



BYOBO\$\$ AUDIT REPORT

Accounting / Bookkeeping Firm

1. Business Information

Firm Name:	Sample Group
Primary Contact:	Managing Partner
Email:	sample@sample.com
Phone:	516-555-1182
Professional Staff:	7
Support Staff:	2
Annual Revenue:	~\$1.35M
Services Offered:	Bookkeeping, payroll, tax prep, year-end financials, limited advisory
Active Clients:	~115
Average Engagement Value:	~\$11,700
Locations:	Toronto (single office), remote clients across Ontario
Software Systems:	QuickBooks Online, Dext, Excel, Outlook, basic CRM

2. Client Profitability Audit

Question	Answer
Revenue per client	Ranges from \$3,000 to \$45,000 annually
Direct costs per client	Estimated using staff hours; not formally calculated
Contribution margin per client	Not formally tracked



Question	Answer
High vs low margin clients	Larger clients assumed more profitable
Client segmentation	By size only (small / medium)
Client growth potential	Some bookkeeping clients may upgrade to advisory
Client retention rate	~88%
Client acquisition cost	Unknown
Profitability by industry	Assumed higher in professional services
Client churn reasons	Price sensitivity, slow response times
Discount / pricing impact	Discounts offered to long-term clients
Profit improvement initiatives	Occasional fee increases

3. Time Tracking vs Pricing Review

Question	Answer
Time per client	Rough estimates; not reviewed monthly
Time tracking system	Toggl (inconsistently used)
Billable vs non-billable time	Estimated 65% billable
Average hourly rate	~\$135
Staff utilization rate	Not formally measured
Pricing alignment	Some fixed fees feel underpriced
Under / over billing	Likely under-billing on complex clients
Time vs revenue by service	No formal analysis



Question	Answer
Efficiency initiatives	Templates for year-end files
Staff scheduling vs demand	Busy season overload
Automation / templates	Some checklist usage
Billing compliance	Manual review

4. Service Mix Analysis

Question	Answer
Revenue by service	55% bookkeeping, 25% tax, 15% payroll, 5% advisory
Profitability by service	Advisory assumed most profitable
Client demand	High demand for bookkeeping & tax
Specialization	Considering construction & real estate
Service pricing review	Irregular
Upsell / cross-sell	Informal
High vs low margin services	Payroll suspected low margin
Time vs revenue per service	Not tracked
Service bundles	Monthly packages offered
Client feedback by service	Generally positive
Service discontinuation impact	Not assessed
Service mix initiatives	None currently



5. Marketing Effectiveness

Question	Answer
Marketing channels	Referrals, networking, LinkedIn
Marketing ROI tracking	Partial
Client acquisition cost	Unknown
Campaign effectiveness	Referrals best
Referral program	Informal
Social engagement	Inconsistent posting
Email marketing	Rare newsletters
Networking	Chamber events
Website effectiveness	Informational only
Brand awareness	Moderate locally
Marketing budget	<2% of revenue
Marketing initiatives	Considering paid ads

6. Competitor Analysis

Question	Answer
Top competitors	Two local CPA firms
Competitor strengths	Strong advisory, better tech
Competitor weaknesses	Higher pricing
Competitor pricing	Premium
Competitor marketing	Content-heavy



Question	Answer
Retention practices	Quarterly check-ins
Technology adoption	Advanced dashboards
Market share	Unknown
SWOT	Not documented
Differentiation	Personalized service
Competitor reviews	Slightly stronger online
Competitive initiatives	None formal

7. Management Systems & Reporting

Question	Answer
Management meetings	Monthly
KPIs tracked	Revenue, total clients
Financial reporting	Quarterly
Decision process	Partner-led
Budgeting	Annual
Internal controls	Informal
Staff reviews	Annually
Client feedback integration	Ad hoc
Risk management	Reactive
SOPs	Partial
Technology usage	Moderate



Question	Answer
Continuous improvement	Informal

8. Human Resources

Question	Answer
Professional staff	7
Support staff	2
Scheduling	Manual
Turnover rate	~15%
Training	On-the-job
Cross-training	Limited
Performance reviews	Annual
Incentives	Occasional bonuses
Staff KPIs	Billable hours
HR policies	Partial
Engagement	Informal
Succession planning	None

9. Operations & Systems

Question	Answer
Software systems	QBO, Excel, Outlook
Document management	Cloud folders



Question	Answer
Workflow efficiency	Bottlenecks at month-end
Time tracking	Inconsistent
Quality control	Partner review
Client onboarding	Checklist
Compliance monitoring	Manual
Service documentation	Partial
Backup processes	Cloud-based
System integration	Limited
Operational bottlenecks	Year-end filings
Operations initiatives	None formal



BYOBOSS ACCOUNTING / BOOKKEEPING AUDIT REPORT

EXECUTIVE SUMMARY

Overall Business Health Score: 62 / 100

This firm is stable but operationally under-optimized.

