



**BREAKTHROUGH**  
— ACADEMY —

**FINANCIAL SECRETS OF 7-FIGURE CONTRACTORS:**  
**PREDICT THE FUTURE WITH**  
**YOUR ANNUAL BUDGET**

# BREAKTHROUGH ACADEMY

## BUDGET (EXAMPLE)

### Last Fiscal Year (Actual)

#### Revenue

Commercial	\$ 1,873,856.00
Residential	\$ 227,450.00
Maintenance	\$ 398,694.00

#### Cumulative Revenue Produced

\$ 2,500,000.00
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#### Revenue Produced

\$ 2,500,000.00
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#### Variable Expenses

Staff Labour (incl Burdens)	\$ 956,050.00	38.2%
Subs	\$ 255,585.50	10.2%
Materials	\$ 337,807.50	13.5%
Rental Fees, Dump, Delivery	\$ 53,075.00	2.1%

#### Total Variable Expenses

\$ 1,602,518.00	64.1%	\$ 1,602,518.00
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#### Variable Expenses

If you'd like to change your expenses to match a P&L statement you can do so using column A (below)

#### Gross Profit

\$ 897,482.00
35.90%

#### Fixed Expenses

##### Vehicle Expenses

Vehicle	\$ 37,668.00	1.5%
Vehicle Fuel	\$ 26,542.00	1.1%
Vehicle Insurance	\$ 20,560.00	0.8%
Vehicle Repair + Maintenance	\$ 12,864.00	0.5%
Parking	\$ 5,464.00	0.2%

##### Operational Expenses

Management Staff Salary and Bonuses	\$ 262,876.00	10.1%
Bank Charges	\$ 698.00	0.0%
Interest	\$ 1,392.00	0.1%
Miscellaneous (incl Damages)	\$ 7,234.00	0.3%
Liability Insurance	\$ 4,784.00	0.2%
Bookkeeping	\$ 3,892.00	0.2%
Payroll Processing	\$ 1,784.00	0.1%
Professional Fees (Legal, Accounting)	\$ 1,482.00	0.1%
Consulting and Development	\$ 10,500.00	0.4%
Home Office	\$ 4,382.00	0.2%
Utilities	\$ 1,291.00	0.1%
Office Supplies	\$ 593.00	0.0%
Meals and Entertainment	\$ 6,784.00	0.3%
Business License	\$ 254.00	0.0%
Recruitment	\$ 644.00	0.0%
Amortization (CCA)	\$ 1,938.00	0.1%
Equipment	\$ 23,946.00	1.0%
Equipment Repair & Maintenance	\$ 4,766.00	0.2%
Production Incentives	\$ 3,456.00	0.1%
Cell Phone	\$ 7,056.00	0.3%
Technology	\$ 5,382.00	0.2%

#### Revenue

Commercial	
Residential	
Maintenance	

#### Cumulative Revenue P

#### Variable Expenses

Staff Labour (incl Burd	
Subs	
Materials	
Rental Fees, Dump, Del	

#### Total Variable Expense

#### Fixed Expenses

##### Vehicle Expenses

Vehicle	
Vehicle Fuel	
Vehicle Insurance	
Vehicle Repair + Mainte	
Parking	

##### Operational Expenses

Management Staff Sal	
Bank Charges	
Interest	
Miscellaneous (incl Dan	
Liability Insurance	
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Professional Fees (Leg	
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Recruitment	
Amortization (CCA)	
Equipment	
Equipment Repair & Ma	
Production Incentives	
Cell Phone	
Technology	





## PURPOSE & OUTCOMES

### Purpose:


- To share Breakthrough Academy's industry-proven Budget Tool

### Outcomes:

- You understand how to use historical data to predict future results and build an accurate annual budget
- You leave with the direction and templates needed to increase net profit



## AGENDA

- Annual Budgeting 101 
- Industry Benchmarks
- 3 Profit Killers
- Implementing Change





**CHECK-IN**

**WHY IS STAYING ON TOP OF  
YOUR NUMBERS SO HARD?**

**CHAT BOX**



## BUT DID YOU KNOW...

**75%**

of Contractors  
don't have a  
Budget

**-2% to 4%**

is the average  
Net Profit in  
Contracting







We know our numbers; sort of.  
We have some tracking and a  
rough sense. Def. needs work.



We ask the accountant  
once a year and hope it's a  
good conversation.

**CHAT BOX**

We're at CFO-level. We look at our  
financial dashboards weekly and  
know the budget down to the cent.

