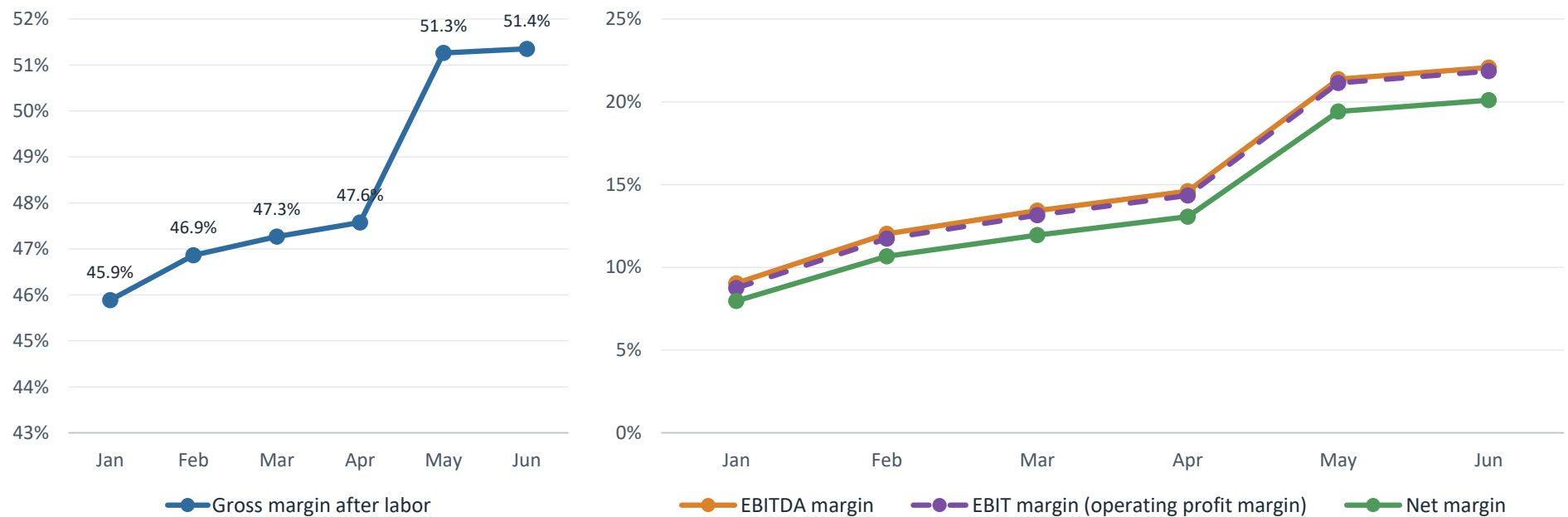
Contribution margin holds. Breakeven rises, the margin of safety shrinks, and profit falls 9%.

Profit Margins

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Margin	Jan	Feb	Mar	Apr	May	Jun	To date
Gross margin after labor <i>(Revenue – cost of goods sold, including direct labor) ÷ Revenue</i>	45.9%	46.9%	47.3%	47.6%	51.3%	51.4%	48.6%
EBITDA margin <i>(Gross profit – operating expenses) ÷ Revenue</i>	9.0%	12.0%	13.4%	14.6%	21.4%	22.1%	15.9%
EBIT margin (operating profit margin) <i>(EBITDA – depreciation & amortization) ÷ Revenue</i>	8.7%	11.7%	13.2%	14.3%	21.1%	21.8%	15.6%
Net margin <i>(EBIT – interest – taxes) ÷ Revenue</i>	8.0%	10.7%	11.9%	13.1%	19.4%	20.1%	14.3%

Monthly margins, each as a share of revenue



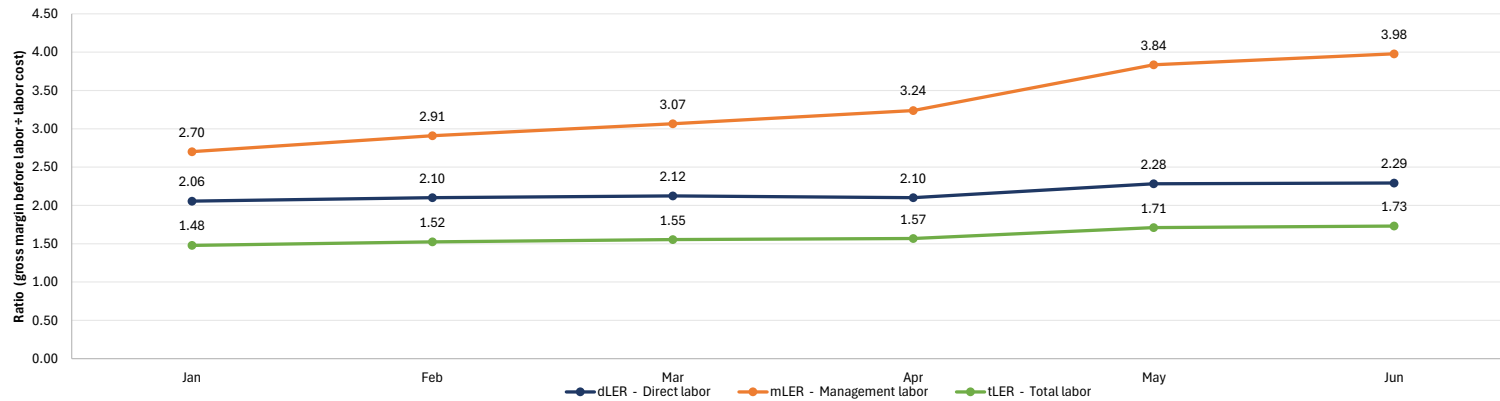
Labor Efficiency Ratios

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026
Jan–Jun 2026 combined

Labor Efficiency Ratio calculations are organized using the framework established in Greg Crabtree's Simple Numbers methodology.

