



Monthly Performance Report

Rimrock Plumbing & Heating LLC

August 2025

Prepared by Marlow Accounting

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SAMPLE REPORT — ILLUSTRATIVE DATA FOR DEMONSTRATION PURPOSES ONLY

Executive Summary

Rimrock Plumbing & Heating LLC generated \$31,550 in revenue for August 2025, up +10.7% from \$28,510 in August 2024. The business kept \$6,748 of that as net income — a net margin of 21.4%, meaning it held onto about \$21 out of every \$100 of sales after covering the cost of the work and running the office. Cash on hand closed the period at \$69,418, up from \$36,997 at the end of August 2024.

- **Revenue** ON TRACK
\$31,550, up +10.7% versus August 2024.
- **Profitability** ON TRACK
Net income of \$6,748 (21.4% margin), up +26.6% from August 2024.
- **Cash Position** ON TRACK
\$69,418 in the bank at period end, an increase of \$32,421.
- **Liquidity** ON TRACK
Current ratio of 10.63:1 — the business has \$10.63 in short-term assets for every \$1 of short-term obligations.
- **Expense Control** ON TRACK
Operating expenses of \$10,920, up +2.7%, growing slower than revenue.

Biggest Positive

Cash on hand grew by \$32,421 to \$69,418, strengthening the business's cash cushion.

Biggest Concern

No material soft spots stood out this month; the main opportunity is simply sustaining the current pace of growth.

Three Recommendations

- Keep pricing and scheduling aligned with the month's \$31,550 demand level so the 56% gross margin holds as volume grows.
- Review "Wages - Office & Admin" (\$3,614 this month) for opportunities to renegotiate or trim, since it is the largest controllable cost line.
- With \$69,418 in cash and a current ratio of 10.6:1, consider directing some of the excess cash toward a rainy-day reserve, equipment upgrades, or accelerated debt paydown rather than letting it sit idle.

Performance Dashboard

Key performance indicators for August 2025, compared to August 2024. All figures are drawn directly from the underlying profit & loss and balance sheet data.

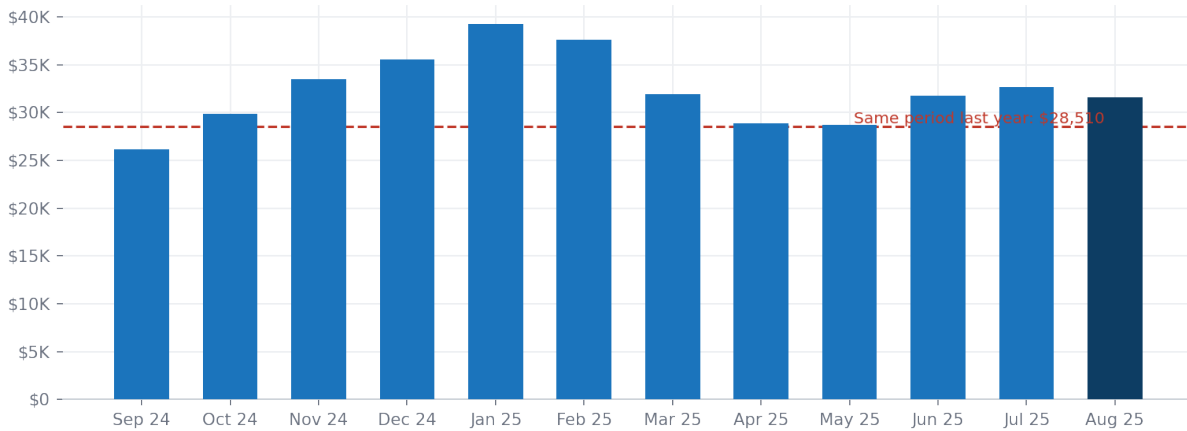
REVENUE \$31,550 ▲ +10.7% vs August 2024	GROSS PROFIT \$17,668 ▲ +10.7% vs August 2024	GROSS MARGIN % 56.0% ▲ +0.0 pts	NET INCOME \$6,748 ▲ +26.6% vs August 2024
NET MARGIN % 21.4% ▲ +2.7 pts	OPERATING EXPENSES \$10,920 ▲ +2.7% vs August 2024	EBIT (OPERATING PROFIT) \$6,748 No interest or tax expense this period	CASH ON HAND \$69,418 ▲ +\$32,421 vs August 2024
WORKING CAPITAL \$67,411 Current assets less current liabilities	CURRENT RATIO 10.63:1 Target: 2.00:1 or higher	TOTAL DEBT \$23,402 ▼ (\$5,424) vs August 2024	OWNER EQUITY \$116,611 ▲ +\$31,484 vs August 2024

Ratios such as current ratio and working capital reflect the balance sheet as of August 31, 2025. Return-based ratios (ROA, ROE) are annualized from this month's results for comparability.

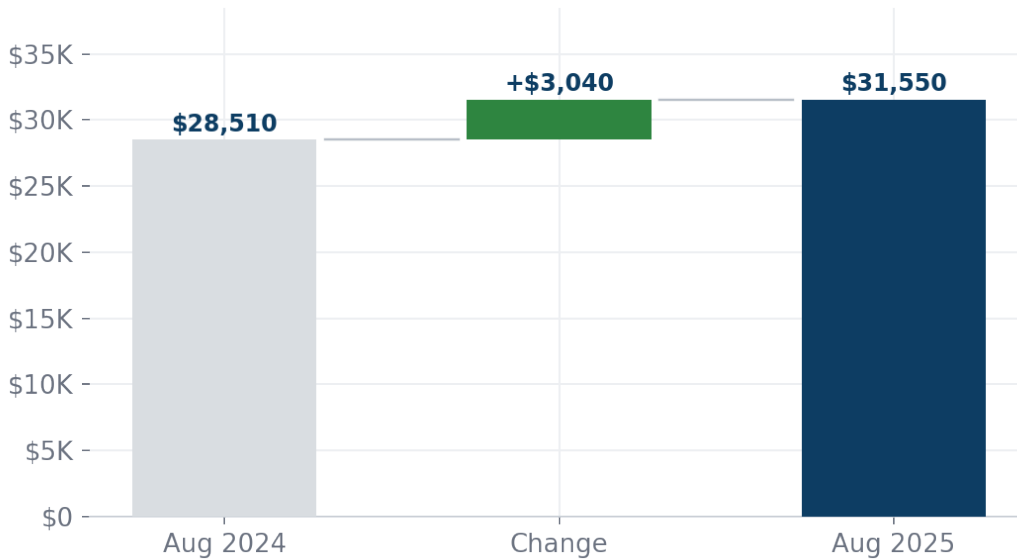
Revenue Analysis

Rimrock Plumbing & Heating LLC billed \$31,550 in August 2025, an increase of \$3,040 (+10.7%) from \$28,510 in August 2024.

Revenue — Trailing Periods



Revenue Bridge

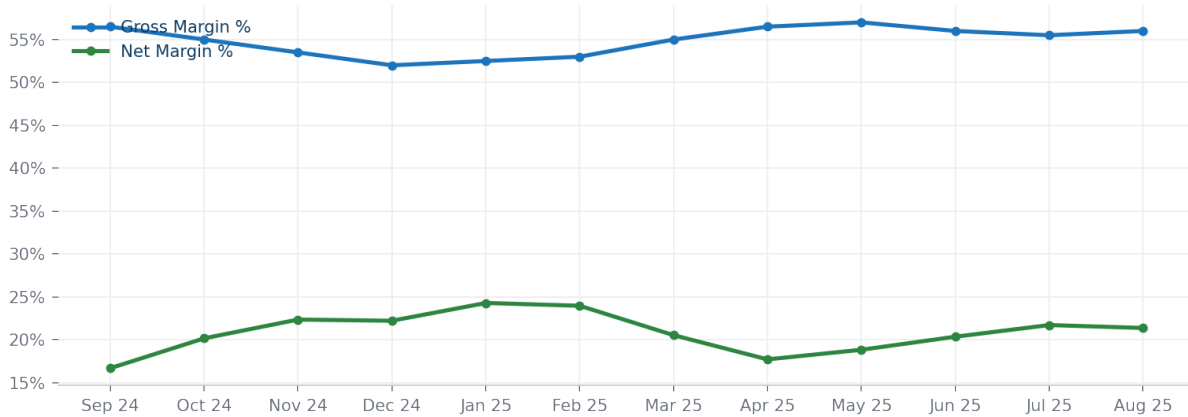


Why Revenue Moved

Plumbing and heating service revenue for this business is naturally seasonal, with winter heating calls and spring/summer AC work driving the busiest months and late spring typically the slowest stretch. The year-over-year gain of +10.7% is consistent with the business's broader growth trend rather than a one-time event — revenue has grown in most comparable periods over the trailing two years shown above.

