

# Beyond Breakeven

## Demo Instructions

### Using Beyond Breakeven

#### **What Is It?**

Beyond Breakeven is small business software for the 90's. It was created for the business owner who wants to avoid having to run up expensive accounting bills every time it's necessary to size-up the health of the business' cash flow. Over time, and with much use, it has grown into a very functional way to run "What If?" scenarios and derive highly accurate information to identify "fat" that can render a business sluggish.

Beyond Breakeven's primary function is to show how much you need to produce per day, week, month or year, to increase profitability or to break even, as well as how much you are actually making (or losing) over the same periods. It is also a great tool for forecasting and answering questions like these:

- \* Your employees are demanding a pay raise. Can you meet their demand and still remain profitable?
- \* Susan, your top producer, wants to go from full-time to part-time so she can spend more time with her family. Since she's already producing at capacity, how might this change affect your bottom line?
- \* You're considering taking on another project, but aren't sure whether you can bid for it competitively and still remain profitable.
- \* In the face of an impending need to remodel or add new equipment, can you afford to assume additional debt burden?

It operates from a very non-spreadsheet-like interface and should be welcome to those who understand what their business is about, but find that conversations with their C.P.A. require an interpreter. It concerns itself with one basic issue: are you profitable enough (more than just paying the bills) and what's required if you're not.

#### **What It's Not**

Beyond Breakeven is not accounting software. There are numerous packages out there, already, which fill this description. It will not generate accounting reports. In fact, Beyond Breakeven will not help you run your business in the usual sense: it will not handle payroll, invoicing or taxes. It does not deal with issues, such as depreciation, which affect your business' future market value. But then you're looking to grow your business, not sell it, aren't you?

### **Then Why Buy It?**

The answer to this is simple: It will help you run your business leaner and meaner. It will show you the result of any contemplated change to your method of operation in dollars, and in just seconds.

### **Who Can Use It?**

Beyond Breakeven is designed for virtually any service or retail business from video stores to garages, from hairstyling salons to dental offices to insurance agencies. And now, version 3.x accommodates those businesses which generate income by taking on projects, such as consulting firms, graphics design businesses and software developers. It is best suited for sole proprietorships, partnerships and "Sub-S" corporations. Because it has been created with the intention of allowing the business owner the ability to forecast without constant recourse to the accountant, and because of the complexity of federal and, most especially, of state corporate tax laws, it only accommodates "best guess" estimates of corporate tax impact. Consequently, non-"Sub-S" corporate entities will still find Beyond Breakeven a highly useful tool, but might want their accountant to help "flesh-out" this portion of the picture.

### **Version 3.x Improvements**

Perhaps the single most noticeable improvement to this offering is that virtually all of the worksheets are resizeable. It is no longer necessary to upgrade to another edition when your payroll grows beyond a certain size. This release will grow as your business grows. (Purchase info on pages 8 and 9).

A menu, automating many of the more frequently used macro commands, has been added. You will find it to the immediate right of the Window menu. Look for the "BdBrkEvn" menu heading. If you are using a 'Classic' Mac (including the Mac Plus, SE, SE30 or other compact Mac with a nine-inch screen, this menu will appear as just the letter 'B' immediately to the left of the Excel application icon. Despite its reduced size, you should have no trouble accessing or using it.

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### **Launching Beyond Breakeven**

All spreadsheets are contained within a folder entitled "Beyond Breakeven." It is important that the spreadsheets be kept within this folder. If you need to move them around on your hard disk, you may do so freely provided you keep them within this folder.

To launch Beyond Breakeven from either the Macintosh Desktop or from Windows File Manager, open the folder "Beyond Breakeven." You will find the following files: "All Business Info"; "All Payroll Info"; "Annual Calendar"; "Annual Profit/Loss"; "Launcher"; "Project Info"; and "The Calculator".

Now, select the document labeled "Launcher," then, go to the File menu and choose "Open," or type Command-O. When the dialogue box appears asking if you would like to update references to unopened documents, click "OK." (You will be asked this more than once). When the spreadsheet entitled "The Calculator" appears (it will be the last to do so), you are ready to proceed.