Direct Labor Efficiency Ratio		Management Labor Efficiency Ratio		Total Labor Efficiency Ratio	
<i>Gross margin before labor ÷ Direct labor</i>	2.16	<i>Crabtree CM ÷ Management labor</i>	3.29	<i>Gross margin before labor ÷ Total labor</i>	1.60
Gross margin before labor	\$210,644	Gross margin before labor (revenue – COGS without direct labor) – direct labor (Crabtree CM)	\$113,334	Gross margin before labor	\$210,644
Direct labor	\$97,310	management labor (admin salaries, owner comp, management payroll taxes & benefits)	\$34,466	Total labor (direct + mgmt)	\$131,776

Labor Efficiency Ratios by Month



Gross Margin and Direct Labor Efficiency (dLER)

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

<u>Gross Margin after labor</u>		<u>Direct Labor Efficiency Ratio (dLER)</u>	
Profit minus the Costs of Goods Sold		How Well Labor is Being Utilized	
(Revenue – all cost of goods sold, incl. direct labor) ÷ Revenue		Gross margin before labor ÷ Direct labor	
Actual to date	48.6%	Actual to date	2.16
Total Revenue	233,333	Total Revenue	233,333
Materials (COGS)	(22,689)	Materials (COGS)	(22,689)
Labor (COGS)	(97,310)	Gross margin before labor	210,644
Gross profit	113,334	Direct labor	97,310
The link: gross profit = direct labor × (dLER – 1)		dLER 2.0 and above ALIGNS WITH ESTABLISHED BASELINE - margin funds labor	
Every \$1.00 of direct labor produces \$2.16 of gross margin before labor. Once that \$1.00 is paid, \$1.16 is left as gross profit: \$97,310 × 1.16 = \$113,334, your gross profit for the period. Raise the dLER and the gross margin after labor rises with it.		dLER 1.6 to 2.0 WATCH ZONE - covers labor, little cushion	
		dLER below 1.6 FAILS TO ALIGN - look at raising prices or cutting field costs	
What your numbers say:			
A Gross Margin after labor of 48.6% and a dLER of 2.16 indicates your Gross Margin after labor is high enough to support your direct labor costs.			

Profitability and Labor Efficiency

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

Gross Margin after labor

Gross profit ÷ Revenue

Actual to date **48.6%**

Compared to target score: **Standard**

Benchmark dLER 2.0+

Total revenue	233,333
Materials (COGS)	(22,689)
Direct labor (COGS)	(97,310)
Gross profit	113,334

Direct Labor (dLER)

GM before labor ÷ Direct labor

Actual to date **2.16**

Compared to target score: **Standard**

Benchmark 2.0+

Gross margin before labor	210,644
Direct labor	97,310

Operating Margin (EBIT)

Operating income ÷ Revenue

Actual to date **15.6%**

Compared to target score: **Standard**

Benchmark mLER 2.0 – 4.0

Operating income	36,460
Total revenue	233,333

Management Labor (mLER)

Crabtree CM ÷ Management labor

Actual to date **3.29**

Compared to target score: **Standard**

Benchmark 2.0 – 4.0

Crabtree CM	113,334
Management labor	34,466

The link: gross profit = direct labor × (dLER – 1)

\$97,310 direct labor × 1.16 = \$113,334 gross profit

The link: EBIT = gross profit – mgmt labor – overhead

\$113,334 gross profit – \$34,466 management labor – \$42,409 other overhead and depreciation = \$36,460 operating income

What your numbers say

Direct labor: **ALIGNS WITH ESTABLISHED BASELINE** - margin funds labor

A Gross Margin after labor of 48.6% and a dLER of 2.16 indicates your Gross Margin after labor is high enough to support your direct labor costs.

Management: **EFFICIENT** - your management team pays for itself

Your Operating Margin of 15.6% is what the business keeps after all expenses paid (before interest and taxes). With an mLER in the 2.0 to 4.0 range: your management team is paying for itself, and your operating margin is being earned efficiently.

Asset Turnover

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Is everything the business has working to bring in sales?

0.45

June revenue \$44,503 ÷ average total assets
\$98,821

In June, each \$1 of cash, money owed to you, inventory, equipment and vehicles brought in 45¢ of sales.

Asset Turnover Ratio

Revenue ÷ Average Total Assets

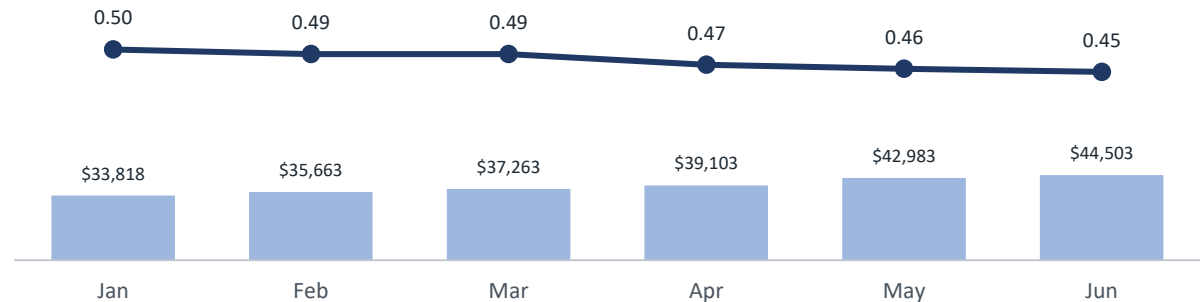
How much revenue each dollar of assets produces over a given time.

No universal benchmark — look at whether the trend is rising or falling.

More jobs per crew, or selling idle equipment, pushes this up.

Capital-intensive sectors (e.g., manufacturing, utilities) naturally carry lower Asset Turnover than asset-light sectors (e.g., software, professional services).

Asset turnover vs. revenue



Jun vs. Jan: **Asset turnover falling**

Revenue rising

READING THE FOUR CASES

RATIO ↑ · REVENUE ↑

Strongest position. Sales grow without buying more assets.
Ask: Are we using our setup fully, or pushing equipment past safe capacity?

RATIO ↑ · REVENUE ↓

Hidden risk. Assets are shrinking faster than sales.
Ask: Are we selling key equipment or closing space to make short-term numbers look good?

RATIO ↓ · REVENUE ↑

Often a growth phase: new assets aren't at full production yet. Can also be cash, receivables or inventory building up.
Ask: What grew? When will it bring in matching sales?

RATIO ↓ · REVENUE ↓ OR FLAT

Possible warning zone. Sales are slipping while the asset base holds steady or grows.
Ask: More inventory than we can move? Equipment we are not using? Products we cannot sell?

Online source: [Asset Turnover Ratio | Investopedia](#)

Explained in the FP&A Guide: Balance Sheet Strength, page 25

Debt-to-Equity and Debt-to-Assets

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Debt-to-Equity Ratio $\text{Debt} \div \text{Equity}$

How much debt the business carries for every dollar of owner's equity.

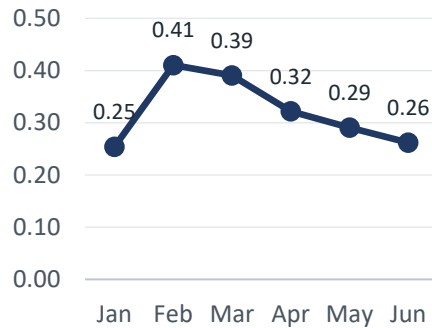
Under 0.50 conservative · 1.0 low to safe · over 2.0 high or risky. Disregard if equity is near zero or negative — common for startups.

How much do lenders have in, next to you?

0.26

Loans \$18,930 ÷ owner's equity \$72,205

For every \$1 you have in the business, lenders have 26¢.



Jun vs. Jan: **Rising**

Debt-to-Assets Ratio $\text{Debt} \div \text{Assets}$

What share of everything the business owns is funded by borrowing.

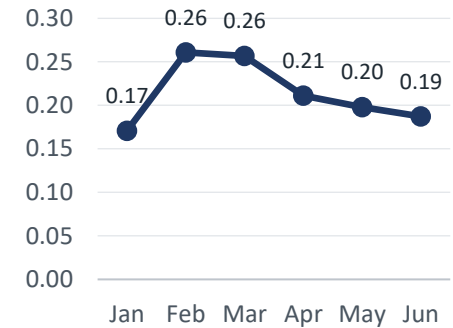
Below 0.5 means less than half is funded by debt.

How much of what you own did lenders pay for?

0.19

Loans \$18,930 ÷ total assets \$101,172

Lenders paid for 19¢ of every \$1 the business owns. The other 81¢ is yours.



Jun vs. Jan: **Rising**

RATIO RISING

The business is leaning more on borrowed money to fund operations. In a seasonal business this can simply be pre-season borrowing for inventory or prep work.

RATIO FALLING

The business is funding itself from profits rather than lenders. Consider whether growth is being held back for lack of capital. Peak-season revenue clearing down debt shows up here.

RATIO RISING

Borrowing is growing faster than the assets being acquired.

RATIO FALLING

Loans are being paid down, or assets added without relying on new debt.

Keep in mind: capital-intensive sectors (e.g., manufacturing, utilities) naturally carry higher debt thresholds than asset-light sectors (e.g., software, professional services).

Online sources: [Debt-to-Equity \(D/E\) Ratio | Investopedia](#)

[Debt-to-Equity Ratio | TD](#)

[Total Debt-to-Total Assets Ratio | Investopedia](#)

Explained in the FP&A Guide: Balance Sheet Strength, page 26

Current and Quick Ratios

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Current Ratio

At June 30, 2026

3.78

Current Assets ÷ Current Liabilities

Current assets \$76,672

Current liabilities \$20,258

Trend (Jun vs. first reading)

