Your March 2026 numbers are in. Here's what they show.

Prepared by Goldy Lichter · Fractional Financial Controller

You brought in $84,200 this month, you kept $12,300 of it, and your cash position grew for the third month in a row. March was your strongest month of the year so far, and the pages that follow walk through where that strength came from and the few places I'd keep an eye on.

Three things to know

- **Profit climbed again.** You kept $12,300 of March's $84,200, up from $9,100 in February. That's a 14.6% margin, right in a healthy range.
- **You're owed $21,400.** Most of it is current, but one $6,200 invoice is past 45 days. I'd suggest you follow up on that one this week.
- **Software spend crept up,** from $1,780 to $2,340. What I'd recommend: reviewing three overlapping subscriptions before they renew.

The month at a *glance*

REVENUE	NET PROFIT	CASH ON HAND
$84,200	$12,300	$46,800
▲ 6.7% from February	a 14.6% margin	third month of growth

The rest of this report covers your full KPI dashboard, your P&L and where you make your money, your balance sheet and what you're owed, how cash moved and where it's headed over the next four weeks, and how March compared to the plan.

Your KPI *dashboard*

Net Profit Margin

ON TARGET

14.6%

Of every dollar that comes in, what actually stays with you after all expenses.

Healthy 10–20%; under 5% is a warning sign.

vs last month (Feb 2026) ▲ 3.1 pts (was 11.5%) · vs last year (Mar 2025) ▲ 1.4 pts (was 13.2%)

12-month trend

Cash Conversion

WATCH

64%

Of your profit on paper, how much became real cash in the bank.

Under 70% means receivables are building up; tighten collections.

vs last month (Feb 2026) ▼ 29 pts (was 93%) · vs last year (Mar 2025) ▼ 25 pts (was 89%)

12-month trend

Gross Margin

ON TARGET

42.3%

Of every dollar of revenue, what's left after the direct costs of delivering the work.

Healthy range for an agency of your shape: roughly 40–55%.

vs last month (Feb 2026) ▲ 1.6 pts (was 40.7%) · vs last year (Mar 2025) ▲ 2.2 pts (was 40.1%)

12-month trend

Monthly Revenue

ON TARGET

$84,200

Everything you billed this month, across all three lines of work.

Your strongest month in the twelve shown below.

vs last month (Feb 2026) ▲ 6.7% (was $78,900) · vs last year (Mar 2025) ▲ 17.1% (was $71,900)

12-month trend

Revenue per Employee

ON TARGET

$14,033

March revenue divided by your team of six. A simple read on team productivity.

On pace for roughly $168,000 per person over a full year.

vs last month (Feb 2026) ▲ $883 (was $13,150) · vs last year (Mar 2025) ▲ $2,050 (was $11,983)

12-month trend

Software & Subscriptions

WATCH

$2,340

What you spent on software tools this month, across the whole team.

Your typical run rate has been $1,500–1,800.

vs last month (Feb 2026) ▲ $560 (was $1,780) · vs last year (Mar 2025) ▲ $850 (was $1,490)

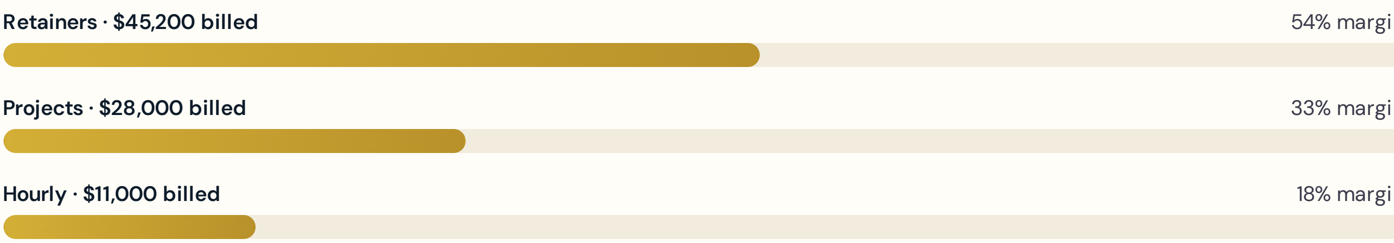
12-month trend

Your P&L, *explained*

Profit & Loss	March 2026	February 2026	Change
Revenue	$84,200	$78,900	▲ $5,300
Direct costs of delivering the work	$48,572	$46,800	$1,772
Gross profit	**$35,628 (42.3%)**	**$32,100 (40.7%)**	**▲ $3,528**
Operating expenses	$23,328	$23,000	$328
Net profit	**$12,300 (14.6%)**	**$9,100 (11.5%)**	**▲ $3,200**

Revenue grew $5,300 and your costs grew far more slowly, which is exactly what you want to see. Direct costs rose $1,772 with the extra work, and operating expenses barely moved, up just $328, so most of the new revenue reached the bottom line. The one expense line moving faster than it should is software, covered below.

