

## HOW MUCH DO WE NEED TO SELL IN ORDER TO BREAK-EVEN ?

Example for a Retail or Wholesale business

### Full Year Overhead Costs Forecast

Accounting Fees	\$2,000
Advertising	\$2,500
Bank Charges	\$500
Computer Expenses	\$1,000
Donations	\$400
Filing Fees	\$200
Hire of Equipment	\$2,000
Insurances	\$15,000
Interest	\$4,000
Memberships & Subscriptions	\$300
Motor Vehicle Expenses	\$3,000
Office Equipment < \$300	\$600
Printing, Stationery & Postage	\$1,200
Rent	\$60,000
Repairs & Maintenance	\$6,000
Salaries & Wages	\$250,000
Staff Training & Amenities	\$2,000
Superannuation	\$22,500
Telephone & Fax	\$5,000
Travel & Accommodation	\$3,000
Other	\$1,000
<b>Total Overheads</b>	<b>\$382,200</b>

**Average Gross Margin on Sales** **40%**

**Annual Sales required to Break-Even =**

**\$955,500**

= **Monthly Sales**

**\$79,625**

to Break-Even

= **Weekly Sales**

**\$18,375**

to Break-Even

= **Daily Sales**

**\$2,618**

to Break-Even