-0.01

Quick Ratio

At June 30, 2026

3.60

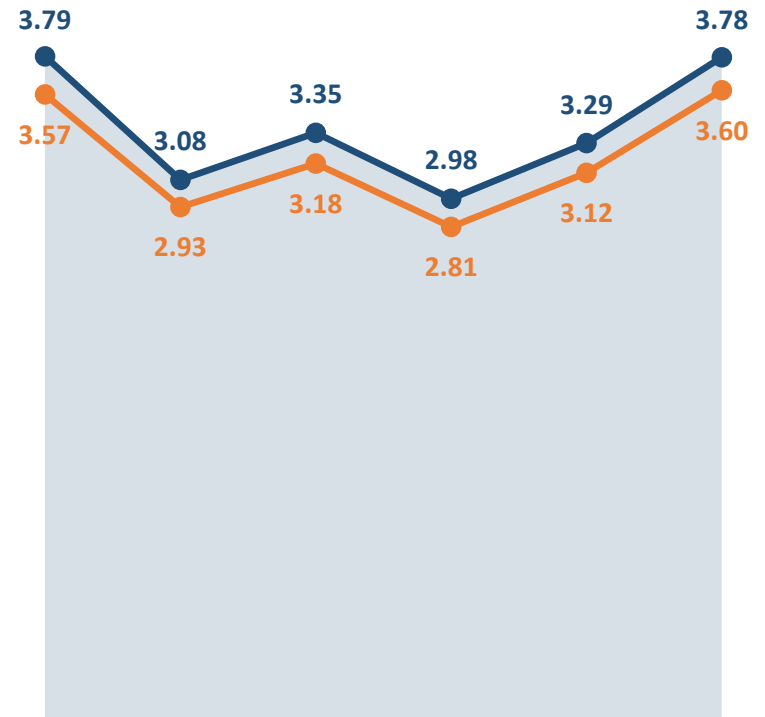
(Current Assets – Inventory – Prepaid) ÷ Current Liabilities

Quick assets \$72,829

Current liabilities \$20,258

Trend (Jun vs. first reading)

0.02



Month	Jan	Feb	Mar	Apr	May	Jun
● Current Ratio	3.79	3.08	3.35	2.98	3.29	3.78
● Quick Ratio	3.57	2.93	3.18	2.81	3.12	3.60

Return on Invested Capital (ROIC)

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

Score (period annualized)

131.0%

Operating income \$36,460 ÷ average invested capital \$55,682, scaled to a full year

The dollar amount **\$1** of capital deployed in the business generates **\$1.31**.

ROIC target	Capital type	Result
100.0%	Light	Clears by 31 pts

How ROIC works

OPERATING PROFIT, FULL-YEAR
PACE

\$72,919

\$36,460 for Jan – Jun, doubled

÷

INVESTED CAPITAL

\$55,682

average, Jan – Jun

=

ROIC

131%

each \$1 tied up brings back
\$1.31 a year

Return on Invested Capital

Operating income before tax (EBIT) ÷ average invested capital, scaled to a full year

ROIC shows how hard the money tied up in the business is working, before loan interest and the business's own taxes.

ROIC calculations are organized using the framework established in Greg Crabtree's Simple Numbers methodology.

INVESTED CAPITAL (AVERAGE JAN – JUN)

Money customers owe you	\$35,881
Equipment	\$21,767
Inventory	\$1,737
Bills paid ahead	\$1,403
less what you owe suppliers	(\$4,645)
less taxes owed	(\$461)
Invested capital	\$55,682

SCORE AGAINST THE TARGET

Your ROIC 131% · target 100%



0% 150%

Targets by type: capital-light 75% to 100%, capital-moderate 65% to 75%, capital-heavy 50%.

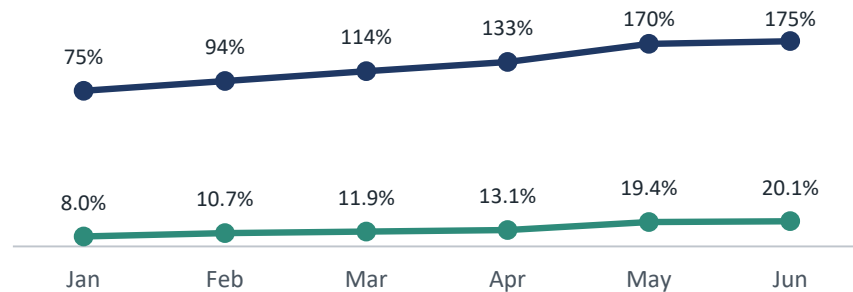
Sources: Greg Crabtree, Simple Numbers, Straight Talk, Big Profits; growthmanifesto.com/podcast/gregcrabtree

Explained in the FP&A Guide: Return on Invested Capital, page 30

ROIC Compared with Net Margin and Asset Turnover

Planting Together, Inc. (Sample Company) | January 1 – June 30, 2026

ROIC vs. net margin



Jun vs. Jan: **ROIC rising**

Net margin rising

READING THE FOUR CASES

ROIC ↑ · Net margin ↑

Profit growth is real, and the money tied up in the business is earning more.
Ask: Can we keep this pace without overworking the crew or the equipment?

ROIC ↑ · Net margin ↓ (or under 10%)

The operation earns well, but loan interest or taxes are taking too much of it.
Ask: Can we refinance, pay down costly debt, or plan taxes earlier?