Gross Profit Analysis

	August 2024	August 2025	Variance	Variance %
Revenue	\$28,510	\$31,550	+\$3,040	+10.7%
Cost of Goods Sold	\$12,544	\$13,882	+\$1,338	+10.7%
Gross Profit	\$15,966	\$17,668	+\$1,702	+10.7%
Gross Margin %	56.0%	56.0%	+0.0 pts	



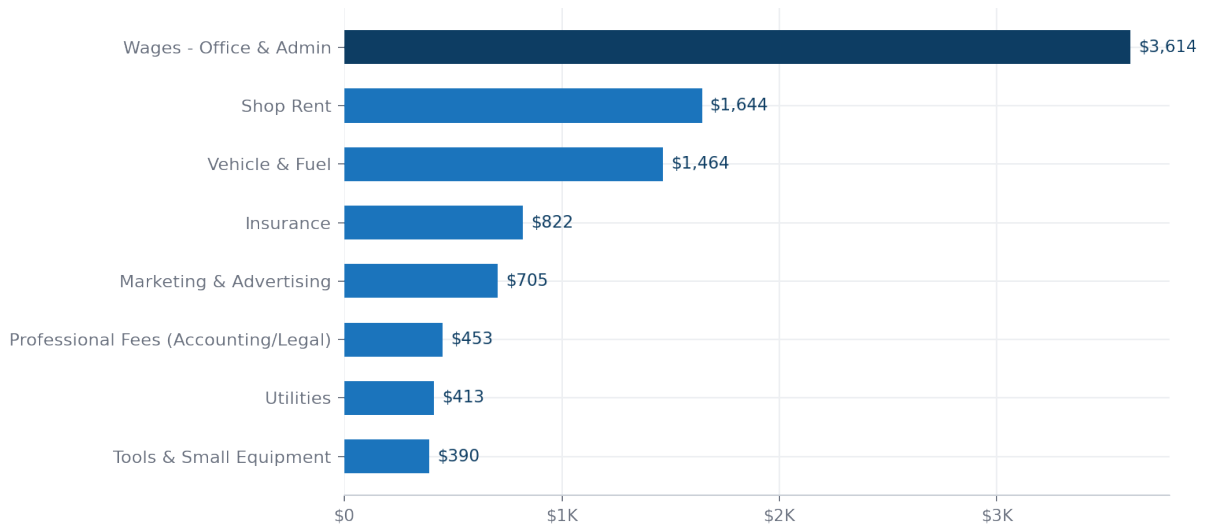
Why Margin Moved

For every \$100 of sales, the business kept \$56 after paying for materials and field labor in August 2025, compared with \$56 in August 2024. Materials and direct labor ran 44.0% of revenue this month, versus 44.0% in the comparison period — essentially unchanged, a sign of consistent job pricing and material costs relative to sales.

Expense Analysis

Total operating expenses (excluding cost of goods sold) were \$10,920 in August 2025, up +2.7% from \$10,636 in August 2024.