### **Navigating Beyond Breakeven**

Pull down the Window menu from the menu bar. At the bottom of it you will see the names, "All Business Info," "All Payroll Info," "Annual Calendar," "Annual Profit/Loss," "Project Info" and "The Calculator." These are all of your spreadsheets. From now on, we will refer these as 'forms.' As you move up or down the menu you may select and activate any form. This is how you will get around.

### Entering Information in Beyond Breakeven

All information is entered by you on the forms named: "All Business Info," "All Payroll Info," and "Annual Calendar." You may enter information in any rectangle, or 'box,' whether it is empty like this,  or already filled with text or numbers . If you try to enter information elsewhere, a dialogue box will appear and Beyond Breakeven will tell you you're not allowed to. When this happens, just click "OK" and continue. Each time you enter new data, Beyond Breakeven will recalculate automatically and show you how it's doing in the top left corner of the window. YOU MAY ALSO LINK ANY OF THESE CELLS TO WORKSHEETS YOU'VE CREATED. TO DO SO, SIMPLY TYPE AN "=" (EQUAL SIGN) INTO THE BOX (DON'T PRESS ENTER YET), GO TO THE WINDOWS MENU AND NAVIGATE TO THE SHEET TO WHICH YOU WISH TO LINK (IT SHOULD ALREADY BE OPEN), AND CLICK ON THE CELL WHICH CONTAINS THE DESIRED VALUES, ...NOW PRESS ENTER. YOU ARE NOW LINKED. (Please note that Excel may require you to keep this sheet in the same folder as Beyond Breakeven in order to display the calculation properly.

To illustrate which data goes where, Beyond Breakeven demo comes with a dummy business already installed. You may wish to examine each of the forms and run through these instructions, leaving all of the dummy info as is, before entering any of your own data. You will need to complete "Annual Calendar" (see below) before the numbers will compute.

PLEASE NOTE: Certain demo boxes have been locked and the information in them cannot be altered. These boxes and their captions are formatted in italics.

### Annual Calendar

This is the first form which needs to be completed. Rather assign your business calculations to an arbitrary time frame (like a five-day work week/fifty-two week year), Beyond Breakeven lets you specify exactly how many days, and which ones, you will be open or closed, and bases its calculations on that figure. To allow maximum flexibility and ease of entry, it provides a self-dating calendar and lets you graphically indicate the days you choose. You simply enter, or delete an "O" (for Open) in each field to the left of each date. To speed entry, Beyond Breakeven provides macros to take care of the bulk of this work for you.

The demo calendar is initially dated 1991. It will accept only the dates 1991 or 1992 to show self-dating. You can begin by selecting the date field, and enter either of these two years to see the dating function in action. If you are using Windows, and the calendar does not date properly, go to the Calculation... command under the Options menu, select 1904 Dating System, and dating should now work smoothly. The full calendar will accept any year from 1992 through 2078. Once the calendar has been dated, you will need to specify business days.

To specify the days you are open for business, you should run the macro designed for this purpose. Running the macro is simple: type Command-option-o (that is to say, hold down the Command key, the option key, and the 'o' key, in that order and keep them depressed simultaneously for a second, then release). OR, go to the "BdBrkEvn" menu and select 'Add Calendar 'O's.' This will indicate that you are open every day. To indicate that you are regularly closed on certain days of the week, you may select the menu commands: 'Delete Sundays'; 'Delete Mondays'; or 'Delete Saturdays.'

One final note: to further speed the macro's task, screen redraw has been disabled during execution. This cuts execution time in half. Consequently, while the business days are automatically being entered, nothing will seem to be happening except (1) the cursor will have changed to indicate that a process is occurring and that you are waiting and (2) a message indicating same will appear in the lower left corner of your window. So you have some idea how long you have to wait: a Motorola 68000 CPU requires roughly 2.6 minutes, a 68020 or 286 CPU with coprocessor needs about a minute-ten, and a 68030 or 386 with coprocessor takes roughly 20 seconds for this process. Quadras and Power Macs will fly through this.

### **All Business Info**

Next you will need to tell Beyond Breakeven about the details of your business. All information, except that pertaining directly to specific employees will be entered on this form.

