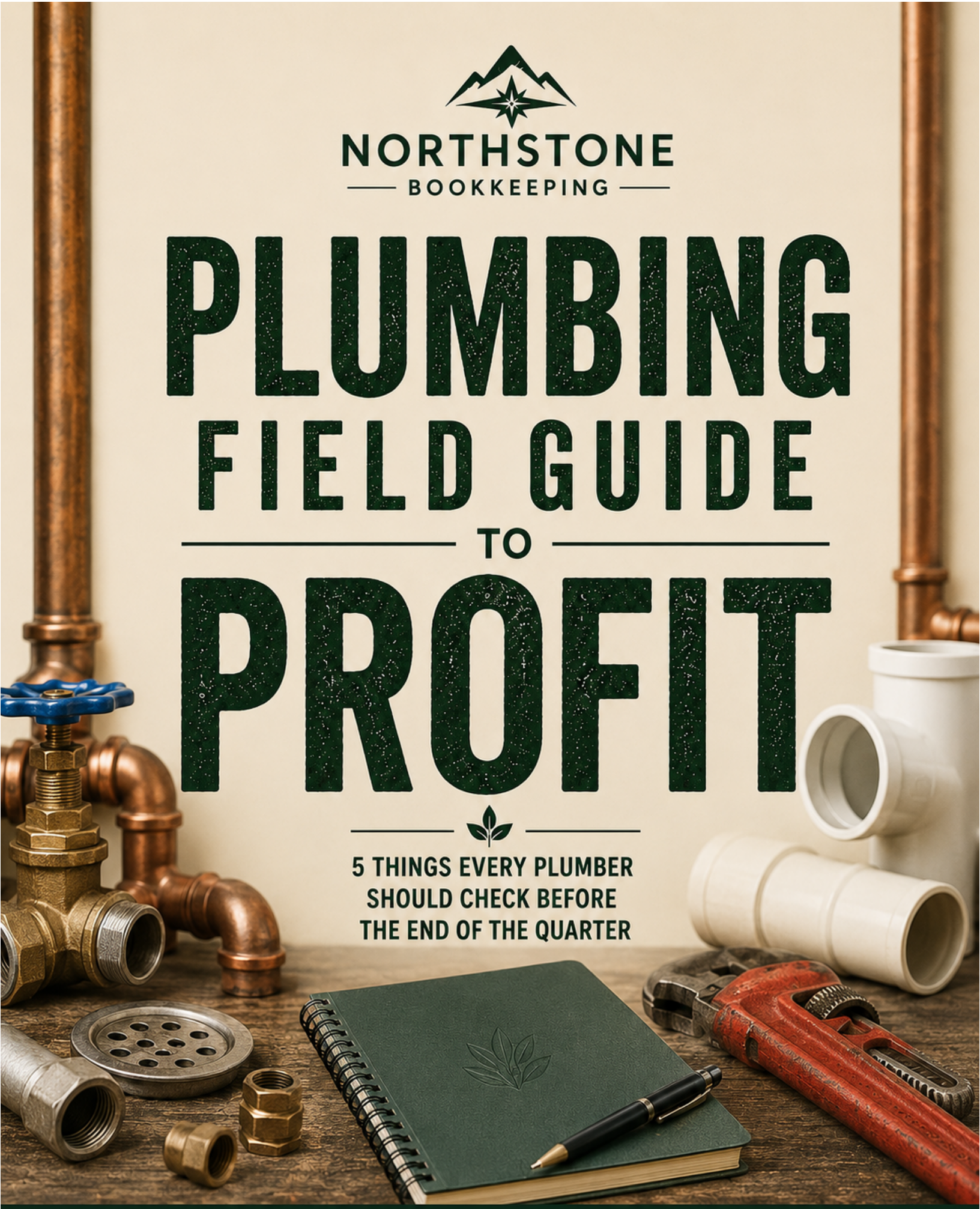
NORTHSTONE
BOOKKEEPING

PLUMBING FIELD GUIDE TO PROFIT

5 THINGS EVERY PLUMBER SHOULD CHECK BEFORE THE END OF THE QUARTER



UNDERSTAND YOUR NUMBERS. GROW YOUR BUSINESS.

01 DO YOU KNOW WHICH PLUMBING JOBS ACTUALLY MAKE MONEY?

Two plumbing jobs can bring in similar revenue and produce completely different profits.

One may be completed quickly with predictable labor and material costs. Another may require additional technician hours, unexpected parts, or a second trip to finish the work. If you're only looking at the invoice total, those differences can disappear.

QUICK CHECK

Pick three recently completed plumbing jobs.

Can you identify each of these for every job?

☐ Total job revenue
☐ Labor hours and labor cost
☐ Parts and material costs
☐ Equipment and subcontractor costs
☐ Gross profit

YOUR SCORE: ___ / 5

HOW TO SCORE THIS CHECK

Look at three plumbing jobs completed in the last 30 days. Your job-costing report is the best place to start, but you may also find this information in technician time records, invoices, supplier receipts, purchase orders, or your accounting software.

Check the box **only if you can confidently identify that number for each job.** If costs are lumped together, parts aren't assigned to individual jobs, or you're relying on what you expected the job to cost instead of what it actually cost, leave it blank.

The goal isn't to get a perfect score. It's to find out how clearly you can see what each job actually earned.

02 ARE PARTS AND MATERIALS DISAPPEARING INTO OVERHEAD?

Pipe, fittings, valves, fixtures, connectors, sealants, and other plumbing materials add up fast.

