

Harbor & Pine Home Co. · September 2026

Sales up 14% on last year.

Profit down 72%.

Books closed and reconciled October 13. Quality-checked in North America.

REVENUE	CONTRIBUTION MARGIN	NET INCOME	CASH ON HAND
\$210.3K	25.4%	\$4.8K	\$145.2K
+14% vs last year	-7.1 pts vs last year	-72% vs last year	down \$27.2K this month

Contribution margin fell to 25.4% of sales, from 32.4%: you kept 25 cents of every sales dollar, down from 32.

WHY

Amazon grew 41%, and it's your thinnest channel. Margin there is 15.0%, versus 28.6% on Shopify.

Ads went from 10.7% to 14.1% of sales. Meta spend up 77%, returns down. The biggest hit: \$7,100.

The Labor Day sale cost \$7,000 in discounts for \$28,000 of sales.

DO THIS NEXT

Set return floors on ad spend
+\$2,100/mo per point

Push cast iron on Amazon, fix glassware packaging
+\$1,400/mo

Audit shipping before peak season
+\$600/mo

MARGIN KEPT PER SALES DOLLAR, BY CHANNEL



Watch: October is your cash low point (about \$122K). Set Black Friday guardrails now: return targets and discount depth.

The detail behind every number follows: profit and loss (page 2), channel and product mix (page 3), ads and shipping (page 4), cash (page 5).

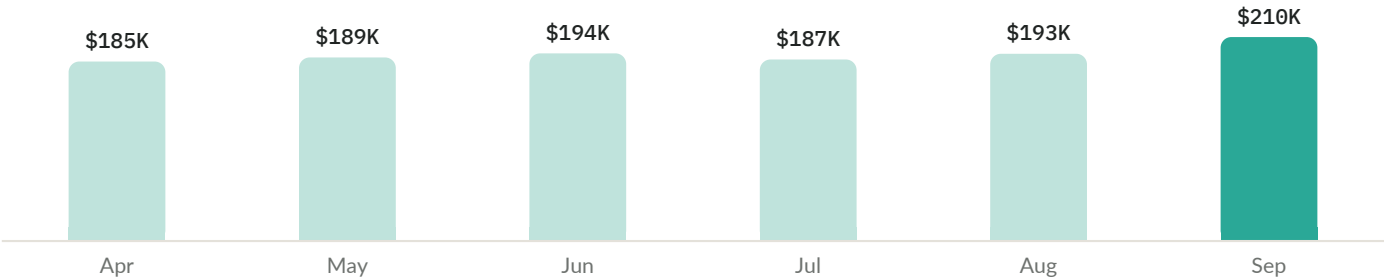
PROFIT AND LOSS

This year vs last year

Every line compared with September 2025 and with last month.

	SEP 2026	% REV	SEP 2025	% REV	VS LAST YEAR	AUG 2026
Revenue	\$210,350	100.0%	\$184,450	100.0%	+\$25,900	\$193,100
Product cost and discounts	(\$85,664)	40.7%	(\$72,972)	39.6%	-\$12,692	(\$76,435)
Gross profit	\$124,686	59.3%	\$111,478	60.4%	+\$13,208	\$116,665
Amazon and payment fees	(\$24,259)	11.5%	(\$17,030)	9.2%	-\$7,229	(\$19,055)
Shipping and fulfillment	(\$15,582)	7.4%	(\$12,969)	7.0%	-\$2,613	(\$14,194)
Advertising	(\$29,600)	14.1%	(\$19,730)	10.7%	-\$9,870	(\$22,282)
Wholesale commissions	(\$1,872)	0.9%	(\$1,929)	1.0%	+\$57	(\$1,926)
Contribution margin	\$53,373	25.4%	\$59,820	32.4%	-\$6,447	\$59,208
Overheads	(\$46,650)	22.2%	(\$40,650)	22.0%	-\$6,000	(\$46,250)
EBITDA	\$6,723	3.2%	\$19,170	10.4%	-\$12,447	\$12,958
Depreciation and interest	(\$1,950)	0.9%	(\$2,100)	1.1%	+\$150	(\$1,950)
Net income	\$4,773	2.3%	\$17,070	9.3%	-\$12,297	\$11,008

MONTHLY REVENUE, LAST SIX MONTHS



In plain English: sales grew 14%, but net income fell from \$17,070 to \$4,773. Ads rose from 10.7% to 14.1% of sales, Amazon and payment fees from 9.2% to 11.5%, and overheads are \$6,000 above last September: the customer service hire in June (\$4,000), Q4 storage at the 3PL (\$1,200) and software (\$600).

WHAT TO DO

- Hold the new hire cost against Q4 volume: check that customer service tickets per order are falling.
- Treat advertising as the first lever: its share of sales rose more than any other cost, from 10.7% to 14.1%.