The first box in "All Business Info" is for your business' name. Select the left side of this box (even though these forms don't really look like spreadsheets, they are, and the active cell in really wide boxes like this one is always on the left.) Once you've entered the name here, it automatically appears on each of the other forms as well.

Next, check the appropriate boxes (type 'X's) and provide requested information if you are a corporation, or if your operation involves accounts receivable. (If you uncheck the box which asks if your business takes on projects, "Project Info" will not load the next time you launch Beyond Breakeven.)

After these check boxes, we enter those figures which will provide Cost of Goods and Services ratios. NOTE THE SMALL BOX IMMEDIATELY ADJACENT TO EACH DOLLAR ENTRY CONTAINING A NUMERAL (IN MOST INSTANCES A "1" OR A "12". Throughout, each such box will be labeled "# of Mos" or some such notation. This box describes the number of months the dollar entry represents. For example: If the "Total Service Sales for the Specified Period" is an annual figure, a "12" should be entered in the adjacent box to show that this figure embraces twelve months. The entry for a monthly bank service charge would require a "1" to tell Beyond Breakeven that you are only entering one month's charges. In each case the figure is automatically annualized. The advantage this feature offers is this:

A new business with, let us say, 5 months' experience will not be able to provide a full year's figures. By entering a "5" beside any entry representing its total figures for that period, Beyond Breakeven will automatically annualize those figures. Likewise, for an established business whose sales have shown a new trend over the last quarter, a "3" next to an quarter's figures tells Beyond Breakeven that the numbers represent three months' experience.

While past versions have arbitrarily divided expenses into monthly and annual expenses, version 3.5 allows the user to freely mix and match these figures and allows many more expressions than a mere two categories provide. A license fee which is assessed every two years, or 24 months, can be followed by a "24." A little experimentation will show you that this simple feature allows complete freedom in characterizing your revenue or expenses.

Then we come to the issue of revenue. Several ways of reporting revenue are provided: First, you may

simply enter your daily average for service or product sales in the box provided; Second, you may list your monthly sales for each month of the prior year in the boxes labeled accordingly and then, in the boxes immediately beneath those entries, project increases or decreases by percentage for the current year's monthly sales. Finally, if your business' sales are tied to the performance of individual employees, as in the case of outside sales, do not list revenue here. Rather save that information until you get to "All Payroll Info" and the section of "All Business Info" immediately following to list employee and proprietor/partner sales contributions. Revenue derived from contracted projects is itemized on that form.

**IMPORTANT:** To avoid duplicate calculations, do not place revenue information in more than one of these areas. However, if you have multiple profit centers this division of revenue entry may work to your advantage. You may have a showroom where sales are tied to traffic, rather than to individual salespersons' efforts, and you might wish to report its activity here, by month. On the other hand, the work of your outside sales force would be better reported in "All Payroll Info," by salesperson. All those figures would be combined on the form "Annual Profit/Loss," but in this case, without duplication.

The section on owners and partners allows you to enter monthly draws and sales figures, as well as the days each participant generates sales. If the party is only a silent partner, or sales are not tied to the efforts of a particular executive, it is not necessary to specify workdays. Beyond Breakeven assumes, by default, that sales are computed as sales-per-day. If the sales cycle you use to generate your figures is weekly, monthly or quarterly, please place an "X" in the appropriate box.

Scrolling down to the next section of this form, you will come to a heading for independent contractors. Initially, there is only room for two. However, selecting 'Add Contractor' from the "BdBrkEvN" menu will add to this. In this demo, you may only add one, however, on the full version you may bring the total to twenty-six. To remove a contractor, select 'Remove Contractor' from the same menu and enter the identifying letter of the contractor you wish to remove. (It appears to the left of the contractor's name.) For demonstration purposes, you may only add or remove the third contractor (identified by the letter 'C').

Now it is time to begin reporting expenses. Expenses are broken down, at the first part of this form, into the more common broad categories of Advertising, Bank Charges, Insurance, Licenses, Rent or Mortgage, Taxes, Telephone and Utilities. These sections allow for substantial descriptive detail. Following these categories is space for "Other Expenses." These entries, which range from Accounting to Maintenance and Office Supplies accommodate the type of simple figures typically derived from your accountant's monthly or quarterly reports. Several places have been reserved for your own, unique categories and are temporarily labeled "Other" until you see fit to rename them.

