AS Business – Formulas

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|  | COMP 1: Market data | |
| 1 | Market share (value) | The business sales x 100  Total market sales |
| 2 | Market growth (value) | New value – previous value x 100  Previous 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 costs  OR  Total contribution – fixed costs |
| 7 | Contribution per unit | Selling price – variable cost per unit |
| 8 | Total contribution | Total revenue – total variable costs  OR  Contribution 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 x100  Revenue |
| 15 | Net profit margin | Net profit x100  Revenue |
| COMP 2: People: Measuring workforce performance | | |
| 16 | Labour productivity | Output (per period)  Number of employees (per period) |
| 17 | Labour turnover | Number of staff leaving x100  Average number of staff employed |
| 18 | Absenteeism | Total number of staff absence days over a year x100  Total 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 costs  Output |
| 21 | Capital productivity | Output  Capital employed |
| 22 | Capacity utilisation | Actual output x100  Maximum possible output |

Total mark: