

ABSTRACT

In the face of intense competition in business world now, every company should be able to manage the business well. This competition motivates each firm to produce the best product in order to gain a big advantage. Financial aspect is an important aspect in a company, one of which is the cost of production, all expenditure to acquire the company activity factors of production used to produce goods produced by the company. In determining the decision to produce a product, plan the production cost to get the price. Break Even Point Method is one method that can be used to determine break-even point, break even point is a state of balance between revenues and expenditure of the company.

This research used literature sources, financial data and interviews. Literature is used as a reference source to be studied and used as basis for the theory of a problem, observation, problem-solving. In conducting the study, the authors use the method of break even point with aljabar method. The financial data and interviews to calculate the break even point and design the application.

Results of research conducted from calculations in five periods. The breakeven point of PT.Agronesia "Inkaba" each year has increased. From the calculation of five in 2006 and 2007 the company reached the breakeven point for the production of linoleum products. And two periods not reach the break even point. Therefore, the calculation of the breakeven point the company needs to be done before making decisions the total product to reach break even point, so the company can find a company break-even point then the policy is taken based on the ability of firms and corporate financial performance. Decision making of total product to sell by the company's financial performance. To get the break even point until get the profit, the company must sell the product more the break even point product .

Calculation of break-even point is suggested by the authors for the company, because the break-even point then the company may consider the circumstances and the company's financial performance. Therefore, the authors make the tool a simple calculation to simplify application company in calculating the break even point.

Keywords: life cycle costs, fixed costs, variable costs, price, break-even point.