On this form the following additional features are worth pointing out:

Grouped with Bank Charges you will find a heading marked 'Loan Info' is the 'Loan Planner.' By entering the amount to be borrowed, the proposed interest rate and desired term of loan, the monthly payment will be shown. If the checkbox there is 'X'd, that figure will automatically be included in "Annual Profit/Loss" as an actual expense, so its impact on the bottom line can be assessed. Otherwise, it is merely presented in isolation.

Under the Insurance expenses, health insurance premiums are broken down by employee. When you

delete an employee (see the section on “All Payroll Info”, below), that employee’s name and insurance premium are automatically deleted here and the remaining names and premium information is repositioned to fill the void. Rows to accommodate additional employees are automatically added or deleted as necessary.

### **All Payroll Info**

As elsewhere, once information, such as employee name, has been entered, it will reflect everywhere else throughout the application automatically.

Salary, hourly wages and commission pay structures are all accommodated here. Commission can be specified as flat or incremental; if incremental, it may be either step or zero-based. Checking the appropriate box allows for a commission override on hourly or salaried employees.

Once the workdays for each employee are specified, they are calculated against “Annual Calendar” to yield accurate wage and cost projections. Similarly, if daily sales rates are specified on each employee they are calculated against the employee’s workdays.

Sick days and vacation time, with and without pay, are easily entered, and their impact taken into account. At the bottom of each record are the workman’s comp categories you entered in “All Business Info.” Notice that the category names carry across from “All Business Info.” Check the box which applies.

Employees may all be paid according to the same or entirely different methods or schedules of payment. A weekly pay period is the default. Similarly, a different sales period for each may be established. That is, you may deal with an employee’s sales in terms of how many sales per-day, -week, -month or -quarter.

If you would like to clear all of the data in a specific employee’s record, you may run a macro to easily accomplish this. First, select (click on) the cell containing that employee’s last name. Then go to the “BrBrkEvn” menu and select ‘Clear Employee Record.’

To add an employee, select the menu command ‘Add Employee Record.’ This demo allows a total of four employees. The full version has no limit except what your disk space and RAM impose. To delete an employee, select ‘Delete Employee Record...’ Enter the number of the record you wish to remove (on this demo, only number ‘3’ or ‘4’). These commands also update all related forms.

To quickly find an employee form, select ‘Go to Employee Record #...’ and, in the dialogue box, enter the record number and you will be instantly taken to it. (Helpful with very large payrolls.)

### **Project Info**

This form allows you to specify income generated by each project (scroll to the far right of each project and enter payments to you and the time-table for each), the Over-seer, Manager and Team Members and the expenses each generates (on the remainder of the project form).

The overseer and manager, in addition to pay by a salary specified on “All Business Info” (for owners or contractors) or “All Payroll Info” (for employees), may be paid a percentage of the project revenue

and/or a fee. Team member compensation is dealt with by salary or wages on either of the two aforementioned forms and/or by billable time or fees as scheduled to the right of each one's name. There is nothing to prevent a manager or overseer from also being listed as a team member on the same, or a different project.

To enter the name and relevant data for any project participant, (1) 'X' to indicate whether he/she is an owner, contractor or employee; and (2) select the box just to the right of those three and enter the identifying character (Owner or Employee number, Contractor letter) found on the participant's record ("All Payroll Info" or "All Business Info"). The name will appear automatically and will be linked to all related forms.

OR... after indicating Owner, Contractor or Employee, select the box the identifier is to go in and select 'Add Team Member (by name)' and enter the last name (or last name, comma-space, first initial) in the dialogue box. All data, including the identifier will be entered for you. For employees, you may also select 'Add Team Member (by SS#)'. Entering the social security number (without dashes) will accomplish the same thing for you.

