



ClearPath

C F O A D V I S O R Y

BOOKKEEPING & FRACTIONAL CFO SERVICES

The Business Owner's Guide to Must-Use Reports



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What Can Go Wrong Without the Right Report



Detailed Scenarios of What Can Go Wrong Without Financial & Operational Reports



1. Unexpected Cash Crisis

What happens:

A business seems profitable based on sales but runs out of cash due to slow-paying clients and high fixed costs.

What went wrong:

No **Cash Flow Statement** or **AR Aging Report** to track receivables and timing of cash inflows/outflows.

Result:

Bounced payroll, emergency loans, loss of employee trust.



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Typically by
20% to 40%



2. Growing Sales But Shrinking Profits

What happens:

Revenue is up, but the owner can't figure out why profits are down.

What went wrong:

No **Departmental P&L** or **Contribution Margin Analysis** to identify loss-making products, services, or locations.

Result:

The business falls into a deeper financial hole.



3. IRS Audit or Tax Penalties

What happens:

The business files taxes based on estimates, missing key deductions or underreporting income.

What went wrong:

Lack of accurate **General Ledger**, **P&L**, and **Tax Liability Reports**.

Result:

IRS audit triggers back taxes, penalties, legal fees, and reputational damage.

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4. Failed Loan or Investment Pitch

What happens:

A promising business is denied financing because it can't provide historical performance or projections.

What went wrong:

No **Profit & Loss, Balance Sheet, Cash Flow Statement,** or **Rolling Forecasts** prepared.

Result:

Missed expansion opportunity due to poor financial documentation.



5. Inventory Overstock or Stockouts

What happens:

The business overorders slow-moving inventory and runs out of bestsellers.

What went wrong:

No **Inventory Turnover Report** or **Inventory Valuation** to guide purchasing decisions as well as **Sales Projections**.

Result:

Wasted capital, lost sales, unhappy customers.

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6. Labor Costs Quietly Erode Profits

What happens:

Wage costs creep up, but the owner doesn't realize labor is now 55% of revenue.

What went wrong:

No **Labor Cost Report** or **Payroll as % of Revenue Dashboard**.

Result:

Profit margin collapse, employee layoffs to stabilize cash flow.



7. Project Finishes at a Loss

What happens:

A construction or service project runs 25% over budget and wipes out months of profit.

What went wrong:

No **Job Costing Report** or **Project Budget vs. Actual Report** tracked during execution.

Result:

Underbilled clients, out-of-pocket expenses, and broken client trust.

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8. Pricing Is Out of Sync With Costs

What happens:

Inflation drives up supplier costs, but pricing hasn't changed in 18 months.

What went wrong:

No **Cost of Goods Sold (COGS) Trend, Product Profitability Analysis, or Contribution Margin Analysis.**

Result:

Every sale becomes a hidden loss.



9. Unprofitable Customer Ties Up Resources

What happens:

A large client brings in volume but constantly requires rework, discounts, and custom service.

What went wrong:

No Customer Profitability Report to see that this client generates negative ROI.

Result:

Staff is overworked and profitable clients receive less attention.

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10. Compliance Violation or Lawsuit

What happens:

Business fails to document financial decisions or asset purchases properly.

What went wrong:

No **Audit Trail**, **CapEx Report**, or documentation system in place.

Result:

Legal exposure, fines, and loss of contracts with regulated partners (e.g., in healthcare or government sectors).



11. Owner Burnout from Constant Emergencies

What happens:

The owner makes every decision based on gut feel and is constantly putting out fires.

What went wrong:

No reporting rhythm, no dashboards, no KPI Tracking, no delegation through clear metrics.

Result:

Burnout, stalled growth, and key employee turnover.

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Summary

Scenario	Reports that could have prevented the issue
Compliance Violation or Lawsuit	Audit Trail, Proper Documentation System
Failed Loan or Investment Pitch	Profit & Loss, Balance Sheet, Cash Flow Statement, Rolling Forecast
Growing Sales BUT Shrinking Profits	Departmental Profit & Loss, Contribution Margin Analysis
Inventory Overstock or Stockouts	Inventory Turnover Report, Inventory Valuation, Sales Projections
IRS Audit or Tax Penalties	General Ledger, Profit & Loss, Tax Liability Reports
Labor Costs Quietly Eroding Profits	Labor Cost Report, Payroll as a % of Revenue
Owner Burnout from Constant Emergencies	Regular Reporting, Dashboards, KPI Tracking
Pricing is Out of Sync with Costs	Cost of Goods Sold Trend, Product Profitability Analysis, Contribution Marging Analysis
Project Finishes at a Loss	Job Costing Report, Project Budget vs Actual Report
Unexpected Cash Crisis	Cash Flow Statement, Accounts Receivable Aging Report
Unprofitable Customer Ties Up Resources	Customer Profitability Report

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What Financial Reports Should a Business Have So They Can Manage Their Finances?





