## Calculate Your Break Even Point Spreadsheet Explanation

The break-even point in economics, business—and specifically cost accounting—is the point at which total cost and total revenue are equal, i.e., "even". There is no net loss or gain, and one has "broken even".

Knowing your businesses break-even point is critical to your business success and provides you with a clear view of your financial position.

The only numbers you will need are:

* Total revenue from treatments
* Total revenue from retail
* Your Variable expenses (e.g., Cost of goods to perform treatments, and therapist wages)
* Total Fixed expenses (e.g., Rent, marketing, phone, salon software, electricity etc)

Enter a few simple figures into the accompanying spreadsheet and it will calculate everything for you.

(D4) enter your total treatment sales revenue for the last year.

(D5) enter your total retail sales revenue for the last year.

(D9) enter the cost of product used to perform treatments for the last year.

(D10) enter your cost for the retail sales made in the last year.

(D15) enter all fixed expenses.