ABSTRACT

The Panji Jaya roasted peanut business located in Paya Uleue Village, Banda Baro District, North Aceh Regency, continues to experience increases in raw material costs, while selling prices have not fully adjusted to these changes. This condition may affect the stability of production costs and business profits. Therefore, this study aimed to analyze the relationship between cost, production volume, and profit through the application of *Cost–Volume–Profit* (CVP) analysis in the Panji Jaya roasted peanut business. This research used a quantitative descriptive method. Primary data were collected through direct observation, interviews with the business owner, and documentation of production activities, while secondary data were obtained from relevant literature and previous studies. The analysis included variable costs, fixed costs, *contribution margin*, *Break Even Point* (BEP), profit planning, *Margin of Safety* (MOS), and sensitivity analysis toward changes in raw material costs. The results showed that the business had a total variable cost of Rp26,731,950 per month and a total fixed cost of Rp4,182,078 per month, with production reaching 720 kg per month. The business was still operating above the *break even point* and was able to generate profit under current production conditions. The sensitivity analysis also indicated that increases in raw material prices could reduce business profits and narrow the business safety margin. In conclusion, the application of CVP analysis can assist business owners in understanding the relationship between cost, sales volume, and profit as a basis for production planning and business decision making.

Keywords: *Break Even Point, Cost–Volume–Profit, contribution margin, Margin of Safety,* sensitivity analysis