Where you make your *money*



The bars show each line's margin: of every dollar that line brings in, how much stays after the direct costs of delivering it. Retainers keep 54 cents of each dollar and carry the business. Hourly brings in $11,000, about 13% of your revenue, and keeps the least of each dollar, which makes it worth a pricing look this quarter.

> **What you keep per hour.** Your hourly work billed $11,000 across roughly 96 tracked hours in March, about $115 per hour billed. After the direct costs behind those hours, you kept about $21 of each of those hours. This covers the tracked hourly work only, not salaried time. Hourly keeps about 18 cents of each dollar it brings in, the least of your three lines, and it's the one I'd look at first if you raise prices this year.

Where spending *crept up*

A few numbers this month deserve a closer look. Software rose from $1,780 to $2,340, a $560 jump in one month. The increase traces to three subscriptions that overlap: two project management tools and a scheduling add-on that duplicates features both of them already have. What I'd recommend: you review all three before their April renewal dates and keep one project management tool. Consolidating would bring software back to roughly $1,800 to $1,900 a month, saving in the range of $5,000 a year. Every other expense line held steady against February.

Your balance sheet *review*

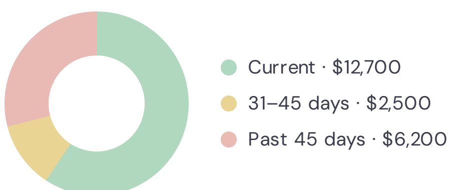
What you own	Mar 31, 2026
Cash	$46,800
Owed to you (receivables)	$21,400
Prepaid expenses	$3,200
Equipment, net	$8,900
Total assets	**$80,300**

What you owe & own outright	Mar 31, 2026
Bills to pay (payables)	$9,800
Credit card balance	$2,400
Payroll liabilities	$3,100
Total liabilities	$15,300
Owner's equity	**$65,000**

What you're owed, and what you *owe*

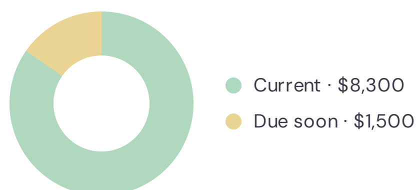
Owed to you

$21,400



You owe

$9,800



Most of what you're owed is comfortably current, and what you owe is modest and manageable. The one item that matters is the $6,200 invoice now past 45 days, from a single project client. It's nearly a third of everything you're owed, and it's the main reason cash conversion dipped this month. I'd suggest you follow up on it this week, and if the response is slow, a payment plan beats waiting in silence.

Are you paying yourself *enough?*

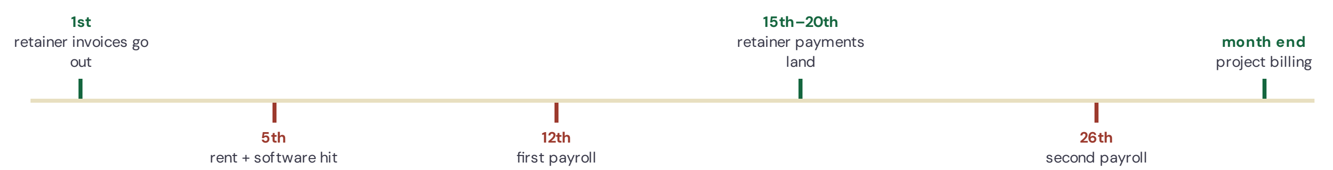
In March, you paid yourself $10,500 in total: a $6,500 salary plus a $4,000 draw from the business. Here's the simple test of whether that's sustainable: after paying you, did the business still end the month with more money in the bank than it started with? It did, for the third month in a row. That means the business comfortably supports what you're taking. Just letting you know so you're aware: if profit keeps holding above $12,000 a month, there's room to talk about paying yourself more.

