



FISCAL HEALTH CHECK: INSTANT ASSESSMENT

INSTRUCTIONS

- STEP 1** Identify your company's Real Revenue* for the last 12 months.
- 2** Page 2: Pick the column that corresponds to your real revenue in Figure 1. It may be helpful to print out page 2 as a worksheet.
- 3** Complete the Actual column in Figure 2 with your actual numbers for the last 12 months.
- 4** Using the percentages identified in Step 2, fill out the PF% in Figure 2.
- 5** Multiple the Real Revenue number in the Actual column with each PF% and enter the resultant number in the corresponding PF\$ row.
- 6** For each row, subtract the PF\$ number from the Actual number and put the result in the corresponding row in The Bleed column. *Note: You may get negative numbers.*
- 7** For the Fix column put the word "increase" if the corresponding The Bleed row is a negative number and the word "Decrease" if it is a positive number.

RESULT – the completed Instant Assessment tells you what you need to do with your allocation of money (either Increase or Decrease) and by how much (specified in The Bleed column) for each account.

***Real Revenue** – Real Revenue is the income generated by your company after subtracting the cost of materials and subcontractors. This is similar to Gross Profit, but does not include your employee labor. The total income of a service business is typically its Real Revenue. The total income for a retailer, manufacturer or agency (with many subcontractors) typically need to adjust the total income to Real Revenue.

FIGURE 1

	A	B	C	D	E	F
Real Revenue Range	\$0 - \$250k	\$250 - \$500k	\$500k - \$1M	\$1M - \$5M	\$5M - \$10M	\$10M - \$50M
Real Revenue	100%	100%	100%	100%	100%	100%
Profit	5%	10%	15%	10%	15%	20%
Owner's Pay	50%	35%	20%	10%	5%	0%
Tax	15%	15%	15%	15%	15%	15%
Operating Expenses	30%	40%	50%	65%	65%	65%

FIGURE 2

	ACTUAL	PF%	PF\$	THE BLEED	THE FIX
Top Line Revenue					
Materials & Subs					
Real Revenue		100%			
Profit					
Owner's Pay					
Tax					
Operating Expenses					