To manage finances effectively, every business should regularly prepare and review a core set of financial reports. These reports provide visibility into profitability, cash flow, and overall financial health. Here are the key financial reports your business should have:

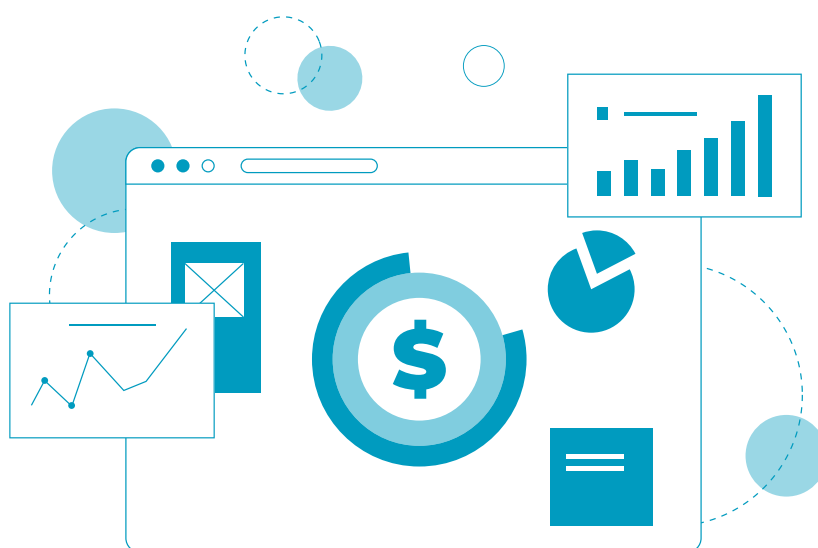
1. Profit & Loss Statement (Income Statement)

Purpose:

Shows revenues, costs, and profits over a specific period (monthly, quarterly, yearly).

Use:

Measures overall profitability of the business. Helps analyze and identify both revenue and expense trends. Tracks business performance over time. Ultimately, this is used to support strategic decision-making.



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2. Balance Sheet

Purpose:

Displays assets, liabilities, and owner's equity at a specific point in time.

Use:

Shows what the business owns and owes, helping assess financial stability and solvency.

3. Cash Flow Statement

Purpose:

Tracks inflows and outflows of cash from operating, investing, and financing activities.

Use:

Shows movement of cash from different sources. Used to support business decisions. Helps identify financial risks.

4. Accounts Receivable Aging Report

Purpose:

Lists unpaid customer invoices by age.

Use:

Helps manage collections and cash flow.

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5. Accounts Payable Aging Report

Purpose:

Lists what the business owes to vendors by due date.

Use:

Supports timely payments and prevents late fees.

6. Budget vs. Actual Report

Purpose:

Compares actual financial results to the business's budget.

Use:

Identifies areas where spending or income deviates from expectations. Overall, used as a guide for objectives and goals.

7. Break-Even Analysis

Purpose:

Shows the sales volume needed to cover costs.

Use:

Identifies the ongoing burn rate and total monthly fixed costs.

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8. Tax Liability Report

Purpose:

Outlines both current and projected tax obligations, including sales, payroll, and income taxes.

Use:

Ensures compliance and avoids penalties.