CHANNELS

Channel mix and margin

Where sales came from, and what each channel actually keeps.

	SALES	VS LAST YEAR	SHARE	SHARE LY	MARGIN KEPT	LAST YEAR
Shopify	\$116,850	+8%	55.6%	58.7%	28.6%	36.6%
Amazon	\$62,300	+41%	29.6%	23.9%	15.0%	21.0%
Wholesale	\$31,200	-3%	14.8%	17.4%	34.0%	34.0%
Total	\$210,350	+14%	100%	100%	25.4%	32.4%

MARGIN KEPT PER SALES DOLLAR, SEPTEMBER



The margin squeeze, split two ways. Your overall margin fell 7.1 pts on last year. About 0.8 points came from **mix**: more of your sales now come from Amazon, which keeps less per dollar. The other 6.2 points came from **each channel keeping less**: Shopify from heavier ad spend, the Labor Day discount and shipping; Amazon from higher fees, more ads and a glassware-heavy product mix.

Inside Amazon: product mix decides the margin

PRODUCT LINE	SHARE OF AMAZON SALES	PRODUCT MARGIN	KEPT AFTER FEES AND ADS
Cast iron cookware	26%	67%	26¢ per \$1
Knives and tools	18%	62%	22¢ per \$1
Glassware	31%	50%	4¢ per \$1
Linens	25%	58%	12¢ per \$1

In plain English: glassware is your biggest Amazon line and earns almost nothing there once fulfillment fees land, because the sets are bulky and Amazon charges by size. Cast iron earns more than six times as much per dollar. The fix is which products you push and how glassware is packed, not a price cut.

WHAT TO DO

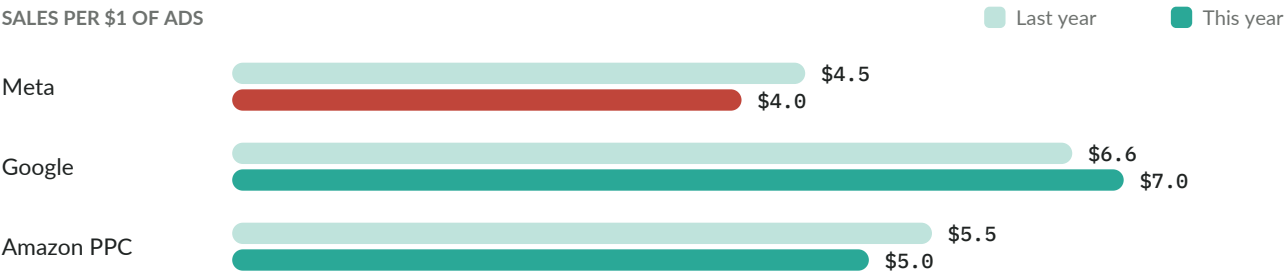
- Point Amazon ads at cast iron and knives. Moving 10% of Amazon sales from glassware to cast iron adds about \$1,400 a month.
- Check glassware packaging against Amazon size tiers. One tier down cuts the fee on every unit.
- Pitch Q4 reorders to your top wholesale accounts. Every extra \$10,000 of wholesale adds about \$3,400.

MARKETING AND FULFILLMENT

What your ad and shipping dollars buy

Return on every ad platform, and what each order costs to ship.

PLATFORM	SPEND	VS LAST YEAR	SALES FROM ADS	SALES PER \$1	LAST YEAR
Meta	\$15,900	+77%	\$63,600	\$4.0	\$4.5
Google	\$7,470	+4%	\$52,300	\$7.0	\$6.6
Amazon PPC	\$6,230	+76%	\$31,150	\$5.0	\$5.5
Total	\$29,600	+50%	\$147,050	\$5.0	\$5.4



In plain English: Meta got 77% more budget than last year and returns less per dollar. Part of that is normal Q4 prospecting, which pays back later, but without a floor it drifts. Google Shopping keeps returning about \$7 and is the first place to test more budget.

Shipping and fulfillment, Shopify orders

	SEP 2026	SEP 2025	CHANGE
Orders	1,718	1,524	+13%
Average order value	\$68	\$71	-4%
Shipping and fulfillment per order	\$8.16	\$7.45	+9%
Total shipping and fulfillment	\$14,022	\$11,361	+23%

In plain English: orders grew, but each one costs more to ship, and smaller average orders spread the cost over less revenue. The Labor Day free-shipping orders made it worse. An invoice audit and a competing 3PL quote are the fastest levers.

WHAT TO DO

- Break Meta down by campaign and audience. Set a floor of \$4.50 in sales per \$1 for prospecting.
- Move testing budget toward Google Shopping, which returns about \$7.
- Audit carrier invoices for residential and address-correction surcharges, and get a competing 3PL quote before November.