**“ NOW WE KNOW OUR NUMBERS INSIDE-OUT.  
WE KNOW WHY WE ARE DOING EVERY-  
THING; WE CAN PRESENT THIS TO THE  
TEAM SO THEY CAN UNDERSTAND  
WHY WE'RE DOING THE THINGS  
WE'RE DOING.THE BUY-IN IT'S  
CREATED WITH OUR STAFF HAS  
BEEN HUGE.**

**JANELLE & COOPER LEARY**

OWNERS, CLS LANDSCAPE SUPPLY

BTA MEMBERS SINCE FEBRUARY 2020

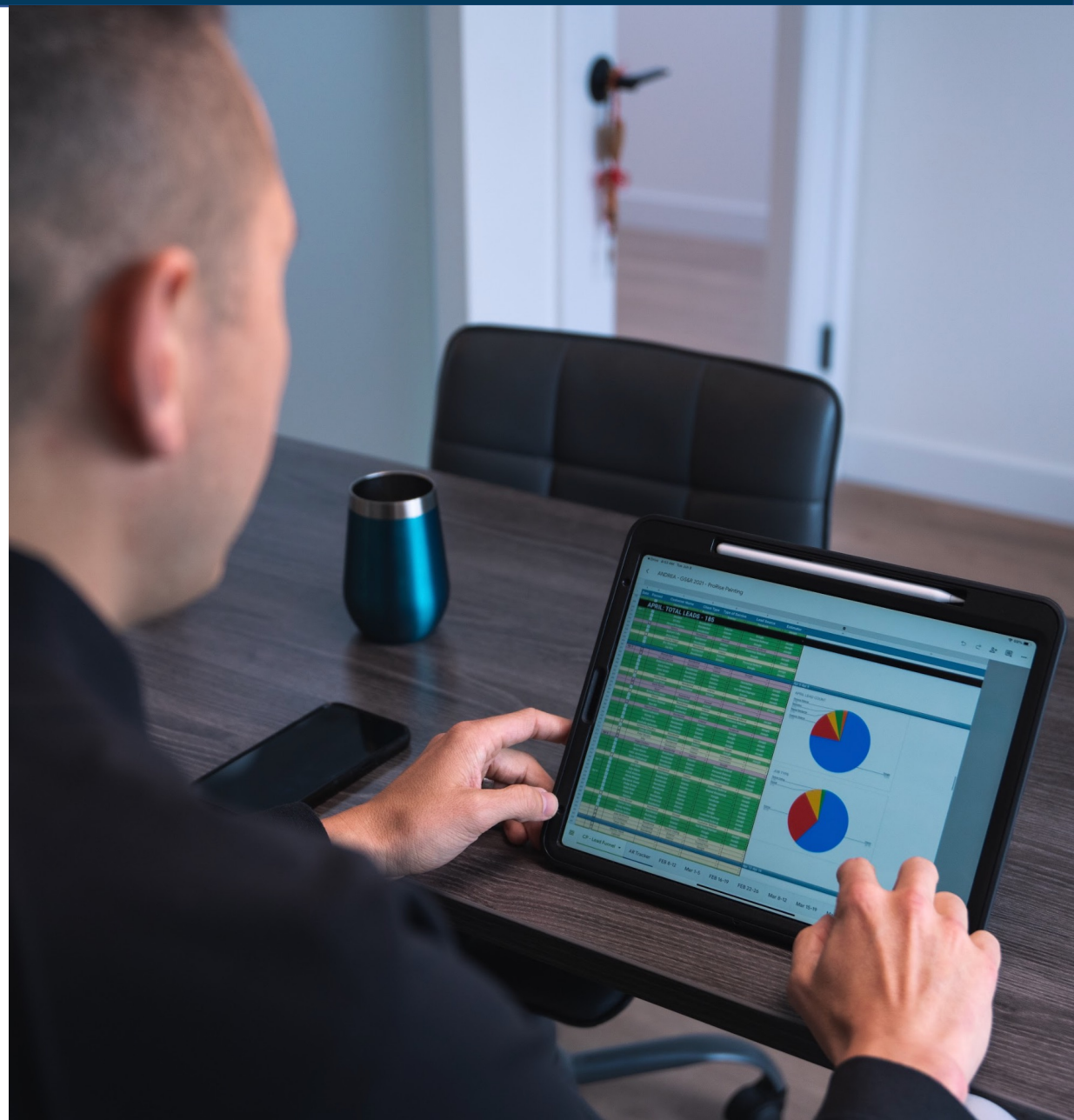




## ANNUAL BUDGETING 101


### Use our Contractor Budget Quick Tool to:

- Understand last year's results
- Translate last year's results into next years budget
- Organize your Chart Of Accounts (COA) in a way that facilitates decision making