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Sample Reports (Basic):

Profit & Loss Statement

Account	Total
> Income	\$1,003,853.88
> Cost of Goods Sold	\$702,043.52
Gross Profit	\$301,810.36
▼ Expenses	
6100 Advertising & Marketing	32,589.69
> 6200 Labor	\$95,189.85
> 6600 Fixed Overhead	\$58,173.77
> 6800 Variable Overhead	\$95,774.31
> 7000 Business Development	\$11,295.78
7500 Taxes & Licenses	5,316.42
Total for Expenses	\$298,339.82
Net Operating Income	\$3,470.54
Other Income	-
Other Expenses	-
Net Other Income	-
Net Income	\$3,470.54

Balance Sheet

Account	Total
▼ Assets	
> Current Assets	\$269,321.59
Fixed Assets	-
> Other Assets	\$1,500.00
Total for Assets	\$270,821.59
▼ Liabilities and Equity	
> Liabilities	\$51,921.09
> Equity	\$218,900.50
Total for Liabilities and Equity	\$270,821.59

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Cash Flow Statement

Full name	Total
OPERATING ACTIVITIES	
Net Income	1,766.38
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1000 Accounts Receivable	31,126.00
2110 Capital One	-782.68
Total for Adjustments to reconcile Net Income to Net Cash provided by operations:	\$30,343.32
Net cash provided by operating activities	\$32,109.70
INVESTING ACTIVITIES	-
FINANCING ACTIVITIES	
3020 Partner Distributions	-24,320.32
Net cash provided by financing activities	-\$24,320.32
NET CASH INCREASE FOR PERIOD	\$7,789.38
Cash at beginning of period	\$106,416.08
CASH AT END OF PERIOD	\$114,205.46

Accounts Receivable Aging Report

Customer	Current	1-30 Days	31-60 Days	61+ Days	Total
Client A	20,000	10,000	5,000	-	35,000
Client B	15,000	8,000	-	-	23,000
Client C	5,000	-	-	-	5,000
Client D	-	-	-	16,000	16,000
Client E	10,000	2,000	3,000	4,000	19,000
Client F	-	12,000	-	-	12,000

Accounts Payable Aging Report

Vendor	Current	1-30 Days	31-60 Days	61+ Days	Total
Supplier A	10,000	5,000	-	-	15,000
Supplier B	8,000	3,000	2,000	-	13,000
Supplier C	1,000	-	1,000	-	2,000
Supplier D	25,000	8,000	-	-	33,000

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Budget vs Actual Report

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income	\$553,036.90	\$484,254.22	\$68,782.68	114.20 %
Cost of Goods Sold	\$401,595.23	\$369,072.18	\$32,523.05	108.81 %
GROSS PROFIT	\$151,441.67	\$115,182.04	\$36,259.63	131.48 %
Expenses				
6100 Advertising & Marketing	5,244.46	30,125.00	-24,880.54	17.41 %
6200 Labor	74,694.99	88,432.50	-13,737.51	84.47 %
6600 Fixed Overhead	29,287.68	12,500.00	16,787.68	234.30 %
6800 Variable Overhead	79,563.27	68,200.00	11,363.27	116.66 %
7000 Business Development	11,045.64	9,000.00	2,045.64	122.73 %
7500 Taxes & Licenses	2,434.08		2,434.08	
Total Expenses	\$202,270.12	\$208,257.50	\$ -5,987.38	97.13 %
NET OPERATING INCOME	\$ -50,828.45	\$ -93,075.46	\$42,247.01	54.61 %
NET INCOME	\$ -50,828.45	\$ -93,075.46	\$42,247.01	54.61 %

Break-even Analysis

Item	Amount (USD)
Fixed Costs	150,000
Selling Price per Unit	1,000
Variable Cost per Unit	400
Break-even Units	250

Tax Liability Report

Tax Type	Amount (USD)
VAT Payable	15,000
Income Tax Payable	48,000
Withholding Tax	5,000
Total Tax Due	68,000

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Report	Use
Profit & Loss	Shows revenues, costs, and profits over a specific period
Balance Sheet	Displays assets, liabilities, and owner's equity at a specific point in time
Cash Flow Statement	Tracks inflows and outflows of cash from operating, investing, and financing activities
Accounts Receivable Aging	Lists unpaid customer invoices by age
Accounts Payable Aging	Lists what the business owes to vendors by due date
Budget vs Actual	Compares actual financial results to the business's budget
Break-Even Analysis	Shows the sales volume needed to cover costs.
Tax Liability Report	Outlines both current and projected tax obligations, including sales, payroll, and income taxes

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Detailed Operational Reports a Business Owner Should Consider



Once the foundational reports are in place, business owners—especially those looking to make strategic decisions—should rely on **more detailed, segmented, and management-focused reports**. These move beyond basic compliance, offering insights into optimization, forecasting, and risk management.

1. Departmental or Segment Profit & Loss Statements

Purpose:

Breaks down income and expenses by department, product line, location, or project.