Profitability is being eroded by lack of client-level visibility, under-pricing, weak utilization tracking, and informal management systems.

The business is working harder than necessary to generate revenue.

LAB-STYLE RESULTS SNAPSHOT

Segment	Score
Client Profitability Visibility	48%
Time & Utilization Control	44%
Service Mix Optimization	58%
Marketing Efficiency	52%
Competitive Positioning	55%
Management Systems	60%
HR & Capacity Management	57%
Operations & Systems	63%

DETAILED FINDINGS & COMMENTARY

1. Client Profitability Audit – 48%

Findings

- No true contribution margin by client



- Large clients assumed profitable without evidence
- Discounts given without margin guardrails
- Churn reasons not tied to profitability

Comment: Unprofitable clients silently consume senior staff time and suppress firm margins.

Recommended Fixes (Choose 1–3)

1. **Client Profitability Heatmap**
→ Revenue – time – overhead per client
2. **Tiered Client Re-Pricing Model**
→ Minimum margin thresholds
3. **Client Segmentation Strategy**
→ Grow top 30%, fix or exit bottom 20%

2. Time Tracking vs Pricing – 44%

Findings

- Time tracking inconsistent
- Fixed fees misaligned with effort
- Utilization not actively managed

Comment: This is the primary profit leak.

Recommended Fixes

1. Mandatory Time Capture Policy
2. Engagement Margin Reviews Quarterly
3. Standardized Engagement Scoping



3. Service Mix Analysis – 58%

Findings

- Advisory assumed profitable, not proven
- Payroll likely underpriced
- No lifecycle review of services

Recommended Fixes

1. Service-Level Contribution Analysis
2. Repackage Advisory into Clear Offers
3. Exit or Reprice Low-Margin Services

4. Marketing Effectiveness – 52%

Findings

- Heavy reliance on referrals
- No CAC or ROI tracking
- Website not converting

Recommended Fixes

1. Referral Engine with Tracking
2. Niche-Focused Content Strategy
3. Lead Funnel for Advisory Services

5. Competitor Analysis – 55%

Findings

- Strong awareness, weak response
- No differentiation narrative



Recommended Fixes

1. Position Around Outcomes, Not Tasks
2. Publish Industry-Specific Insights
3. Operational Transparency Advantage

6. Management Systems – 60%

Findings

- KPIs too high-level
- SOPs incomplete
- Decisions intuition-led

Recommended Fixes

1. Weekly Operational Dashboard
2. Formal KPI Ownership
3. Document Core SOPs

7. HR & Capacity – 57%

Findings

- Turnover manageable but rising
- No succession plan
- Incentives misaligned

Recommended Fixes

1. Utilization-Based Incentives
2. Career Path Mapping
3. Cross-Training Program



8. Operations & Systems – 63%

Findings

- Systems adequate but fragmented
- Bottlenecks predictable but unmanaged

Recommended Fixes

1. Workflow Automation at Month-End
2. Integrated CRM + Accounting Stack
3. Capacity Planning Calendar

TOP 5 PRIORITY ACTIONS (NEXT 90 DAYS)

1. Implement client-level profitability reporting
2. Fix time tracking compliance
3. Reprice bottom-quartile engagements
4. Formalize management KPIs
5. Package and market advisory services

BYOBO\$\$ CONCLUSION

This firm is one optimization cycle away from a 20–30% margin improvement without adding a single new client.

The problems are not demand-based.

They are visibility, discipline, and system-based.

Once you've reviewed this diagnostic report, the most important next step is turning insight into action. The findings highlight where performance is strong, where profit is leaking, and where systems are underdeveloped but the real value comes from prioritizing and implementing the right fixes in the right order. We strongly recommend reviewing this report with your BYOBO\$\$



consultant, who can help interpret the results in the context of your specific locations, validate assumptions, and translate recommendations into a practical execution plan.

If you do not currently have a consultant assigned, BYOBO\$\$ can match you with a qualified specialist aligned with your needs and operating environment. Your consultant will work with you to establish priorities, define measurable targets, and guide implementation—whether that involves improving cost controls, refining operational performance, reducing inefficiencies, or implementing stronger management and reporting systems. This ensures the report does not sit on a shelf, but becomes a practical roadmap to improved performance, greater control, and sustainable growth.