

The DNA Of A Profit & Loss Statement

Cheat Sheet

Firstly, Show The Income The Company Has Made & The Costs Incurred

Statement Of Profit Or Loss For The Year Ending: 31st December 2017

	2017	2016
Revenue	£12,354	£11,097
Cost Of Sales	£2,344	£1,977

You Then Subtotal To See The Gross Profit (Profit Made From Producing & Selling The Business' Major Activity)

Statement Of Profit Or Loss For The Year Ending: 31st December 2017

	2017	2016
Revenue	£12,354	£11,097
Cost Of Sales	£2,344	£1,977
Gross Profit	£10,010	£9,120

Finally, Subtract All Other Expenses (Admin, Distribution etc) To View The Net Profit (How Well The Business Performed Overall)

Selling & Distribution Expenses	-£1,242	-£987
Administrative Expenses	-£2,344	-£1,987
Operating Profit	£6,424	£6,146
Finance Income/Expense	-£456	-£312
Profit Before Tax	£5,968	£5,834
Tax	-£1,134	-£1,108
Profit For The Year	£4,834	£4,726

It Is All Prepared On An Accruals Basis

**Income Is Recorded Once
It Has Been EARNED**

**Expenditure Is Recorded Once
It Has Been INCURRED**