How your cash *moved*

Cash Flow	March 2026
Cash at the start of March	$44,130
From operations (the day-to-day business)	+ $7,870
From investing (equipment purchase)	- $1,200
From financing (your owner distribution)	- $4,000
Cash at the end of March	**$46,800**

Profit and cash are two different things, and March shows why. You earned $12,300 on paper, but cash grew $2,670. The gap isn't money lost. Most of it is sitting in invoices you've sent that haven't been paid yet, and the rest went to the equipment purchase and your $4,000 distribution. As those invoices collect, paper profit becomes bank balance.

Your cash *rhythm*

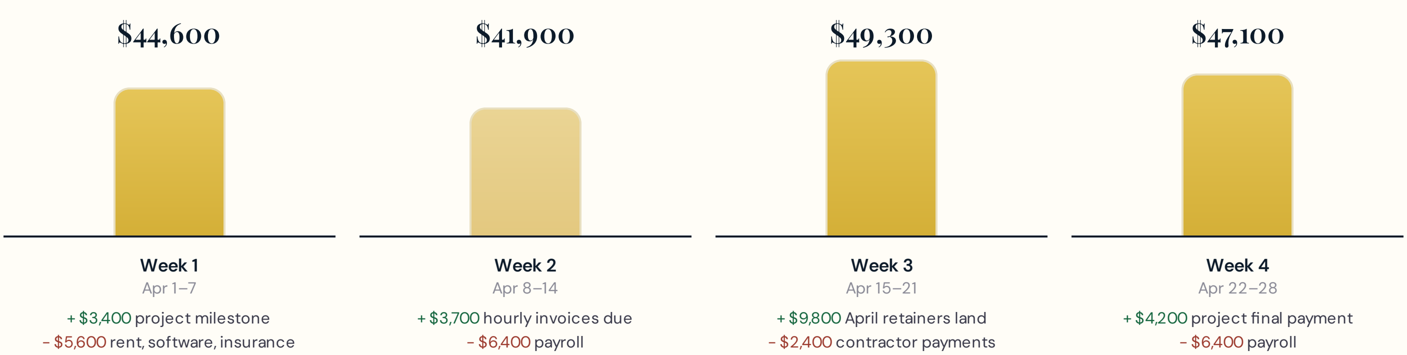


Your typical month's pattern, built from when money has actually landed and left over the past year. Green marks are money in; red marks are money out.

Your tightest stretch is usually the 12th through the 15th, when the first payroll clears before retainer payments arrive. That's the window to protect, and it's why keeping a cushion above $40,000 has served you well.

The next four weeks of *cash*

You're starting April with the $46,800 in the bank that March ended with. Each week below starts from that balance and moves only with money that's already scheduled: invoices you've sent and bills already on the books.



Projected end-of-week cash, built only from invoices already sent and bills already scheduled. Nothing here is a guess about new sales.

Did we do what we *planned?*

Plan vs. Actual	Plan	Actual	Difference
Revenue	$80,000	$84,200	▲ $4,200 ahead
Gross profit	$33,900	$35,628	▲ $1,728 ahead
Operating expenses	$22,900	$23,328	$428 over
Net profit	**$11,000**	**$12,300**	**▲ $1,300 ahead**

You planned for $80,000 and delivered $84,200, and nearly all of the extra revenue carried through to profit. The only line over plan is expenses, by $428, and the software creep on page 3 accounts for more than all of it.

Your key numbers over *time*

KPI	Feb 2026	Mar 2026	YTD avg	12-mo trend
Revenue	$78,900	$84,200	$80,400	
Net profit margin	11.5%	14.6%	13.4%	
Cash conversion	93%	64%	84%	
Gross margin	40.7%	42.3%	41.4%	

The opportunities I'd *look at*

1. **Reprice or convert the hourly work.** Hourly keeps about 18 cents of each dollar it brings in, roughly $21 of every $115 hour you bill, which makes it your least rewarding line. I'd suggest you either raise the rate at the next renewal or move your two steadiest hourly clients onto small retainers.
2. **Tighten the collections rhythm.** The past-45 invoice and this month's 64% cash conversion point the same direction. Following up within a week of the due date, every time, would keep conversion near the 84% you've averaged this year.
3. **Consolidate the software stack.** Keeping one project management tool saves in the range of $5,000 a year, and it's a one-afternoon decision before the April renewals.

Last month, *followed up*

In February I suggested starting new projects with a 50% deposit. Both projects that kicked off in March began with deposits collected, and that's part of why cash grew again this month even with the slow-paying invoice outstanding.

Reach out anytime you'd like to talk through any of this.
To your continued growth,

Goldy