AS Business – Formulas

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|  | COMP 1: Market data |
| 1 | Market share (value) | The business sales x 100Total market sales |
| 2 | Market growth (value) | New value – previous value x 100Previous value |
|  | COMP 1: Business revenue and costs |
| 3 | Total costs | Fixed costs + Variable costs |
| 4 | Total variable costs | Variable costs per unit x number of units sold |
| 5 | Total revenue (turnover) | Selling price per unit x number of units sold |
| 6 | Profit | Total revenue – total costsORTotal contribution – fixed costs |
| 7 | Contribution per unit | Selling price – variable cost per unit |
| 8 | Total contribution | Total revenue – total variable costsORContribution per unit x number of units produced/sold |
| 9 | Break even output | Fixed costs Contribution per unit |
| 10 | Margin of safety | Actual output – break even output |
| COMP 2: Business Finance |
| Income statement |
| 11 | Gross Profit | Total revenue – Cost of Sales |
| 12 | Cost of sales | Opening stock + Purchases – Closing stock |
| 13 | Net profit | Gross Profit – Expenses |
| COMP 2: Ratio analysis |
| 14 | Gross profit margin | Gross profit x100Revenue |
| 15 | Net profit margin | Net profit x100Revenue |
| COMP 2: People: Measuring workforce performance |
| 16 | Labour productivity | Output (per period)Number of employees (per period) |
| 17 | Labour turnover | Number of staff leaving x100Average number of staff employed |
| 18 | Absenteeism | Total number of staff absence days over a year x100Total number of working day s that should have been worked |
| COMP 2: Operations Management |
| 19 | Added value | Selling price – cost of materials |
| 20 | Unit costs (average costs) | Total costsOutput |
| 21 | Capital productivity | OutputCapital employed |
| 22  | Capacity utilisation | Actual output x100Maximum possible output |

Total mark: