

Sainted Financial

Monthly readout | October

Sample Heating & Cooling Co.

Owner-operated HVAC contractor, 6 staff. What each line of work actually kept this month.

REVENUE \$81,000 +9.0% vs Oct last year (\$74,300)	TRUE NET \$16,050 -5.0% vs Oct last year (\$16,900)	NET MARGIN 19.8% was 22.7% last October
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Busier than last year, but kept less. Here's where.

LINE OF WORK	REVENUE	TRUE NET	MARGIN	SHARE OF NET
Installs	\$48,200	\$7,950	16.5%	50%
Service calls	\$21,600	\$6,900	31.9%	43%
Maintenance plans	\$6,400	\$1,790	28.0%	11%
Duct cleaning (losing money)	\$4,800	-\$590	-12.3%	-4%
Total	\$81,000	\$16,050	19.8%	100%

True net = revenue minus parts and equipment, direct labour, card and financing fees, and other job costs (fuel, permits, returns).

Where the money is leaking, and how to fix it

Equipment costs rose faster than install prices.

Equipment was 56.8% of install revenue, up from 52.1% last October.

Fix: quote the same units from a second distributor. Back to 52% saves about \$2,300/month.

Card and financing fees crept up.

Fees were 3.0% of revenue, up from 2.3%, and the processor rate went up in June.

Fix: move to a cheaper flat-rate card processor. Back to 2.3% saves about \$570/month.

Paying for two scheduling apps that do the same job.

\$480/month on two tools that overlap; either one alone covers dispatch and invoicing.

Fix: keep one tool, same features for less. Cancelling the other saves about \$240/month.

Duct cleaning loses money on every job.

About 14 jobs at \$343 each, but each costs about \$385 to do.

Fix: raise it to \$395+, or fold it into maintenance plans. Stops a loss of about \$590/month.

IF YOU ACT ON ALL FOUR

About \$3,700 more kept each month, roughly \$44,000 a year. Same work, same quality.