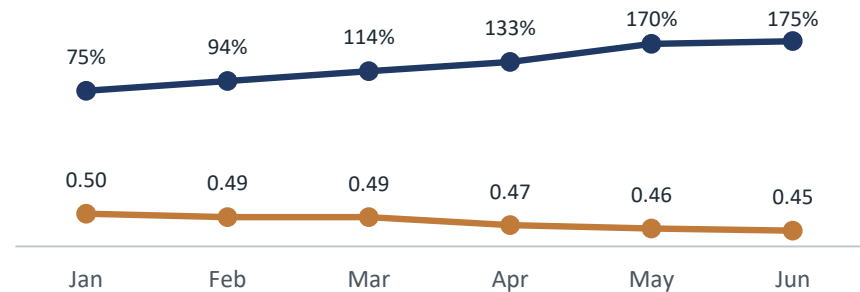
ROIC ↓ · Net margin ↑

Each sale keeps more profit, but money is piling up faster: slower-paying customers, extra inventory, or new equipment not yet earning.
Ask: Where is the extra money sitting, and when will it pay off?

ROIC ↓ · Net margin ↓

Earnings are slipping across the board.
Ask: Which costs grew faster than sales? Are our prices keeping up?

ROIC vs. asset turnover



Jun vs. Jan: **ROIC rising**

Asset turnover falling

READING THE FOUR CASES

Turnover ↑ · ROIC ↑

Assets are working harder, and returns are following.
Ask: Are we close to the limit of what our crew and equipment can handle?

Turnover ↑ · ROIC ↓

More sales from the same assets, but thinner profit on each sale, often from discounting or rising costs.
Ask: Are we buying sales with lower prices?

Turnover ↓ · ROIC steady or ↑

Less of a concern when rising margins are holding ROIC steady.
Ask: Will the margin gains last once the new assets or inventory have to pull their weight?

Turnover ↓ · ROIC ↓

A falling turnover is a concern when ROIC is falling with it.
Ask: What grew: money owed to us, inventory or equipment? What is it earning?

Sources: Greg Crabtree, Simple Numbers, Straight Talk, Big Profits; growthmanifesto.com/podcast/gregcrabtree

Explained in the FP&A Guide: Return on Invested Capital, page 31

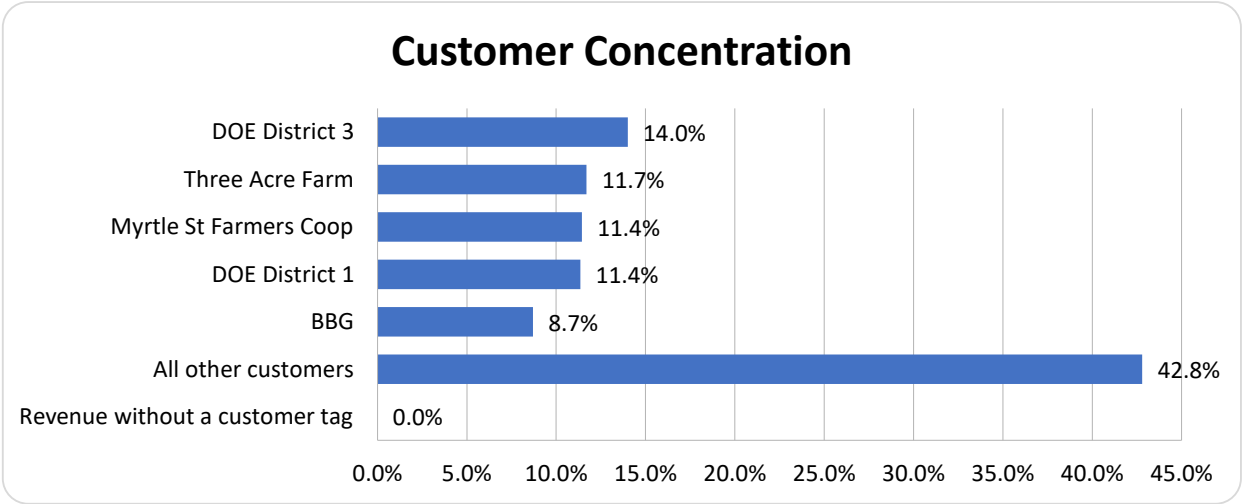
Customer Concentration

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

Metric	Share of total revenue
Top 2 customers	25.7%

DOE District 3	\$32,678	14.0%
Three Acre Farm	\$27,300	11.7%
Total revenue	\$233,333	25.7%

Top 5 customers	57.2%
-----------------	-------



Vendor Price Analysis

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

Flag unit price increases above: 3.0% compare to Average Price Change column

▲ 1 of 6 stocked items rose more than 3.0% - highlighted below.

1a. UNIT COST BY MONTH - stocked items

Item	UOM	Supplier	Jan	Feb	Mar	Apr	May	Jun	Largest monthly increase	Flag Alert
Hardwood Mulch	n/a	JRK Landscape Supplies	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	0.0%	
Granular Fertilizer, 50 lb	n/a	JRK Landscape Supplies	\$25.00	\$25.50	\$27.00	\$30.00	\$30.25	\$28.50	11.1%	PRICE UP ▲ 11.1% - raise with this supplier
Hand Tools & Consumables	n/a	JRK Landscape Supplies	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	0.0%	
Potting Soil	n/a	Plant Supplies NE	\$44.00	\$44.00	\$44.00	\$44.00	\$44.00	\$44.00	0.0%	
Seedling Flats	n/a	Plant Supplies NE	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	0.0%	
Printed T-Shirts	n/a	Love My Tshirt	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	0.0%	