Top Expense Categories



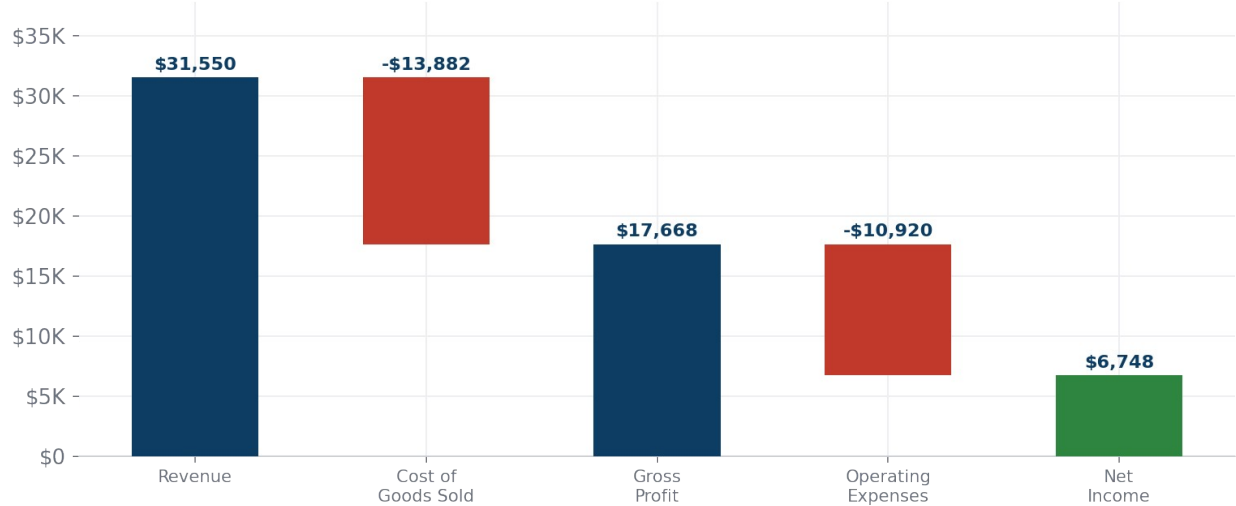
What Increased, What Decreased

Needs attention: Wages - Office & Admin rose \$224 (+6.6%); Marketing & Advertising rose \$23 (+3.4%); Professional Fees (Accounting/Legal) rose \$12 (+2.7%).

Running well: Vehicle & Fuel fell \$10 (-0.7%); Shop Rent fell \$2 (-0.1%); Utilities fell \$2 (-0.5%).

Overall, expense growth of +2.7% stayed within the pace of revenue growth, which is the healthy pattern for a growing service business.

Net Income Analysis



	August 2024	August 2025	Variance	Variance %
Revenue	\$28,510	\$31,550	+\$3,040	+10.7%
Cost of Goods Sold	\$12,544	\$13,882	+\$1,338	+10.7%
Gross Profit	\$15,966	\$17,668	+\$1,702	+10.7%
Operating Expenses	\$10,636	\$10,920	+\$284	+2.7%
Net Income	\$5,330	\$6,748	+\$1,418	+26.6%

Net income of \$6,748 represents a net margin of 21.4% — the business kept about \$21 of every \$100 in sales after all costs and operating expenses. The +26.6% change from August 2024 was driven primarily by the revenue gain described above, which flowed through to the bottom line faster than expenses grew.

Balance Sheet Review

Assets

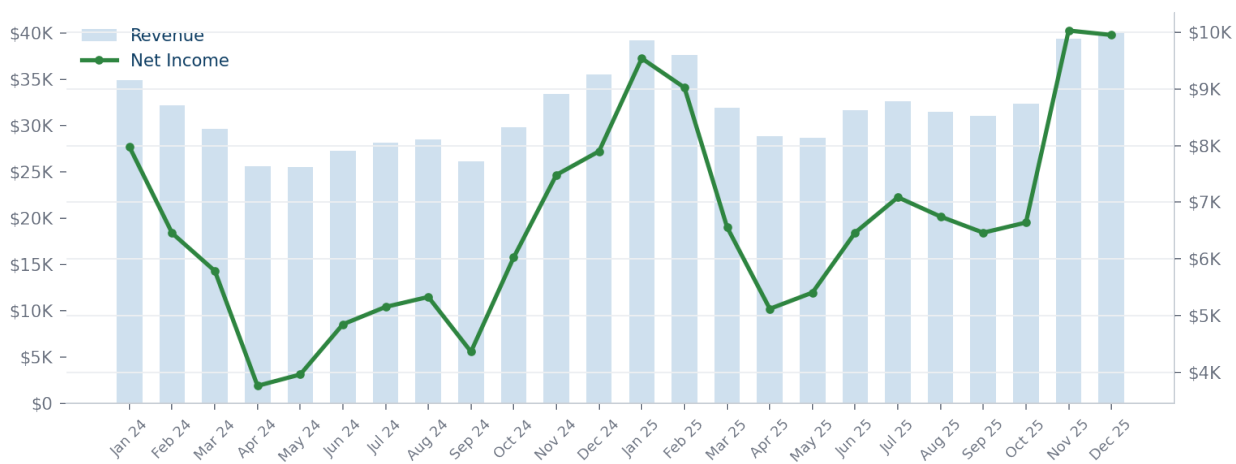
	August 2024	August 2025	Variance %
Cash & Equivalents	\$36,997	\$69,418	+87.6%
Accounts Receivable	\$2,313	\$2,417	+4.5%
Inventory (Parts on Hand)	\$1,653	\$1,428	-13.6%
Prepaid Expenses	\$1,150	\$1,150	0.0%
Total Current Assets	\$42,113	\$74,413	+76.7%
Fixed Assets, Net	\$71,840	\$65,600	-8.7%
Total Assets	\$113,953	\$140,013	+22.9%