Use:

Identifies which areas are most/least profitable and informs resource allocation.

2. Inventory Reports

Inventory Valuation Report:

Shows the value of current inventory by category or SKU.

Inventory Turnover Report:

Reveals how quickly inventory is sold and replaced.

Use:

Reduces carrying costs, prevents stockouts, and improves ordering efficiency. Provides understanding of the company's invested funds in inventory.

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3. Job Costing or Project Cost Reports

Purpose:

Tracks actual costs vs. budgeted costs for specific jobs or projects.

Use:

Helps control project profitability and billing accuracy (especially for construction, agencies, or professional services).

4. Labor & Payroll Reports

Purpose:

- Labor Cost as % of Revenue
- Overtime Tracking
- Employee Efficiency Reports

Use:

Assesses workforce productivity and controls labor costs.



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5. Customer Profitability Reports

Purpose:

Shows revenue, cost-to-serve, and profit by individual customer or customer segment.

Use:

Identifies high-value customers and those draining resources.

6. Rolling Forecast Reports

Purpose:

Updated monthly or quarterly, adjusts forecasts based on actuals and new inputs.

Use:

Enables agile financial planning and scenario analysis. Also provides a goal/target for the business.

7. Contribution Margin Analysis

Purpose:

Shows profit after variable costs but before fixed costs.

Use:

Helps in pricing, product prioritization, and break-even decisions.

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8. Variance Analysis Reports

Purpose:

Breaks down differences between budgeted, forecasted, and actual numbers.

Use:

Pinpoints sources of over- or under-performance.
Gives guidance on decisions relating to expense adjustments and revenue targets.

9. Capital Expenditure (CapEx) Reports

Purpose:

Tracks major purchases, depreciation, and asset life.

Use:

Supports long-term planning and investment ROI analysis.

10. Loan & Debt Schedule

Purpose:

Shows outstanding balances, interest rates, payment schedules, and amortization.

Use:

Helps manage debt obligations and optimize financing strategy.



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Report	Use
Department or Segment Profit & Loss Statement	Breaks down income and expenses by department, product line, location, or project
Inventory Reports	Shows the value of current inventory by category or SKU
Job Costing or Project Cost Reports	Tracks actual costs vs. budgeted costs for specific jobs or projects
Labor & Payroll Reports	Labor Cost as % of Revenue, Employee Efficiency, Overtime Tracking
Customer Profitability Reports	Shows revenue, cost-to-serve, and profit by individual customer or customer segment
Rolling Forecast Reports	Updated monthly or quarterly, adjusts forecasts based on actuals and new inputs
Contribution Margin Analysis	Shows profit after variable costs but before fixed costs
Variance Analysis Reports	Breaks down differences between budgeted, forecasted, and actual numbers
Capital Expenditure (CapEx) Reports	Tracks major purchases, depreciation, and asset life
Loan & Debt Schedule	Shows outstanding balances, interest rates, payment schedules, and amortization

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Essential KPIs for Business Owners from ClearPath CFO Advisory





The key KPIs (Key Performance Indicators) that a business owner should track depend on the nature of the business (e.g., service, retail, SaaS, etc.), but broadly speaking, these KPIs help monitor financial health, operational efficiency, and growth potential. Here's a breakdown of essential KPIs across categories that most business owners should monitor:

General Financial KPIs

- Accounts Receivable Turnover
- Operating Expenses as a % of Revenue
- Current Ratio
- Cash Ratio (liquidity)
- Debt to Equity Ratio
- Debt to Asset Ratio
- Cash Flow Coverage Ratio
- Current Liability Coverage Ratio
- Cash Flow Margin
- Gross Profit Margin
- Operating Profit Margin
- Net Profit Margin
- Revenue (Monthly Recurring Revenue / Total Sales)

Growth KPIs

- Customer Acquisition Cost (CAC)
- Customer Lifetime Value (CLV or LTV)
- Revenue Growth Rate
- Customer Retention Rate and Churn Rate

Operational KPIs

- Inventory Turnover (if applicable)
- Utilization Rate (for service businesses)
- Average Sale Size (or Average Transaction Value)

Customer/Market KPIs

- Customer Satisfaction (CSAT)
- Net Promoter Score (NPS)
- Online Review Score / Reputation Rating

Strategic KPIs

- Break-even Point
- Burn Rate (for startups)
- Employee Turnover Rate

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General Financial KPIs



1. Accounts Receivable Turnover

When to use: This looks at a business's effectiveness in collecting the money customers owe.