# CONTRACTOR QUICK TOOLS

BY  BREAKTHROUGH ACADEMY



## BREAKTHROUGH ACADEMY

BUDGET (EXAMPLE)					
Last Fiscal Year (Actual)					
Revenue				Revenue	
Commercial	\$	1,873,856.00		Commercial	
Residential	\$	227,450.00		Residential	
Maintenance	\$	398,694.00		Maintenance	
Cumulative Revenue Produced		\$ 2,500,000.00		Revenue Produced	\$ 2,500,000.00
Variable Expenses				Variable Expenses	
Staff Labour (incl Burdens)	\$	956,050.00	38.2%	Staff Labour (incl Burdens)	
Subs	\$	255,585.50	10.2%	Subs	
Materials	\$	337,807.50	13.5%	Materials	
Rental Fees, Dump, Delivery	\$	53,075.00	2.1%	Rental Fees, Dump, Del	
Total Variable Expenses		\$ 1,602,518.00	64.1%	Variable Expenses	\$ 1,602,518.00
If you'd like to change your expenses to match a P&L statement you can do so using column A (below)				Gross Profit	
				\$ 897,482.00	
				35.90%	
Fixed Expenses				Fixed Expenses	
Vehicle Expenses				Vehicle Expenses	
Vehicle	\$	37,658.00	1.5%	Vehicle	
Vehicle Fuel	\$	26,542.00	1.1%	Vehicle Fuel	
Vehicle Insurance	\$	20,560.00	0.8%	Vehicle Insurance	
Vehicle Repair + Maintenance	\$	12,864.00	0.5%	Vehicle Repair + Mainte	
Parking	\$	5,464.00	0.2%	Parking	
Operational Expenses				Operational Expenses	
Management Staff Salary and Bonuses	\$	252,876.00	10.1%	Management Staff Sal	
Bank Charges	\$	698.00	0.0%	Bank Charges	
Interest	\$	1,392.00	0.1%	Interest	
Miscellaneous (incl Damages)	\$	7,234.00	0.3%	Miscellaneous (incl Dan	
Liability Insurance	\$	4,784.00	0.2%	Liability Insurance	
Bookkeeping	\$	3,892.00	0.2%	Bookkeeping	
Payroll Processing	\$	1,784.00	0.1%	Payroll Processing	



# INDUSTRY BENCHMARKS



## INDUSTRY BENCHMARKS

### PLUMBING / ELECTRICAL

#### CONSTRUCTION

Gross Profit	Exceptional	$\geq 45\%$
	Solid	40 – 45%
	Needs Work	$\leq 40\%$
Net Profit	Exceptional	$\geq 18\%$
	Solid	12 – 18%
	Needs Work	$\leq 12\%$

#### SERVICE

Gross Profit	Exceptional	$\geq 60\%$
	Solid	50 – 60%
	Needs Work	$\leq 50\%$
Net Profit	Exceptional	$\geq 20\%$
	Solid	10 – 20%
	Needs Work	$\leq 10\%$

REMEMBER: INDUSTRY AVG. IS -2 – 4 % NP 😞





## INDUSTRY BENCHMARKS

### PAINTING

RESIDENTIAL		
Gross Profit	Exceptional	47 – 50%
	Solid	42 – 47%
	Needs Work	≤ 40%
Net Profit	Exceptional	≥ 20%
	Solid	15 – 20%
	Needs Work	≤ 15%

COMMERCIAL		
Gross Profit	Exceptional	47 – 50%
	Solid	42 – 47%
	Needs Work	≤ 40%
Net Profit	Exceptional	≥ 20%
	Solid	12 – 15%
	Needs Work	≤ 12%

REMEMBER: INDUSTRY AVG. IS -2 – 4 % NP 🤔



## INDUSTRY BENCHMARKS

### LANDSCAPING

#### CONSTRUCTION

Gross Profit	Exceptional	$\geq 40\%$
	Solid	34 – 37%
	Needs Work	$\leq 30\%$
Net Profit	Exceptional	$\geq 20\%$
	Solid	15 – 20%
	Needs Work	$\leq 10\%$