1b. QUANTITY PURCHASED AND THE DOLLAR EFFECT OF THE PRICE CHANGE

Item	UOM	Supplier	Jan qty	Feb qty	Mar qty	Apr qty	May qty	Jun qty	Units to Date	Spend to Date	Price Effect, Incurred	Est. Annual Exposure
Hardwood Mulch	n/a	JRK Landscape Supplies	20	18	20	22	18	20	118	\$3,776	-	-
Granular Fertilizer, 50 lb	n/a	JRK Landscape Supplies	30	26	28	30	26	28	168	\$4,654	\$453.50	\$1,176
Hand Tools & Consumables	n/a	JRK Landscape Supplies	4	3	4	4	3	4	22	\$1,430	-	-
Potting Soil	n/a	Plant Supplies NE	14	11	12	13	11	12	73	\$3,212	-	-
Seedling Flats	n/a	Plant Supplies NE	14	12	13	14	12	13	78	\$1,404	-	-
Printed T-Shirts	n/a	Love My Tshirt	8	6	7	8	6	7	42	\$273	-	-
TOTAL									mixed UOM	\$14,749	\$453.50	\$1,176

Est. Annual Exposure = (latest unit cost less January's) x units to date x 2 - the run-rate cost if the new price holds and volume repeats. It is a sizing, not a booked amount.

SUMMARY

Stocked items tracked at unit cost	6
Items with a unit price increase	1 1 item(s) above the threshold - see the Alert column
Largest unit price increase	11.1%
Price effect incurred to date	\$453.50
Estimated annual exposure if prices hold	\$1,176

Non-labour Operating Expenses Against Gross Margin before labor

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

This tab tracks non-labour operating expense by category against gross margin before labor so a rise shows up as margin drag rather than disappearing into a total.

Month	Jan	Feb	Mar	Apr	May	Jun	TOTAL
DOLLARS							
Occupancy (rent, utilities, repairs)	\$1,610	\$1,620	\$1,630	\$1,610	\$1,620	\$1,650	\$9,740
Technology and software (carve-out, see list below)	\$675	\$600	\$595	\$475	\$400	\$595	\$3,340
Sales and marketing	\$580	\$300	\$320	\$580	\$500	\$520	\$2,800
Variable overhead (card fees, freight, commissions)	\$625	\$695	\$745	\$825	\$895	\$765	\$4,550
Other fixed overhead (less technology)	\$600	\$765	\$790	\$980	\$985	\$970	\$5,090
Depreciation and amortisation	\$100	\$100	\$100	\$100	\$100	\$100	\$600
Total non-labour operating expenses	\$4,190	\$4,080	\$4,180	\$4,570	\$4,500	\$4,600	\$26,120

Gross margin before labor (revenue less non-labour COGS)	\$30,213	\$31,888	\$33,298	\$35,498	\$39,208	\$40,538	\$210,644
note: gross margin before labor follows the Crabtree method - direct labor is omitted because it fluctuates and skews measuring other departments accurately.							

DRIFT - last three active months against the three before

Category	First 3 months	Last 3 months	Change %	Gross margin before labor change	Variance to gross margin before labor
Gross margin before labor (revenue less non-labour COGS)	\$95,399	\$115,244	20.8%	★	Baseline
Overhead costs:					
Occupancy (rent, utilities, repairs)	\$4,860	\$4,880	0.4%	20.8%	(20.4%)
Technology and software	\$1,870	\$1,470	(21.4%)	20.8%	(42.2%)
Sales and marketing	\$1,200	\$1,600	33.3%	20.8%	12.5%
Variable overhead (card fees, freight, commissions)	\$2,065	\$2,485	20.3%	20.8%	(0.5%)
Other fixed overhead (less technology)	\$2,155	\$2,935	36.2%	20.8%	15.4%
Depreciation and amortisation	\$300	\$300	-	20.8%	(20.8%)
Total non-labour operating expenses	\$12,450	\$13,670	9.8%	20.8%	(11.0%)

Owner Position - CONDITIONAL ADD ON

Planting Together, Inc. (Sample Company)

January 1 – June 30, 2026

INCLUDED IN THE CORE PACKAGE ONLY IF:

Owner compensation, owner investments and withdrawals, are recorded in separate accounts in the general ledger

PAID OUT TO THE OWNER

Owner compensation (COGS)	\$18,000.00
Owner compensation (operating)	\$12,000.00
Total pay charged against profit	\$30,000.00
Draws taken	\$10,000.00
Total paid out	\$40,000.00

PUT IN BY THE OWNER

Capital injected	-\$5,000.00
------------------	-------------

NET TO THE OWNER

Net to the owner	\$35,000.00
-------------------------	--------------------

Note: Owners pay is listed on profit and loss. Draws are a distribution of profit that do not get recorded on the profit and loss but on the balance sheet.

Program P&L – OPTIONAL ADD ON

Planting Together, Inc. (Sample Company) | January 1 - June 30, 2026

ADD-ON · NOT PART OF THE CORE PACKAGE

Priced separately. Needs consistent project or class tracking on income and expense lines to be a useful report.