Other menu commands have been added to help expand this into a very powerful form:

- 'Add Project' adds a project to the end of the form. On this demo you may add one only. on the full version there is no limit.
- 'Remove Project...' allows you to specify which project you wish to remove. On this demo you may only remove #2.
- 'Accommodate Add'l Member' allows you to add another line to accommodate another team member. (This command has been disabled on this demo.)

If your firm's projects result in unit sales, you may enter those sales, real or anticipated, here. You may also enter any other scheduled revenue each project will generate and the dates you will receive same. Any income before or after the twelve months commencing today are excluded from the calculations.

### **Annual Profit/Loss**

This is the most spreadsheet-like form. Here is where all of your earlier entries are brought together: revenue at the top, expenses at the bottom. Please note that, at the very bottom, your profits or losses are represented annually, monthly, weekly and daily. All figures are imported from the other forms, and there is space to the right of each figure for your comments.

### **The Calculator**

This form breaks key data into several useful formats. First of all, it separates and categorizes your operation's fixed and variable expenses. Second, it identifies what percentage of your expenses are payroll and advertising costs. "The Calculator" then informs you what your annual, monthly, weekly and daily sales must be for your business to break even. Next, in the fields below these last, "The Calculator" depicts your current level of sales (in bold face), and shows you the current profit (or loss) margin, both as a percentage and as a dollar amount. Additionally, it depicts various other sales scenarios, greater and lesser, and shows what your margin would become in those instances.

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### **If You'd Like Beyond Breakeven to Work for You, But It Doesn't Seem To Fit...**

There seems to be no end to the structures and permutations that businesses can take on. The greatest challenge the author has had has been to fit this product to the wide variety of businesses operating in the world today. While some business models simply won't adapt to Beyond Breakeven's current structure, a large number will, even when the fit is not immediately apparent. Labor and parts costs correspond to service and product. The advertising model may not seem to fit, but when one is printing a catalogue (for example), the printing cost to number of catalogues printed can replace the cost and number of "runs" of an ad. Postage and distribution costs of same can be handled similarly. In fact, there are a number of correspondences which may not be readily apparent.

If you are having trouble adapting your business model to Beyond Breakeven, I invite you to write me at either the below mailing or Compuserve address, and I will attempt to help you create a match. If we are still unlucky, perhaps together we can create the next, more adaptable version.

### **Purchasing Beyond Breakeven**

Purchasers should have at least a hard disk, 2 megabytes of RAM available for the application and, Excel® v4.0 or later for the Macintosh, or Excel® v4.0 or later for Windows v3.x. A math coprocessor is also recommended, but not absolutely necessary.

### **Beyond Breakeven v3.5**

**\$50.00**

... accommodates 4 owners, unlimited paid employees and 26 paid contractors

Please add \$3.00 for shipping and handling. California residents also add 7.25% sales tax.

The full version comes with a thirty-plus page illustrated manual on disk in the form of an Excel® document. A technical support line is also available to registered users.

Please specify Macintosh or Windows format when ordering. Make your payment to the order of "Raymond L. Bolton" and send your payment (check or money order) to:

Raymond L. Bolton  
1690 Tiburon Boulevard, Suite 4  
Tiburon, CA 94920

OR you may order by phone (see order form below)

**IMPORTANT!!** Beyond Breakeven will be sent to you via regular mail. Please include your physical mailing address.

If you have any questions, you can either reach me by mail, or online through CompuServe: (72712,3224)



**Beyond Breakeven Order Form**

(Please print and enclose this page with your order)

Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_

Phone ( \_\_\_\_ ) \_\_\_\_\_ Mac? >> ☐ Windows? >> ☐

Where did you learn of this product? \_\_\_\_\_

Please send: ☐ **Beyond Breakeven v3.5** \$50.00 \$ \_\_\_\_\_

Less any credit\* ( \_\_\_\_\_ )

Plus shipping and handling 3.00 \_\_\_\_\_

Sales tax (California residents only) 7.25 % \_\_\_\_\_

**Total enclosed** \$ \_\_\_\_\_

\* If you have purchased a demo disk, rather than having obtained a copy online,  
and you order the full version within thirty days,  
the full price of your demo disk will be credited to the purchase of the full version.

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you may pay by Master Card, Visa or American Express.  
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