#### MAINTENANCE

Gross Profit	Exceptional	$\geq 55\%$
	Solid	45 – 47%
	Needs Work	$\leq 40\%$
Net Profit	Exceptional	$\geq 18\%$
	Solid	12 – 16%
	Needs Work	$\leq 10\%$

REMEMBER: INDUSTRY AVG. IS -2 – 4 % NP 😞



## INDUSTRY BENCHMARKS

### REMODELLERS & RENOVATORS

#### REMODELLERS/RENOVATORS

Gross Profit	Exceptional	$\geq 40\%$
	Solid	30 – 35%
	Needs Work	$\leq 25\%$
Net Profit	Exceptional	$\geq 15\%$
	Solid	8 – 12%
	Needs Work	$\leq 6\%$

REMEMBER: INDUSTRY AVG. IS -2 – 4 % NP 😞







# 3 PROFIT KILLERS

# 1 OVERHEAD EFFICIENCY

**Calculated as % of revenue spent on fixed expenses.**

- How much revenue can you cram through your overhead?
- How consistently can you hit monthly invoicing targets?
- How much ROI do you get out of your managerial roles (i.e. non-jobsite staff)?







## 2 MATERIALS

### Two kinds of companies:

- Those who pass on risings costs to the client
- Those caught holding the bag

### Practical steps:

- Update Terms and Conditions in your contract
- Shop your business around





### 3 SHINY OBJECTS





## 3 SHINY OBJECTS

### CAPITAL INVESTMENTS

- Strategically planned and budgeted for months or years out
- Measurable ROI is calculated in advance
- Require careful consideration and research
- Necessary investment which directly facilitates organizational growth



know the  
difference

### SHINY OBJECTS

- No ROI, not need to have
- Purchased for short-term annual budget
- An investment you can't realize to your benefit because it is essentially a "business expense"
- Short term gain, long term pain





## KEEP YOUR EYES ON:

1 OVERHEAD EFFICIENCY

2 MATERIALS

3 SHINY OBJECTS

... SO THAT YOU DON'T END UP 🤔😡💣😳🤢



The background of the image is a dark blue gradient. Overlaid on this background is a faint, high-contrast image of a ruler and a pen. The ruler is positioned diagonally from the bottom left towards the top right. It has markings in both inches and centimeters. A pen, likely a ballpoint pen, is positioned diagonally from the top right towards the bottom left, crossing the ruler. The pen is dark in color with a lighter-colored tip. The overall aesthetic is professional and minimalist.

“

**WHAT GETS MEASURED,  
GETS MANAGED.**

PETER DRUCKER



# TRANSFER OUT WHAT WAS YOUR BIGGEST TAKEAWAY TODAY?

WHAT WILL YOU DO?



FREE RESOURCES



BUDGET									
Last Fiscal Year					This Fiscal Year (Budget)				
Revenue					Revenue				
Residential					Residential				
Maintenance					Maintenance				
Commercial					Commercial				
Cumulative Revenue Produced					Cumulative Revenue Produced				
Variable Expenses					Variable Expenses				
Staff Labour (incl Burdens)					Staff Labour (incl Burdens)				
Subs					Subs				
Materials					Materials				
Rental Fees, Dump, Delivery					Rental Fees, Dump, Delivery				
Misc					Misc				
Total Variable Expenses					Total Variable Expenses				
Gross Profit					Gross Profit				
Fixed Expenses					Fixed Expenses				
Vehicle Expenses					Vehicle Expenses				
Vehicle					Vehicle				