Liabilities & Equity

	August 2024	August 2025	Variance %
Accounts Payable	\$4,638	\$4,789	+3.3%
Credit Card Payable	\$3,228	\$2,213	-31.4%
Total Current Liabilities	\$7,866	\$7,002	-11.0%
Equipment Loan (Long-Term)	\$20,960	\$16,400	-21.8%
Total Liabilities	\$28,826	\$23,402	-18.8%
Owner Equity	\$85,127	\$116,611	+37.0%

Cash grew to \$69,418 while the equipment loan balance declined to \$16,400, a combination that has steadily reduced leverage: total liabilities are now -18.8% versus August 2024. Owner equity of \$116,611 reflects retained profits after owner draws of \$4,252 for the period.

Cash Flow



	August 2024	August 2025
Operating Cash Flow	\$6,489	\$7,046
Investing Cash Flow	\$0	\$0
Financing Cash Flow (draws + debt payments)	(\$3,795)	(\$4,632)
Net Change in Cash	\$2,694	\$2,414
Cash — Beginning of Period	\$34,303	\$67,004
Cash — End of Period	\$36,997	\$69,418

The business generated \$7,046 in operating cash flow this month. After equipment loan payments of \$380 and owner draws of \$4,252, cash on hand increased by \$2,414, closing at \$69,418. With no external financing beyond the existing equipment loan, day-to-day operations are self-funding the business's growth.

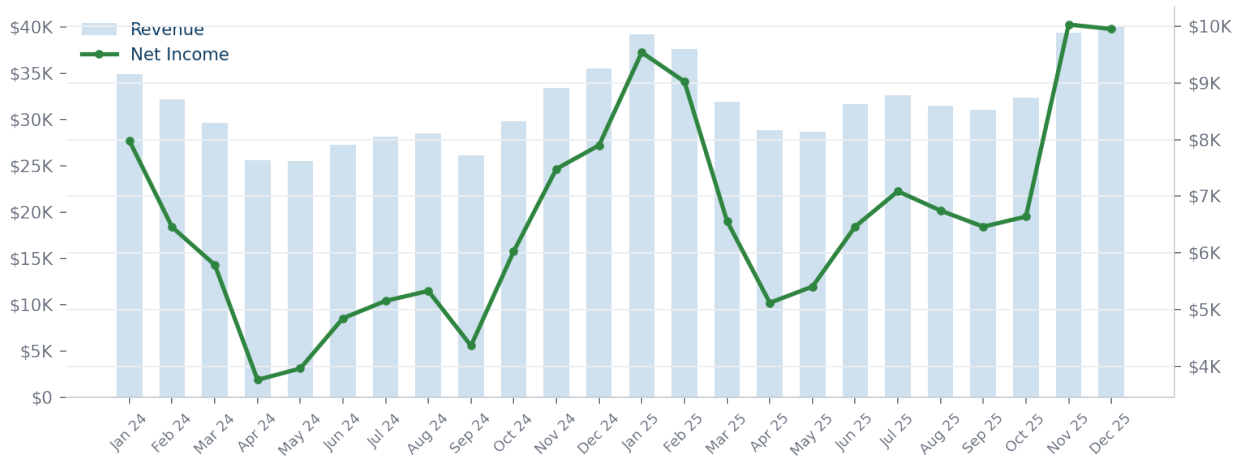
Ratio Analysis

Ratio	August 2024	August 2025	What It Means
Current Ratio	5.35:1	10.63:1	Short-term assets available for every \$1 of short-term bills.
Quick Ratio	5.00:1	10.26:1	Cash and receivables alone, without relying on inventory, per \$1 of short-term bills.
Debt-to-Equity	0.34	0.20	Dollars of debt for every \$1 the owner has invested in the business.
Working Capital	\$34,247	\$67,411	Cash cushion left after paying all short-term obligations.
Return on Assets (annualized)	56.1%	57.8%	Annualized profit generated per dollar of assets owned.
Return on Equity (annualized)	75.1%	69.4%	Annualized return the owner is earning on their investment in the business.