Calculation: Accounts receivable turnover = net credit purchase/average accounts receivable.

What does this mean? A low accounts receivable turnover ratio suggests that the business takes longer to collect payments, which could result in a higher risk of bad debt and cash flow problems. It's crucial for businesses to address these issues and improve the ratio to avoid the risk of unpaid debts.

2. Operating Expenses as a % of Revenue

When to use: This compares the percent of each revenue dollar that is spent on operations (like rent, salaries, marketing).

Calculation: $(\text{Total Operating Expenses} / \text{Total Revenue}) * 100$

What does it mean? The ratio is used to evaluate how efficiently a company manages its operating costs relative to its revenue. It's a key metric for assessing profitability, cost control, and scalability. Lower percentages typically indicate better cost control. As revenue grows, ideally operating expenses should grow more slowly. This ratio helps identify economies of scale.

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LIQUIDITY RATIO

3. Current Ratio

When to use: Indicates a business's ability to generate enough cash to pay off all its debt once they become due.

Calculation: Current ratio = current assets/current liabilities

What does this mean? A current ratio greater than 1 signifies a healthy financial position, while a current ratio less than 1 could indicate trouble meeting short-term obligations.

4. Cash Ratio

When to use: Indicates a business's ability to pay immediate creditor demands using its most liquid assets.

Calculation: Cash ratio = liquid assets/current liabilities

What does this mean? A cash ratio greater than 1 indicates that the business has sufficient liquid assets to meet its current obligations, while a ratio less than 1 means that a business might have trouble meeting obligations.

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SOLVENCY RATIO

5. Debt to Equity Ratio

When to use: This ratio compares the business's total debt to total equity to see how much debt is present in comparison to the amount of equity.

Calculation: Debt to equity ratio = total liabilities / equity

What does this mean? Generally, a ratio below 1.0 is safe; above 2.0 is risky—compare within industry norms.

6. Debt to Asset Ratio

When to use: Shows the percentage of a business's assets financed by creditors.

Calculation: Debt to asset ratio = total liabilities / total assets

What does this mean? A ratio of 0.7 means \$0.70 debt per \$1 in assets. Below 1.0 is usually safe; 2.0+ is risky, depending on the industry.

7. Cash Flow Coverage Ratio

When to use: Shows the amount of cash available to pay interest expenses on a business's debt.

Calculation: Cash flow coverage ratio = net cash flow / total debt

What does this mean? Less than 1 means insufficient funds for liabilities. Could require refinancing or restructuring.

8. Current Liability Coverage Ratio

When to use: Looks at a business's ability to pay its short-term obligations.

Calculation: Net cash from operations / average current liabilities

What does this mean? Greater than 1 is healthy. Negative numbers signal financial trouble.

9. Cash Flow Margin

When to use: Indicates how well the business converts sales to cash.

Calculation: Cash flow margin ratio = operating activity cash flow / net sales

What does this mean? Above 50% means strong cash creation. Negative margin means the business is losing money.

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PROFITABILITY KPIS

10. Gross Profit Margin

When to use: Indicates if a business needs to adjust pricing or COGS.

Calculation: $\text{Gross profit margin} = (\text{Sales revenue} - \text{COGS}) / \text{Sales revenue}$

What does this mean? Typical margins: 40–60%. Higher for niche or high-margin products.

11. Operating Profit Margin

When to use: Measures operational efficiency before interest/tax.

Calculation: $\text{Operating profit margin} = \text{operating earnings} / \text{sales revenue}$

What does this mean? Higher margins show good cost control and profit from core operations.

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12. Net Profit Margin

When to use: Indicates the percentage of net income per dollar of sales.

