

Reporting

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Margin Calculation

Profit margins are calculated as a percentage of the cost of a sale vs the revenue generated by it.

$$\text{Net Profit Margin (\%)} = \frac{\text{Total Revenue} - \text{Total Expenses (costs)}}{\text{Total Revenue}}$$

In addition to this, there are several specific inclusions and exclusions:

- Products without a NULL cost price (e.g. a cost price set to £0.00) are omitted from all margin reporting
- Line discounts are included in margin calculation (e.g. uses line discounts to reduce the value of the sold item before working out margin)
- Excludes cancelled, deleted and returned lines
- Excludes draft, quote, abandoned and cancelled orders