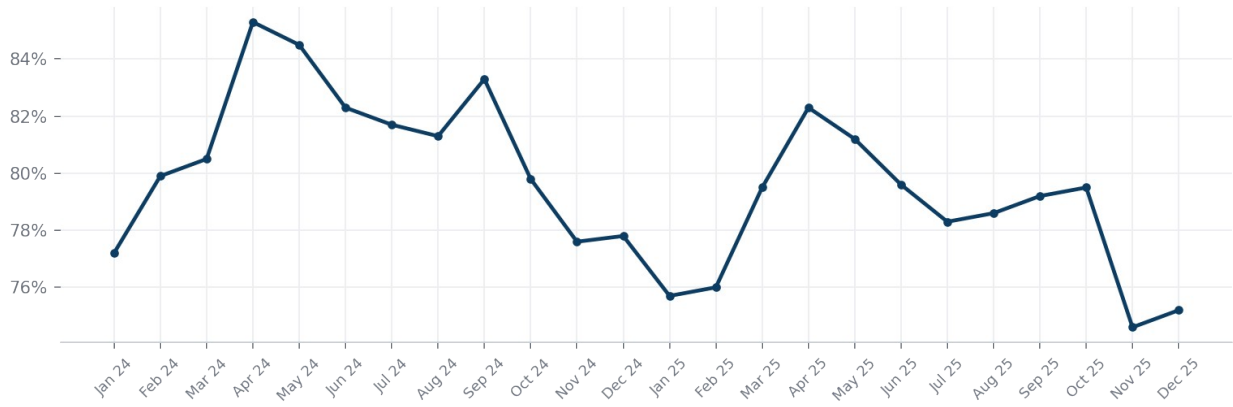
Every liquidity ratio here is comfortably above the general 2:1 / 1:1 rule of thumb, meaning short-term bills are well covered by cash and near-cash assets. Debt-to-equity of 0.20 shows the business is financed mostly by owner equity and retained profits rather than borrowed money.

Trends

Revenue & Net Income — Trailing 24 Months



Operating Cost Ratio — Trailing 24 Months



The line above tracks total cost of goods sold plus operating expenses as a percentage of revenue each month. A flatter, lower line means a larger share of each sales dollar is being retained as profit.

Top Expense Categories

Ranked by total spend in August 2025, compared to August 2024.

Category	August 2025	August 2024	Variance \$	Variance %
Wages - Office & Admin	\$3,614	\$3,390	+\$224	+6.6%
Shop Rent	\$1,644	\$1,646	(\$2)	-0.1%
Vehicle & Fuel	\$1,464	\$1,474	(\$10)	-0.7%
Insurance	\$822	\$823	(\$1)	-0.1%
Marketing & Advertising	\$705	\$682	+\$23	+3.4%
Professional Fees (Accounting/Legal)	\$453	\$441	+\$12	+2.7%
Utilities	\$413	\$415	(\$2)	-0.5%
Tools & Small Equipment	\$390	\$390	+\$0	0.0%

- Wages - Office & Admin: increased \$224 (+6.6%) versus August 2024.
- Shop Rent: decreased \$2 (+0.1%) versus August 2024.
- Vehicle & Fuel: decreased \$10 (+0.7%) versus August 2024.
- Insurance: decreased \$1 (+0.1%) versus August 2024.

Recommendations

Operational

- Track job-level time and materials against the 44% cost-of-goods rate seen this month to catch underpriced jobs before they become a pattern.
- Use the slower shoulder-season periods visible in the revenue trend to schedule maintenance contracts and proactive tune-ups that smooth out seasonal swings.

Financial

- Maintain the current pace of equipment loan paydown (\$380 this month) — at this rate the loan will be retired well ahead of most equipment's useful life.
- With owner equity growing to \$116,611, consider setting a formal owner-draw percentage each month rather than an ad-hoc amount, to keep retained cash predictable.

Cash Flow

- Cash on hand of \$69,418 now covers well over a month of operating expenses; consider moving a portion into an interest-bearing reserve account so idle cash still earns a return.
- Continue invoicing and collecting promptly — accounts receivable of \$2,417 remains a small fraction of revenue, which keeps cash flow predictable.

Pricing & Expense Management

- Revisit pricing on service categories tied to "Wages - Office & Admin" since it is the single largest operating cost line at \$3,614.
- Shop vehicle and fuel costs annually against at least one competing quote to confirm the fleet is still on the most favorable terms available.

Internal Controls & Bookkeeping

- Continue the current monthly close cadence so revenue, job costs, and cash positions stay current and this report remains a reliable planning tool.
- Keep reconciling the equipment loan and credit card statements monthly against the general ledger to keep the balance sheet audit-ready.