Calculation: Net profit margin = net profit / sales revenue

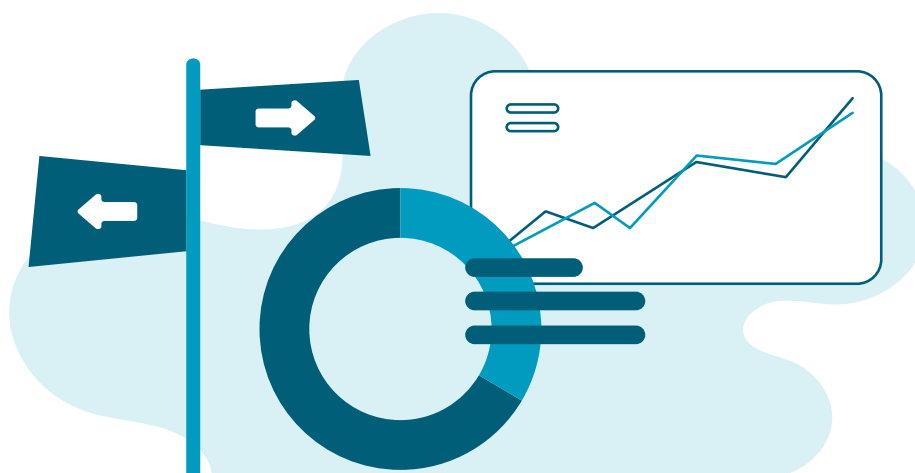
What does this mean? Above 10% is healthy in many industries. 2–5% in competitive sectors.

13. Monthly Recurring Revenue (MRR) / Total Sales

When to use: Used to measure the proportion of predictable, subscription-based income (MRR) compared to a company's overall sales.

Calculation: MRR = Monthly Recurring Revenue / Total Sales

What does it mean? Higher ratio = more stable, predictable income. Crucial for SaaS, service-based businesses.



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Growth KPIs



1. Customer Acquisition Cost (CAC)

When to use: Measures how efficiently a company gains new customers.

Calculation:
$$\text{CAC} = \frac{\text{Total Sales and Marketing Expenses}}{\text{Number of New Customers}}$$

What does it mean? High CAC signals inefficiency. Ideal CAC: LTV:CAC ratio of at least 3:1.

2. Customer Lifetime Value (CLV or LTV)

When to use: Estimates total revenue or profit from a customer over time.

Calculation:
$$\text{CLV} = \text{Avg. Purchase Value} \times \text{Purchase Frequency} \times \text{Customer Lifespan}$$

For SaaS:
$$\text{CLV} = \frac{\text{Avg. Monthly Revenue} \times \text{Gross Margin}}{\text{Churn Rate}}$$

What does it mean?
Long-term profitability of customers.
Key for retention and marketing ROI.



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3. Revenue Growth Rate

When to use: Tracks how quickly revenue is growing.

Calculation: $((\text{Current Revenue} - \text{Previous Revenue}) / \text{Previous Revenue}) \times 100$

What does it mean? Indicates business momentum and scalability.

4. Customer Retention Rate and Churn Rate

When to use: Used to identify customer loyalty (retention) vs customer loss (churn rate)

Retention = $((\text{Customers at End} - \text{New Customers}) / \text{Customers at Start}) \times 100$

Churn Rate = $100 - \text{Retention Rate}$

What does it mean? High retention = loyal customers.
High churn = service or product problems.

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Operational KPIs



1. Inventory Turnover

When to use: Measures inventory efficiency.

Calculation: $\text{Inventory Turnover} = \text{COGS} / \text{Avg. Inventory}$

What does it mean? High = strong sales. Low = overstocking or slow-moving goods.

2. Utilization Rate

When to use: Tracks billable time for service staff.

Calculation: $\text{Utilization Rate} = \text{Billable Hours} / \text{Total Available Hours} \times 100$

What does it mean? High utilization = effective use of time. Key for productivity and profitability.

3. Average Sale Size

When to use: Measures average revenue per transaction.

Calculation: $\text{Average Sale Size} = \text{Total Revenue} / \text{Number of Transactions}$

What does it mean? Helps optimize pricing, sales strategy, and identify high-value clients.

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Customer/Market KPIs



1. Customer Satisfaction (CSAT)

When to use: Used to gauge immediate feedback post-interaction.

Calculation: $CSAT = (\text{Satisfied Customers} / \text{Total Responses}) \times 100$

What does it mean? Measures how well expectations are met.

2. Net Promoter Score (NPS)

When to use: Measures customer loyalty and referral likelihood.

Calculation: $NPS = \%Promoters - \%Detractors$

What does it mean? High NPS = brand advocates.
Used for long-term brand health.

3. Online Review Score / Reputation Rating

When to use: Measures public perception across platforms.

What does it mean? Influences conversions, brand trust, SEO, investor readiness.

