

# Kehoe & Co. - 2007 Annual Landscape Industry Report

## Average Findings for Co's with: Sales More Than \$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.

<b>INCOME STATEMENT - FYE 2006</b>	<b>Landscape Construction</b>		<b>Landscape Desig Build</b>		<b>Grounds Maintenance</b>	
	<b>% of Sales</b>		<b>% of Sales</b>		<b>% of Sales</b>	
<b>REVENUES</b>						
Total Revenue	\$ 9,972,900	100.0%	\$ 3,592,000	100.0%	\$ 10,010,151	100.0%
<b>DIRECT COSTS</b>						
Job Materials	3,137,713	31.5%	925,333	25.8%	1,286,486	12.9%
Subcontractors	728,849	7.3%	559,000	15.6%	437,409	4.4%
Direct Labor Wages & Salaries - Foremen & Laborers	2,276,410	22.8%	630,000	17.5%	3,149,776	31.5%
Direct Labor Payroll Taxes	377,127	3.8%	45,000	1.3%	371,836	3.7%
<b>Total Direct Costs</b>	<b>6,520,099</b>	<b>65.4%</b>	<b>2,159,333</b>	<b>60.1%</b>	<b>5,245,507</b>	<b>52.4%</b>
<b>INDIRECT COSTS</b>						
Production Supervisor Salaries Including Payroll Taxes	443,499	4.4%	167,333	4.7%	481,287	4.8%
Mechanic Wages & Salaries Including Payroll Taxes	187,384	1.9%	33,500	0.9%	92,871	0.9%
Equipment Repairs, Equip. Leases, Fuel, & Depreciation	572,324	5.7%	101,667	2.8%	970,662	9.7%
Vehicle Insurance, License, & Registration	62,930	0.6%	15,500	0.4%	118,561	1.2%
Small Tools & Job Supplies	86,373	0.9%	15,833	0.4%	159,203	1.6%
Trash Fees, Dumping Fees, & Uniforms	35,110	0.4%	25,000	0.7%	93,054	0.9%
<b>Total Indirect Costs</b>	<b>1,387,620</b>	<b>13.9%</b>	<b>358,833</b>	<b>10.0%</b>	<b>1,915,638</b>	<b>19.1%</b>
<b>TOTAL COST OF SALES</b>	<b>7,907,719</b>	<b>79.3%</b>	<b>2,518,167</b>	<b>70.1%</b>	<b>7,161,145</b>	<b>71.5%</b>
<b>GROSS MARGIN</b>	<b>2,065,181</b>	<b>20.7%</b>	<b>1,073,833</b>	<b>29.9%</b>	<b>2,849,005</b>	<b>28.5%</b>
<b>SELLING, GENERAL, &amp; ADMINISTRATIVE COSTS - SG&amp;A</b>						
Advertising & Marketing	42,823	0.4%	34,667	1.0%	104,931	1.0%
Insurance - Including Workers' Comp	171,876	1.7%	57,000	1.6%	330,925	3.3%
Office Expense - Including Computers & Supplies	45,222	0.5%	62,333	1.7%	82,440	0.8%
Rent and/or Facility Lease	115,609	1.2%	94,000	2.6%	220,895	2.2%
Professional Services	39,068	0.4%	12,267	0.3%	76,137	0.8%
Phone & Utilities - Including Cell Phone	46,480	0.5%	19,733	0.5%	97,771	1.0%
Interest Expense	43,915	0.4%	38,167	1.1%	82,446	0.8%
All Other Misc. Expenses - Dues, Travel, Education, etc.	109,131	1.1%	46,000	1.3%	157,439	1.6%
Salaries - Sales & Designers Including Payroll Taxes	362,142	3.6%	84,000	2.3%	230,601	2.3%
Salaries - Office & Admin Staff Including Payroll Taxes	305,647	3.1%	475,500	13.2%	524,624	5.2%
<b>Total SG&amp;A Costs</b>	<b>1,281,913</b>	<b>12.9%</b>	<b>923,667</b>	<b>25.7%</b>	<b>1,908,210</b>	<b>19.1%</b>
<b>NET PROFIT (Calculated)</b>	<b>783,268</b>	<b>7.9%</b>	<b>150,167</b>	<b>4.2%</b>	<b>940,796</b>	<b>9.4%</b>

<b>ASSETS - As of Fiscal-Year-End 2006</b>	<b>Landscape Construction</b>		<b>Landscape Desig Build</b>		<b>Grounds Maintenance</b>	
	<b>% of Assets</b>		<b>% of Assets</b>		<b>% of Assets</b>	
Accounts Receivable	1,856,953	29.5%	590,027	41.9%	666,511	26.6%
Equipment (Net Depreciation)	499,505	7.9%	379,000	26.9%	1,311,246	52.3%
Estimated New Equipment Purchases for 2007	471,600	7.5%	92,500	6.6%	339,318	13.5%
<b>Total Assets (Reported)</b>	<b>6,292,966</b>	<b>100.0%</b>	<b>1,408,000</b>	<b>100.0%</b>	<b>2,508,080</b>	<b>100.0%</b>
<b>RATIO ANALYSIS</b>						
Asset Turnover	1.6	-	2.6	-	4.0	-
Equipment Turnover	20.0	-	9.5	-	7.6	-

<b>AVERAGE STAFFING LEVELS</b>	<b>Landscape Construction</b>		<b>Landscape Desig Build</b>		<b>Grounds Maintenance</b>	
Sales & Estimators	2.8		1.8		5.0	
Designers	2.1		1.4		0.8	
Production, Operations Mngt, Facilities, & Purchasing	5.4		1.6		10.1	
Project & Account Managers	3.4		2.3		9.2	
Shop & Mechanic Staff	1.8		0.8		3.7	
Accounting, Admin, & Human Resources Staff	2.7		1.5		5.0	
<b>Average Total Employees</b>	<b>18.1</b>		<b>9.3</b>		<b>33.8</b>	