Action Items for Next Month

- Review the top expense category identified above and confirm whether recent increases are one-time or likely to continue.
- Revisit the pricing assumptions behind the busiest upcoming season to make sure margins hold as volume increases.
- Confirm the cash reserve target with ownership and set aside any excess above that target on a regular schedule.

Appendix

A1. Detailed Income Statement Comparison

Operating Expense Line	August 2024	August 2025	Variance \$	Variance %
Wages - Office & Admin	\$3,390	\$3,614	+\$224	+6.6%
Vehicle & Fuel	\$1,474	\$1,464	(\$10)	-0.7%
Insurance	\$823	\$822	(\$1)	-0.1%
Shop Rent	\$1,646	\$1,644	(\$2)	-0.1%
Utilities	\$415	\$413	(\$2)	-0.5%
Telephone & Internet	\$271	\$289	+\$18	+6.6%
Tools & Small Equipment	\$390	\$390	+\$0	0.0%
Dues, Licenses & Permits	\$183	\$201	+\$18	+9.8%
Marketing & Advertising	\$682	\$705	+\$23	+3.4%
Professional Fees (Accounting/Legal)	\$441	\$453	+\$12	+2.7%
Office Supplies	\$183	\$182	(\$1)	-0.5%
Software & Subscriptions	\$218	\$223	+\$5	+2.3%
Depreciation - Vehicles & Equipment	\$520	\$520	+\$0	0.0%

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Net Income	\$5,330	\$6,748	+\$1,418	+26.6%

A2. Detailed Balance Sheet Comparison

	August 2024	August 2025	Variance %
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Accounts Receivable	\$2,313	\$2,417	+4.5%
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Owner Equity	\$85,127	\$116,611	+37.0%

A3. Full-History Monthly Summary (24 Months)

Month	Revenue	Gross Profit	GM %	Net Income	NM %	Cash on Hand
Jan 24	\$34,960	\$18,354	52.5%	\$7,977	22.8%	\$23,459
Feb 24	\$32,190	\$17,061	53.0%	\$6,455	20.1%	\$25,280
Mar 24	\$29,710	\$16,340	55.0%	\$5,788	19.5%	\$27,481
Apr 24	\$25,610	\$14,470	56.5%	\$3,761	14.7%	\$28,924
May 24	\$25,560	\$14,569	57.0%	\$3,961	15.5%	\$29,626
Jun 24	\$27,340	\$15,310	56.0%	\$4,847	17.7%	\$32,124
Jul 24	\$28,200	\$15,651	55.5%	\$5,154	18.3%	\$34,303
Aug 24	\$28,510	\$15,966	56.0%	\$5,330	18.7%	\$36,997
Sep 24	\$26,130	\$14,763	56.5%	\$4,363	16.7%	\$37,044
Oct 24	\$29,860	\$16,423	55.0%	\$6,027	20.2%	\$40,735
Nov 24	\$33,460	\$17,901	53.5%	\$7,484	22.4%	\$44,216
Dec 24	\$35,550	\$18,486	52.0%	\$7,901	22.2%	\$47,827
Jan 25	\$39,260	\$20,612	52.5%	\$9,541	24.3%	\$52,497
Feb 25	\$37,640	\$19,949	53.0%	\$9,025	24.0%	\$54,905
Mar 25	\$31,920	\$17,556	55.0%	\$6,559	20.6%	\$57,082
Apr 25	\$28,870	\$16,312	56.5%	\$5,120	17.7%	\$58,496
May 25	\$28,690	\$16,353	57.0%	\$5,407	18.9%	\$61,370
Jun 25	\$31,740	\$17,774	56.0%	\$6,466	20.4%	\$63,053
Jul 25	\$32,620	\$18,104	55.5%	\$7,089	21.7%	\$67,004
Aug 25	\$31,550	\$17,668	56.0%	\$6,748	21.4%	\$69,418
Sep 25	\$31,110	\$17,577	56.5%	\$6,464	20.8%	\$72,251
Oct 25	\$32,390	\$17,814	55.0%	\$6,643	20.5%	\$74,704
Nov 25	\$39,430	\$21,095	53.5%	\$10,032	25.4%	\$80,801
Dec 25	\$40,210	\$20,909	52.0%	\$9,954	24.8%	\$83,312

This report was prepared using illustrative sample data for demonstration purposes and does not represent an actual client engagement.