Formula Sheet

Breakeven & Margin of Safety

Break-even Output	**= Total Fixed Costs / Contribution per unit**
Break-even Revenue	**= Break-even Output x Selling price**

Total Contribution	**= Total Sales Revenue - Total Variable Costs**

Contribution per unit	**= Total Contribution / Output**
OR	
Contribution per unit	**= Selling price per unit - Variable cost per unit**

Margin of safety (in units)	**= Actual or Expected Output - Break-even Output**
Margin of safety (in $)	**= Actual or Expected Revenue ($) - Break-even Revenue ($)**
Margin of safety (in %)	**= MOS (units or $) / Actual or Expected Output or Revenue**

Market Share

Market Share (%) = Company's Sales Revenue / Total Market Sales (a.k.a. Market Size) x 100

Market Growth

Growth = (New - Old) / Old x 100

New Sales after growth = Old Sales x (1 + growth rate in decimals)

Labour Turnover

Labour Turnover = Number of employees leaving / Total Number of employees x 100

Labour Productivity

Labour Productivity = Number of Units Produced / Number of Workers

OR

Labour Productivity = Number of Units Produced / Number of Hours worked

Budget

Variance = Actual Amount - Budgeted Amount

Sales, Costs, and Profit

Total Cost = Total Fixed Cost + Total Variable Costs

Average Cost = Total Cost / Output

Total Revenue = Selling Price per unit x Quantity Sold

Growth = (New - Old) / Old x 100

Profit = Total Revenue - Total Costs

Cash Flows

Net Cash Flow = Cash Inflows - Cash Outflows

Closing Cash Balance = Opening Cash Balance + Net Cash Flow

Opening Cash Balance = Previous period's closing cash balance

Price Elasticity of Demand

Price Elasticity of Demand = Percentage Change in Quantity Demanded / Percentage Change in Price

% Change = (New - Old) / Old x 100

Working Capital

Working Capital = Current Assets - Current Liabilities

Current Assets = Cash + Bank + Trade Receivables + Inventory (Stock)

Current Liabilities = Bank Overdraft + Trade Payables + Short term debts

Capacity Utilisation

Capacity Utilisation = Current Output / Maximum Output x 100