Line item	Farm Tours	Schools	Senior Gardening	Shops	Total company
Revenue	\$74,160	\$92,278	\$47,700	\$19,195	\$233,333
Salary expense (COGS), incl. owner production	\$19,529	\$23,758	\$13,259	\$2,365	\$58,910
Subcontractor fees	\$8,323	\$20,949	\$8,624	\$504	\$38,400
Direct labor	\$27,851	\$44,706	\$21,883	\$2,870	\$97,310
dLER Direct Labor Efficiency Ratio	2.53	1.85	2.00	4.82	2.16
Materials	\$3,808	\$9,581	\$3,949	\$231	\$17,569
Other cost of sales	\$0	\$0	\$0	\$5,120	\$5,120
Total cost of goods sold	\$31,659	\$54,287	\$25,832	\$8,221	\$119,999
Gross profit	\$42,501	\$37,991	\$21,868	\$10,974	\$113,334
Gross margin after labor	57.3%	41.2%	45.8%	57.2%	48.6%
Gross margin before labor	\$70,352	\$82,697	\$43,751	\$13,844	\$210,644
Wages and benefits (admin)	\$4,827	\$5,937	\$2,991	\$1,244	\$15,000
Owner compensation	\$3,862	\$4,750	\$2,393	\$995	\$12,000
Management labor (incl. payroll taxes)	\$11,092	\$13,642	\$6,873	\$2,858	\$34,466
mLER Management Labor Efficiency Ratio	3.83	2.78	3.18	3.84	3.29
Total labor (direct + management)	\$38,943	\$58,349	\$28,756	\$5,728	\$131,776
tLER Total Labor Efficiency Ratio	1.81	1.42	1.52	2.42	1.60
Other operating expenses	\$13,558	\$16,672	\$8,815	\$2,763	\$41,809
Total operating expenses (excl. depreciation)	\$24,650	\$30,315	\$15,688	\$5,621	\$76,274
EBITDA	\$17,851	\$7,676	\$6,180	\$5,353	\$37,060
EBITDA Margin	24.1%	8.3%	13.0%	27.9%	15.9%
Depreciation and amortisation	\$193	\$237	\$120	\$50	\$600
Operating income (EBIT)	\$17,658	\$7,438	\$6,060	\$5,304	\$36,460
Operating Profit Margin	23.8%	8.1%	12.7%	27.6%	15.6%
Total expense excluding COGS	\$25,802	\$31,781	\$16,484	\$5,922	\$79,989
Net income	\$16,698	\$6,210	\$5,384	\$5,053	\$33,345
Net Profit Margin	22.5%	6.7%	11.3%	26.3%	14.3%

Your Ledger Diagnostics

Planting Together, Inc. (Sample Company) | January 1, 2026 – June 30, 2026

ALL DIAGNOSTIC CHECKS PASS		42 / 42	0 exceptions · 0 unmapped accounts · 0 accounts out of agreement	
Standard Checks		15 / 15		
PERIOD COVERAGE				
Earliest → latest ledger date	12/31/25 → 06/30/26			
Opening balances at period start	present			
Revenue: twelve-month grid vs export	\$233,333 · \$233,333	✓		
DOES THE LEDGER BALANCE?				
Transaction rows loaded (ceiling 6,200)	948			
Total debits vs total credits	\$859,074 · \$859,074	✓		
DID EVERY ACCOUNT MAP?				
Accounts in Client Chart of Accounts	41			
Accounts with no code on Account Mapping	0	✓		
GL rows returning UNMAPPED	0	✓		
TRIAL BALANCE REPRODUCED, ACCOUNT BY ACCOUNT				
Accounts on Trial Balance remapped	39			
Accounts that do not agree	0	✓		
Total of all account differences	\$0	✓		
Trial Balance debits vs credits	\$311,860 · \$311,860	✓		
Net income: GL rebuilt vs TB implied	\$33,345 · \$33,345	✓		
Trial Balance accounts with no mapped code	0	✓		
BOOKKEEPING ROUTINE CHECKS				
Uncategorised / Ask My Accountant balances	\$0	✓		
Undeposited Funds at period end	\$0	✓		
P&L accounts carrying a wrong-sign balance	0	✓		
Gross margin after labor: widest vs narrowest month	5.5 pts			
Months outside a 5-point band	0	✓		
Invoices more than 90 days past due	0 · \$0	✓		
Bills more than 90 days past due	0 · \$0	✓		
Subledger Checks		12 / 12		
SUBLEDGERS AND BALANCE SHEET INTEGRITY				
A/R: General Ledger vs A/R Aging Detail	\$38,820 · \$38,820	✓		
A/P: General Ledger vs A/P Aging Detail	\$5,060 · \$5,060	✓		
A/R and A/P: GL vs Trial Balance, combined	\$0	✓		
Total assets vs liabilities plus equity	\$101,172 · \$101,172	✓		
SUBLEDGER DETAIL REBUILT LINE BY LINE				
A/R Remapped against the General Ledger	\$38,820	✓		
A/R Remapped against the Trial Balance	\$38,820	✓		
A/P Remapped against the General Ledger	\$5,060	✓		
A/P Remapped against the Trial Balance	\$5,060	✓		
DOES EVERY LEDGER ROW CARRY A MAPPED CODE?				
Debits: dated rows vs rows with a code	\$859,074 · \$859,074	✓		
Credits: dated rows vs rows with a code	\$859,074 · \$859,074	✓		
GL vs TB Remapped, account by account	\$0	✓		
Accounts that do not agree	0	✓		
How to read this page				
Every line shown as a difference is required to come to zero. A figure other than zero is not automatically an error — it flags a reconciling item to explain before the analysis in this deck is relied on.				
The four panels test the same data from four directions: the ledger against itself, the subledgers against the ledger, the reports against the ledger, and the reports against the client's own trial balance.				
The Diagnostic Status on the Data Integrity page reads PASS only when all forty-two lines here clear. This page is the evidence behind that word.				
General Ledger Checks		9 / 9		
<i>Do the reports agree with Client GL with Remap?</i>				
BALANCE SHEET TREND ANALYSIS				
Total assets	\$101,172 · \$101,172	✓		
Total liabilities	\$28,967 · \$28,967	✓		
Equity before net income	\$38,860 · \$38,860	✓		
Balance Sheet lines not tying to ledger	0	✓		
P&L TREND ANALYSIS				
Revenue	\$233,333 · \$233,333	✓		
Cost of goods sold	\$119,999 · \$119,999	✓		
Total expenses	\$199,988 · \$199,988	✓		
Net income	\$33,345 · \$33,345	✓		
P&L lines not tying to the ledger	0	✓		
Trial Balance Checks		6 / 6		
<i>Do the reports agree with Client TB (paste)?</i>				
BALANCE SHEET TREND ANALYSIS				
Total assets (1000–1599)	\$101,172 · \$101,172	✓		
Total liabilities (2000–2199)	\$28,967 · \$28,967	✓		
Equity before net income (3000–3999)	\$38,860 · \$38,860	✓		
P&L TREND ANALYSIS				
Revenue (4000–4999)	\$233,333 · \$233,333	✓		
Total expenses (5000–5999)	\$199,988 · \$199,988	✓		
Net income	\$33,345 · \$33,345	✓		

Source: Checks tab of this workbook. Figures rounded to the nearest dollar; every difference tested is exactly zero before rounding. Data pasted 3 September 2026.

Accuracy check: all 28 figures in this guide tie back to their source reports

Planting Together, Inc. (Sample Company) | January 1, 2026 – June 30, 2026

EVERY FIGURE TIES

28 / 28

0 differences · 28 measures · 5 source reports

Margins and Owner Position

12 / 12

MEASURE	CLIENT DELIVERY	ORIGINAL REPORT	SOURCE REPORT
MARGINS			
Gross Margin after labor	48.6%	48.6%	✓ P&L trend analysis
Gross profit	\$113,334	\$113,334	✓ P&L trend analysis
Total revenue	\$233,333	\$233,333	✓ P&L trend analysis
Operating Profit Margin	15.6%	15.6%	✓ P&L trend analysis
Operating income	\$36,460	\$36,460	✓ P&L trend analysis
EBITDA Margin	15.9%	15.9%	✓ P&L trend analysis
EBITDA	\$37,060	\$37,060	✓ P&L trend analysis
Net Profit Margin	14.3%	14.3%	✓ P&L trend analysis
Net income	\$33,345	\$33,345	✓ P&L trend analysis
OWNER			
Draws taken	\$10,000	\$10,000	✓ Balance Sheet trend analysis
Owner compensation (operating)	\$12,000	\$12,000	✓ P&L trend analysis
Owner compensation (COGS)	\$18,000	\$18,000	✓ P&L trend analysis

How to read this page

Each row takes one figure from a tab the client receives and puts it beside the same figure on the report it was derived from. The two are read independently, by separate formulas, so agreement is evidence rather than restatement.

A difference is required to be zero. A non-zero row names the exact pair that has parted, and the source report to open first.

This page proves the summary tabs agree with the analysis behind them. It does not re-

Ratios

16 / 16

MEASURE	CLIENT DELIVERY	ORIGINAL REPORT	SOURCE REPORT
RATIOS			
Top 2 customers	25.7%	25.7%	✓ Customer Concentration
Total revenue	\$233,333	\$233,333	✓ Customer Concentration
CORE CAPITAL COVERAGE	1.96	1.96	✓ Statement of Cash Flows
Core capital available	\$25,063	\$25,063	✓ Statement of Cash Flows
Current Ratio	3.78	3.78	✓ Balance Sheet trend analysis
Current assets	\$76,672	\$76,672	✓ Balance Sheet trend analysis
Debt-to-Equity Ratio	0.26	0.26	✓ Balance Sheet trend analysis
Total equity	\$72,205	\$72,205	✓ Balance Sheet trend analysis
Direct Labor Efficiency Ratio	2.16	2.16	✓ Crabtree's LER and ROIC
Gross margin before labor	\$210,644	\$210,644	✓ Crabtree's LER and ROIC
Quick Ratio	3.60	3.60	✓ Balance Sheet trend analysis
Asset Turnover Ratio	0.45	0.45	✓ Balance Sheet trend analysis
Debt-to-Assets Ratio	0.19	0.19	✓ Balance Sheet trend analysis
Management Labor Efficiency Ratio	3.29	3.29	✓ Crabtree's LER and ROIC
Total Labor Efficiency Ratio	1.60	1.60	✓ Crabtree's LER and ROIC
Return on Invested Capital	131.0%	131.0%	✓ Crabtree's LER and ROIC

Where the figures come from

P&L trend analysis	11 measures
Balance Sheet trend analysis	8 measures
Customer Concentration	2 measures
Statement of Cash Flows	2 measures
Crabtree's LER and ROIC	5 measures

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