

Break-even Analysis

This template forecasts the break-even point and the sales volume level needed to achieve a profit goal. The break-even point is the sales volume that is sufficient to cover both fixed and variable costs. At the break-even point the company does not produce a profit or loss--it simply earns just enough revenue to cover all costs.

When entering the variable cost data, keep in mind that it is per unit data while fixed costs are totals. If you want to know the level of sales needed to achieve a particular profit, you can enter the target operating income for the period.

To view the template, click the worksheet tab labeled Template at the bottom of the screen. Use the Tab key to move from one cell to the next.

Simple Revenue and Expense Calculator

1/01/16-12/31/16

FIXED COSTS

VARIABLE COSTS

Program EXPENSES:

Salaries		\$562,500.00
Marketing Materials		\$10,000.00
CAPC Membership		\$3,500.00
Conference/Training		\$10,000.00
Legal		\$10,000.00

Rent	\$10,000	
Insurance	\$10,000	
Property tax	\$5,000	

Other EXPENSES:

Overhead		\$4,000.00
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TOTALS

\$25,000

\$600,000.00

Revenue DATA:

Hospice Daily Rate	\$250.00
Hospice Days (LOS)	60.00
Number of Patients	40.00
Medicare Billing Part B	1,000.00

RESULTS

Total Program Costs	\$625,000.00
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Revenue Generated	\$601,000.00
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