When those purchases get lumped into general supplies—or disappear into truck inventory—it becomes difficult to see what each job actually costs. A service call can look profitable on paper while untracked parts and materials quietly eat away at the margin.

QUICK CHECK

Review your parts and material purchases from the last 30 days.

Can you identify:

☐ Parts purchased for specific jobs
☐ Materials pulled from truck stock
☐ Fixtures and specialty components
☐ Returns and supplier credits
☐ Total material cost by job

YOUR SCORE: ___ / 5

Then compare those costs to the jobs or technicians actually using the materials.

You don't need a perfect inventory system. The goal is to find costs that are currently invisible when you look at job profitability.

HOW TO SCORE THIS CHECK

Review your parts and material purchases from the last 30 days. Start with your accounting software or expense reports, then use supplier invoices, receipts, purchase orders, and job records to fill in any gaps.

Check the box **only if you can clearly identify the cost and connect it to the job using it.** If materials disappear into truck stock, purchases are buried in a general category like "Supplies," or you can't tell which job ultimately used them, leave it blank.

You're testing whether your material costs are visible enough to understand what your work actually costs.

03 ARE SECOND TRIPS EATING INTO YOUR PROFIT?

Not every plumbing job gets finished on the first visit.

A technician may need a part that isn't on the truck, discover additional work after opening a wall, or leave to pick up materials before the job can be completed.

The customer may still pay the same price—but your labor and travel costs just went up.

QUICK CHECK

Review jobs that required more than one visit in the last 30 days.

Can you identify each of these?

☐ Number of jobs requiring a second trip
☐ Additional technician labor hours
☐ Additional drive time
☐ Parts or materials that caused the return trip
☐ Final gross profit on those jobs

YOUR SCORE: ___ / 5

HOW TO SCORE THIS CHECK

Review your service and dispatch records from the last 30 days and identify jobs that required an additional visit before the original work was completed.

Then compare technician time, job notes, material purchases, invoices, and accounting records to determine what the additional trip actually cost.

Check the box **only if you can confidently identify that information for those jobs.** If second trips aren't tracked separately, drive time disappears into regular payroll, or you can't tell why another visit was required, leave it blank.

One extra trip may not seem expensive.

Repeated across dozens of jobs, **it becomes a quiet drain on your margin.**

04 ARE YOU GETTING PAID FOR ALL THE WORK YOU DO?

Plumbing jobs have a way of changing once the work begins.

A corroded fitting breaks. Another valve needs replacing. Additional pipe is required. The customer asks for one more repair while the technician is already there.

Doing the extra work may make perfect sense—but if it isn't documented and added to the invoice, your business absorbs the cost.

QUICK CHECK

Pick five recently completed plumbing jobs.

Can you identify each of these?

☐ Original quoted or approved work
☐ Additional work performed
☐ Extra labor hours
☐ Additional parts and materials
☐ Final amount actually invoiced

YOUR SCORE: ___ / 5

HOW TO SCORE THIS CHECK

Compare the original estimate, work order, or approved scope with the final invoice for each job.

Then review technician notes, time records, parts used, supplier receipts, and customer approvals for work added after the job began.

Check the box **only if you can confidently identify that information and verify that additional work made it onto the final invoice.** If technicians perform extra work without documenting it, added parts aren't connected to the job, or billing relies on someone remembering what changed, leave it blank.

You're looking for work your company paid to complete but **never got paid to perform.**

05 DO YOU KNOW YOUR CASH POSITION FOUR WEEKS FROM NOW?

A profitable plumbing company can still run out of cash.

Payroll, parts, material orders, vehicle payments, fuel, insurance, and supplier bills don't wait for customers to pay. If you're only looking at today's bank balance, you may not see a cash shortage coming until you're already in it.

Knowing what's likely to happen over the next few weeks gives you time to make decisions before cash gets tight.

QUICK CHECK

Build a simple four-week cash forecast.

Can you confidently identify each of these?

☐Cash currently available
☐Customer payments you expect to receive
☐Payroll and payroll taxes
☐Supplier, loan, and vehicle payments
☐Recurring expenses and upcoming material purchases

YOUR SCORE: ___ / 5

HOW TO SCORE THIS CHECK

Look at the next four weeks using your bank balance, open invoices, upcoming bills, payroll records, supplier balances, and accounting software.

Check the box **only if you can confidently estimate that amount and when it will affect your cash.** If you're unsure what's coming in, what's going out, or when either will happen, leave it blank.

You don't need to predict every dollar perfectly. **You're looking for the week where things might get tight.**

YOUR PROFIT VISIBILITY SCORE

Add together the scores from each of the five checks.

YOUR TOTAL SCORE: _____ / 25

21–25 ★★★★★ STRONG VISIBILITY

Your numbers are giving you a clear picture of where your profit is coming from. Keep reviewing these areas regularly as your business grows.

16–20 ★★★★ GOOD FOUNDATION

You have a solid handle on your numbers, but a few blind spots may be keeping you from seeing the whole picture.

11–15 ★★★ SOME BLIND SPOTS

Important information is missing or difficult to find. Pick your lowest-scoring area and start there.

6–10 ★★ TIME TO DIG IN

Several areas of your business are difficult to measure. Better tracking could uncover costs or profit leaks you aren't currently seeing.

0–5 ★ LET'S TALK

Your numbers may not be giving you enough information to make confident decisions.

That's fixable.

NORTHSTONE BOOKKEEPING

Understand Your Numbers. Grow Your Business.

If you'd like a second set of eyes on what you found, reach out.

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