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Strategic KPIs



1. Break-even Point

When to use: Identifies the point at which revenues = costs.

Calculation: $\text{Break-Even Units} = \text{Fixed Costs} / (\text{Price} - \text{Variable Cost})$

What does it mean? Key for planning, cost analysis, pricing strategies.

2. Burn Rate (for startups)

When to use: Measures cash usage when not yet profitable.

Calculation: $\text{Burn Rate} = (\text{Start Cash} - \text{End Cash}) / \text{Months}$
 $\text{Runway} = \text{Cash on Hand} / \text{Monthly Burn Rate}$

What does it mean? Measures time until funds run out.
Key for fundraising and survival.

3. Employee Turnover Rate

When to use: Measures organizational health and satisfaction.

Calculation: $\text{Turnover Rate} = (\text{Employees Left} / \text{Avg. Employees}) \times 100$

What does it mean? High turnover = morale or culture issues.
Drives hiring and training costs.

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Commonly Used KPIs

Here's a breakdown of commonly used KPIs across the different categories discussed above:

- Average Sale Size (or Average Transaction Value)
- Break-even Point
- Burn Rate (for startups)
- Cash Flow Margin
- Cash Ratio (liquidity)
- Current Ratio
- Customer Retention Rate and Churn Rate
- Employee Turnover Rate
- Gross Profit Margin
- Inventory Turnover (if applicable)
- Net Profit Margin
- Operating Expenses as a % of Revenue
- Operating Profit Margin
- Revenue Growth Rate
- Revenue (Monthly Recurring Revenue / Total Sales)
- Utilization Rate (for service businesses)

Summary of KPI Formulas

KPI	Formula
Accounts Receivable Turnover	$\text{Net Credit Sales} / \text{Average Accounts Receivable}$
Average Sale Size / Transaction Value	$\text{Total Revenue} / \text{Number of Transactions}$
Break-even Point (Units)	$\text{Fixed Costs} / (\text{Selling Price} - \text{Variable Cost per Unit})$
Burn Rate	$(\text{Start Cash} - \text{End Cash}) / \text{Months}$
Cash Flow Coverage Ratio	$\text{Net Cash Flow} / \text{Total Debt}$
Cash Flow Margin	$\text{Operating Activity Cash Flow} / \text{Net Sales}$
Cash Ratio (Liquidity)	$\text{Liquid Assets} / \text{Current Liabilities}$
Churn Rate	$100 - \text{Retention Rate}$
Current Liability Coverage Ratio	$\text{Net Cash From Operations} / \text{Average Current Liabilities}$
Current Ratio	$\text{Current Assets} / \text{Current Liabilities}$
Customer Acquisition Cost (CAC)	$\text{Total Sales and Marketing Costs} / \text{Number of New Customers}$
Customer Lifetime Value (CLV or LTV)	$\text{Average Purchase Value} \times \text{Purchase Frequency} \times \text{Customer Lifespan}$
Customer Retention Rate	$((\text{Customers End} - \text{New Customers}) / \text{Customers Start}) \times 100$
Customer Satisfaction Score (CSAT)	$(\text{Satisfied Customers} / \text{Total Responses}) \times 100$
Debt to Asset Ratio	$\text{Total Liabilities} / \text{Total Assets}$
Debt to Equity Ratio	$\text{Total Liabilities} / \text{Equity}$
Employee Turnover Rate	$(\text{Employees Who Left} / \text{Average Total Employees}) \times 100$
Gross Profit Margin	$(\text{Sales Revenue} - \text{COGS}) / \text{Sales Revenue}$
Inventory Turnover	$\text{Cost of Goods Sold} / \text{Average Inventory}$
Monthly Recurring Revenue (MRR)	$\text{Monthly Recurring Revenue} / \text{Total Sales}$
Net Profit Margin	$\text{Net Profit} / \text{Sales Revenue}$
Net Promoter Score (NPS)	$\% \text{ Promoters} - \% \text{ Detractors}$
Operating Expenses as % of Revenue	$(\text{Operating Expenses} / \text{Revenue}) \times 100$
Operating Profit Margin	$\text{Operating Earnings} / \text{Sales Revenue}$
Revenue Growth Rate	$((\text{Current Revenue} - \text{Previous Revenue}) / \text{Previous Revenue}) \times 100$
Utilization Rate	$(\text{Billable Hours} / \text{Total Available Hours}) \times 100$



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