

Example of “Plain English” P&L

MONTH						October-04	YEAR-TO-DATE					
PLAN		ACTUAL		PRIOR			PLAN		ACTUAL		PRIOR	
4,750		3,485		4,442		TOTAL ORDERS	19,000		18,700		17,688	
5,310	100.0%	4,992	100.0%	5,254	100.0%	TOT NET SALES	19,710	100.0%	19,489	100.0%	18,886	100.0%
						COSTS						
705	13.3%	614	12.3%	635	12.1%	PROCUREMENT	2,591	13.1%	2,345	12.0%	2,359	12.5%
1,352	25.5%	1,404	28.1%	1,391	26.5%	Payroll	5,296	26.9%	5,405	27.7%	5,286	28.0%
710	13.4%	733	14.7%	558	10.6%	Benefits	2,771	14.1%	2,841	14.6%	2,598	13.8%
55	1.0%	86	1.7%	40	0.8%	Agency	212	1.1%	455	2.3%	237	1.3%
537	10.1%	535	10.7%	657	12.5%	Shop & Maint. Supplies	2,103	10.7%	2,264	11.6%	2,132	11.3%
196	3.7%	198	4.0%	180	3.4%	Utilities	784	4.0%	821	4.2%	721	3.8%
215	4.0%	206	4.1%	219	4.2%	Depreciation	860	4.4%	828	4.2%	876	4.6%
113	2.1%	(13)	-0.3%	73	1.4%	Other	336	1.7%	84	0.4%	80	0.4%
3,178	59.8%	3,149	63.1%	3,118	59.3%	CONVERSION	12,362	62.7%	12,698	65.2%	11,930	63.2%
80	1.5%	64	1.3%	70	1.3%	Shipping	300	1.5%	305	1.6%	285	1.5%
72	1.4%	73	1.5%	69	1.3%	Selling	288	1.5%	281	1.4%	327	1.7%
152	2.9%	137	2.7%	139	2.6%	SALES & DISTRIBUTION	588	3.0%	586	3.0%	612	3.2%
31	0.6%	26	0.5%	29	0.6%	Division Accounting	124	0.6%	114	0.6%	119	0.6%
76	1.4%	74	1.5%	70	1.3%	Information Technology	304	1.5%	297	1.5%	309	1.6%
127	2.4%	161	3.2%	154	2.9%	Division Administration	522	2.6%	587	3.0%	551	2.9%
86	1.6%	108	2.2%	85	1.6%	Group & Corp. Alloc.	345	1.8%	386	2.0%	314	1.7%
320	6.0%	369	7.4%	338	6.4%	SUPPORT	1,295	6.6%	1,384	7.1%	1,293	6.8%
						TOTAL COSTS						
4,355	82.0%	4,269	85.5%	4,230	80.5%		16,836	85.4%	17,013	87.3%	16,194	85.7%
						MARGIN						
955	18.0%	723	14.5%	1,024	19.5%		2,874	14.6%	2,476	12.7%	2,692	14.3%
						CHANGE IN INVENTORY						
87	1.6%	19	0.4%	180	3.4%		(87)	-0.4%	(275)	-1.4%	26	0.1%
868	16.3%	704	14.1%	844	16.1%	DIVISION NET EARNINGS	2,961	15.0%	2,751	14.1%	2,666	14.1%

Example Plant-Wide “Plain English” P&L

	VALUE STREAMS					
	<i>Motors</i>	<i>Systems</i>	<i>Spare Parts</i>	<i>New Product Development</i>	<i>Sustaining Costs</i>	<i>TOTAL DIVISION</i>
<i>Sales</i>	\$396,240	\$748,894	\$453,215			\$1,598,349
<i>Additional Revenue</i>	\$0	\$0	\$12,422			\$12,422
<i>Material Costs</i>	\$129,319	\$232,774	\$149,561	\$87,909	\$12,764	\$612,327
<i>Conversion Costs</i>	\$74,900	\$70,406	\$81,579	\$223,769	\$37,645	\$488,299
<i>Outside Process Costs</i>	\$16,422	\$22,991	\$22,661		\$7,531	\$69,605
<i>Other Costs</i>	\$41,297	\$57,816	\$29,459	\$76,721		\$205,293
<i>External Overhead Costs</i>						
<i>Value Stream Profit</i>	\$134,302	\$364,907	\$182,378	(\$388,399)	(\$57,940)	\$235,248
<i>ROS</i>	33.89%	48.73%	39.17%	-24.30%	-3.62%	14.60%

<i>Opening Inventory</i>	\$825,314
<i>Closing Inventory</i>	\$808,807
<i>Inventory Change</i>	(\$16,506)
<i>Corporate Overhead</i>	\$51,147
<i>Division Profit</i>	\$167,594
<i>Division ROS</i>	10.49%