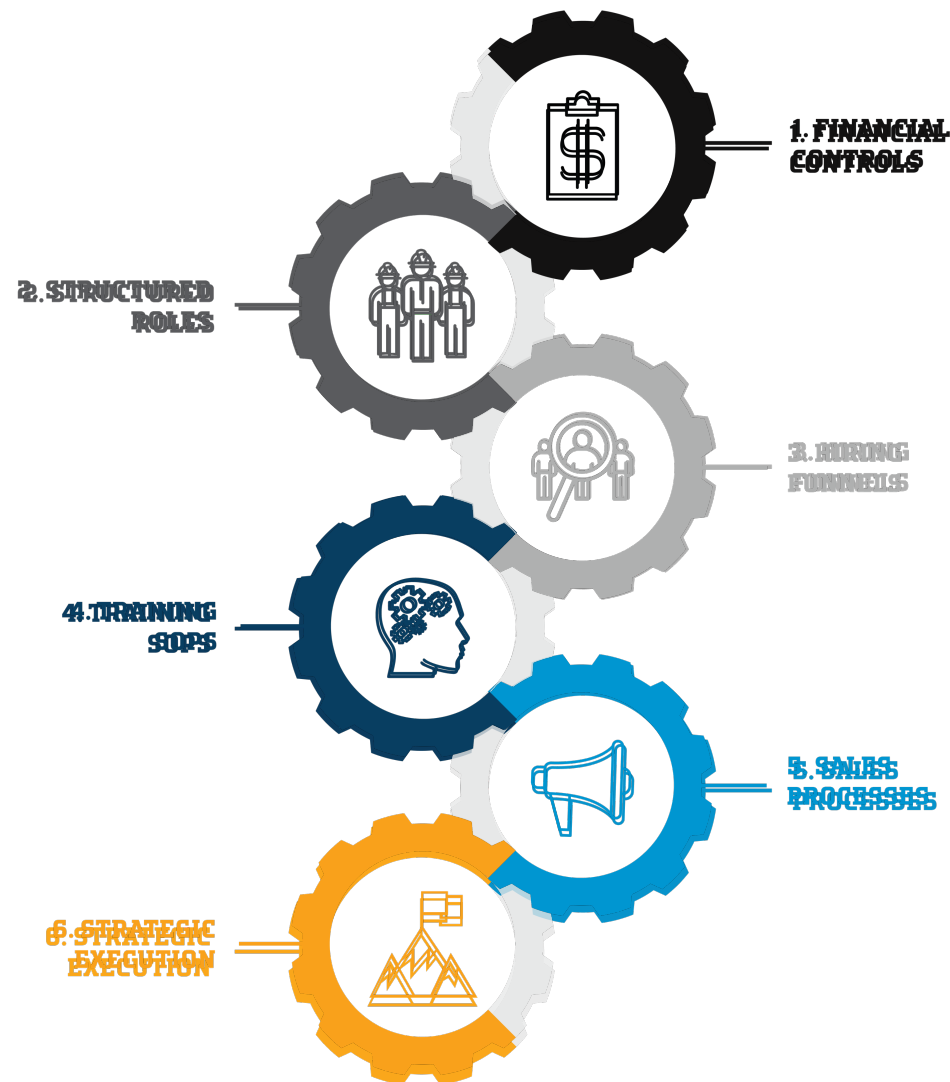


## Introducing the



**BREAKTHROUGH  
ACADEMY**

## Systems Stack ®





## WE WORK WITH SOME COOL COMPANIES

### HOME SERVICES:



### LANDSCAPING:



### PAINTING:



### SUB-TRADES:



### CONSTRUCTION:



### ROOFING:





## RESULTS

**\$1.5B**

Cumulative  
Member  
Revenue

**26%**

Revenue increase  
after 12 months  
in the program

**43%**

Net Profit increase  
after 12 months  
in the program  
\$92,870





# WHO WE WORK WITH

Breakthrough Academy benefits a specific kind of entrepreneur.

## THIS PROGRAM IS FOR YOU IF YOU:

- Own a contracting business
- Do between \$1M - \$15M revenue per year
- Have been in business 2+ years
- Have a strong desire to grow

## AND ARE LOOKING TO:

- Build a fully systemized company
- Develop as a leader
- Mastermind with high performing industry peers
- Be challenged and held accountable
- Professionalize your industry





## NEXT STEPS

### BOOK A **STRATEGY** **SESSION**

- ☒ I.D. Your Challenges
- ☒ Get Specific Advice
- ☒ Learn How We Help

### GET YOUR FREE **TEMPLATES**

- ☒ Budget Guide
- ☒ Budget Tool



DOWNLOAD RESOURCES

[\*\*TRYBTA.COM/PD\*\*](https://trybta.com/pd)

First Name \*

Last Name \*

Company Name \*

Are you the business owner? \*

Select One

Industry \*

Select One

Annual Revenue \*

Select One

Email \*

Phone Number \*

My preferred follow up is: \*



Send me the templates and let's talk about how you can help my business.



I just want the templates right now, thanks.


**SEND ME MY TEMPLATES**



# BREAKTHROUGH ACADEMY





9:45  
Camera



**DOWNLOAD YOUR FREE  
RESOURCES FOR:**

HOW TO BUDGET & BOOST NET  
PROFITS

**JOBBER SUMMIT**  **MAR. 1  
2023**


 **GET NOW FOR FREE**

First Name \*

Last Name \*

Company Name \*

Are you the business owner? \*

Select One 



# PODCAST: CONTRACTOR EVOLUTION