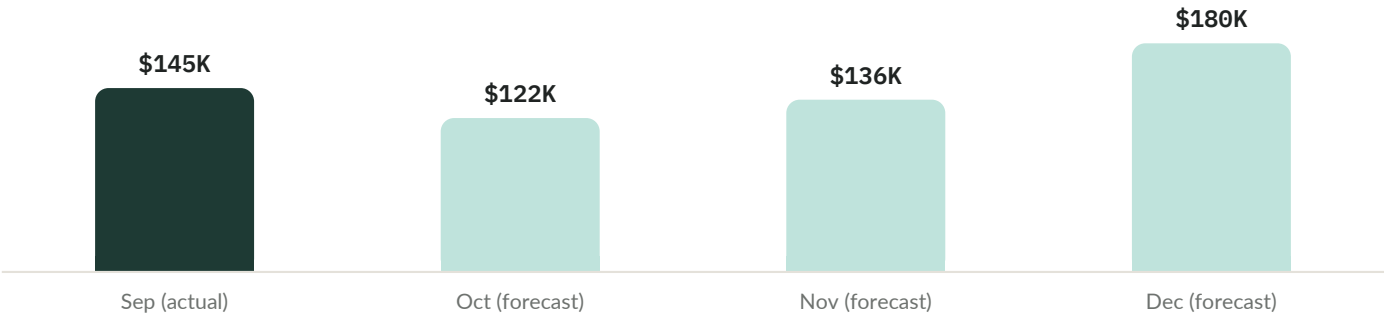
CASH

Where the cash went

This month, and the three months ahead.

SEPTEMBER 2026	AMOUNT
Opening cash, September 1	\$172,400
Net income	\$4,773
Add back depreciation	\$900
Inventory bought ahead of Q4	(\$38,000)
Amazon payouts not yet received	(\$6,400)
Wholesale invoices collected	\$2,100
Supplier bills not yet paid	\$14,500
Accrued expenses	\$1,200
Cash from operations	(\$20,927)
Warehouse equipment	(\$2,800)
Loan principal repaid	(\$3,500)
Net change in cash	(\$27,227)
Closing cash, September 30	\$145,173

MONTH-END CASH, ACTUAL AND OUTLOOK (\$ THOUSANDS)



In plain English: you made a profit, but cash fell \$27,227 because you paid for \$38,000 of holiday inventory before selling it, and Amazon was holding \$6,400 of payouts at month end. October is the low point at about \$122K, then holiday sales bring cash back.

Outlook assumes October inventory purchases stay at plan and Q4 sales land within 5% of forecast. Updated every month.

WHAT TO DO

- Turn slow stock into gift sets: linens hold about 240 days of stock (\$58,000). Bundle them with cast iron for Q4. It moves inventory and frees cash without discounting your best sellers.
- Hold October inventory purchases to plan. October is the cash low point.

KEY NUMBERS AND CLOSE

The month at a glance

METRIC	SEP 2026	SEP 2025	WHAT IT TELLS YOU
Revenue	\$210,350	\$184,450	Up 14%. Demand is healthy; margin is the issue.
Contribution margin	25.4%	32.4%	Cents kept per sales dollar before overheads.
Advertising, % of revenue	14.1%	10.7%	Target 12% or below outside promotions.
Amazon fees, % of Amazon sales	33.5%	31.5%	Packaging and product mix move this.
Inventory on hand	\$412,000	\$338,000	About 149 days of stock, built for Q4.

September close checklist

Every step completed and quality-checked in North America. Delivered October 13, two days ahead of the 15th.

STEP	STATUS	COMPLETED
Bank and credit card accounts reconciled (3 accounts)	✓ Done	Oct 6
Shopify payouts matched to orders, discounts and fees	✓ Done	Oct 7
Amazon settlements reconciled (A2X)	✓ Done	Oct 8
Wholesale invoices and collections reviewed	✓ Done	Oct 8
Inventory and product cost updated	✓ Done	Oct 9
Accruals and prepaid expenses posted	✓ Done	Oct 10
Variance analysis: vs last year and last month	✓ Done	Oct 11
CPA-led quality check	✓ Done	Oct 12
Report delivered	✓ Done	Oct 13

Which plan includes this report

WHAT YOU GET EACH MONTH	ESSENTIALS	GROWTH	SCALE
Reconciled books, closed by the 15th	✓	✓	✓
Financial statements: P&L, balance sheet, cash flow	✓	✓	✓
Close checklist and key numbers	✓	✓	✓
Year-end package for your tax preparer	✓	✓	✓
Secure document sharing	✓	✓	✓
Support by email, answered within one business day	✓	✓	✓
Live dashboards		✓	✓
One-page summary: what happened, why, what to do		✓	✓
Comparisons to last year and last month		✓	✓
Channel, product and ad-return analysis		✓	✓
Cash outlook		✓	✓
One-year budget built at setup, then budget vs actual and a quarterly reforecast			✓
60-minute advisory session every quarter			✓