

# Kehoe & Co. - 2007 Annual Landscape Industry Report

## Average Findings for Co's with: Sales of \$1,000,000 to \$3,000,000

### Report Criteria:

- Reporting Period: Fiscal-Year-End 2006
- All figures reported in actual US dollars.
- Reported sums may not add due to averaging and rounding.

INCOME STATEMENT - FYE 2006	Landscape Construction	% of Sales	Landscape Desig Build	% of Sales	Grounds Maintenance	% of Sales
<b>REVENUES</b>						
Total Revenue	\$ 1,749,000	100.0%	\$ 1,527,516	100.0%	\$ 1,687,923	100.0%
<b>DIRECT COSTS</b>						
Job Materials	435,500	24.9%	402,791	26.4%	239,984	14.2%
Subcontractors	183,250	10.5%	148,485	9.7%	61,278	3.6%
Direct Labor Wages & Salaries - Foremen & Laborers	268,700	15.4%	290,072	19.0%	506,369	30.0%
Direct Labor Payroll Taxes	37,125	2.1%	60,393	4.0%	81,724	4.8%
<b>Total Direct Costs</b>	<b>924,575</b>	<b>52.9%</b>	<b>901,742</b>	<b>59.0%</b>	<b>889,356</b>	<b>52.7%</b>
<b>INDIRECT COSTS</b>						
Production Supervisor Salaries Including Payroll Taxes	254,600	14.6%	62,993	4.1%	85,784	5.1%
Mechanic Wages & Salaries Including Payroll Taxes	46,000	2.6%	13,179	0.9%	25,898	1.5%
Equipment Repairs, Equip. Leases, Fuel, & Depreciation	72,450	4.1%	76,285	5.0%	101,208	6.0%
Vehicle Insurance, License, & Registration	6,500	0.4%	34,480	2.3%	22,879	1.4%
Small Tools & Job Supplies	17,050	1.0%	18,801	1.2%	12,436	0.7%
Trash Fees, Dumping Fees, & Uniforms	8,250	0.5%	11,372	0.7%	12,316	0.7%
<b>Total Indirect Costs</b>	<b>404,850</b>	<b>23.1%</b>	<b>217,110</b>	<b>14.2%</b>	<b>260,522</b>	<b>15.4%</b>
<b>TOTAL COST OF SALES</b>	<b>1,329,425</b>	<b>76.0%</b>	<b>1,118,851</b>	<b>73.2%</b>	<b>1,149,878</b>	<b>68.1%</b>
<b>GROSS MARGIN</b>	<b>419,575</b>	<b>24.0%</b>	<b>408,665</b>	<b>26.8%</b>	<b>538,045</b>	<b>31.9%</b>
<b>SELLING, GENERAL, &amp; ADMINISTRATIVE COSTS - SG&amp;A</b>						
Advertising & Marketing	16,000	0.9%	20,669	1.4%	36,065	2.1%
Insurance - Including Workers' Comp	34,400	2.0%	44,471	2.9%	57,291	3.4%
Office Expense - Including Computers & Supplies	7,000	0.4%	13,343	0.9%	14,843	0.9%
Rent and/or Facility Lease	32,750	1.9%	28,605	1.9%	32,637	1.9%
Professional Services	13,650	0.8%	9,444	0.6%	8,616	0.5%
Phone & Utilities - Including Cell Phone	24,550	1.4%	11,254	0.7%	14,993	0.9%
Interest Expense	20,900	1.2%	30,801	2.0%	17,110	1.0%
All Other Misc. Expenses - Dues, Travel, Education, etc.	22,000	1.3%	24,179	1.6%	14,299	0.8%
Salaries - Sales & Designers Including Payroll Taxes	51,000	2.9%	45,812	3.0%	62,695	3.7%
Salaries - Office & Admin Staff Including Payroll Taxes	85,850	4.9%	101,972	6.7%	149,811	8.9%
<b>Total SG&amp;A Costs</b>	<b>308,100</b>	<b>17.6%</b>	<b>330,550</b>	<b>21.6%</b>	<b>408,360</b>	<b>24.2%</b>
<b>NET PROFIT (Calculated)</b>	<b>111,475</b>	<b>6.4%</b>	<b>78,115</b>	<b>5.1%</b>	<b>129,685</b>	<b>7.7%</b>

ASSETS - As of Fiscal-Year-End 2006	Landscape Construction	% of Assets	Landscape Desig Build	% of Assets	Grounds Maintenance	% of Assets
Accounts Receivable	151,000	112.7%	241,808	38.6%	266,986	37.3%
Equipment (Net Depreciation)	121,500	90.7%	246,326	39.3%	278,808	39.0%
Estimated New Equipment Purchases for 2007	32,000	23.9%	46,741	7.5%	72,073	10.1%
<b>Total Assets (Reported)</b>	<b>134,000</b>	<b>100.0%</b>	<b>626,517</b>	<b>100.0%</b>	<b>715,538</b>	<b>100.0%</b>
<b>RATIO ANALYSIS</b>						
Asset Turnover	13.1	-	2.4	-	2.4	-
Equipment Turnover	14.4	-	6.2	-	6.1	-

AVERAGE STAFFING LEVELS	Landscape Construction	Landscape Desig Build	Grounds Maintenance
Sales & Estimators	1.3	1.0	1.6
Designers	0.6	0.9	0.5
Production, Operations Mngt, Facilities, & Purchasing	2.5	2.2	2.9
Project & Account Managers	1.0	1.3	1.5
Shop & Mechanic Staff	0.5	0.4	0.9
Accounting, Admin, & Human Resources Staff	1.0	1.1	1.1
<b>Average Total Employees</b>	<b>6.9</b>	<b>6.9</b>	<b>8.5</b>