

Company Name: _____

Profit and Loss Statement

For the _____ Ended _____ and _____

Time Period		
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Revenues		
Revenue from Primary Activities		
(Less Returns and Allowances)		
Total Revenue		

Costs		
Cost of Revenue		

GROSS PROFIT		
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Operating Expenses		
General and Administrative		
Insurance		
Non Recurring		
Payroll Taxes		
Rent		
Research and Development		
Salaries and Wages		
Sales and Marketing		
Utilities		
Other		
Total Operating Expenses		

OPERATING INCOME		
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Non-Operating or Other		
Interest Revenue		
(Interest Expense)		
Gain/(Loss) on Sale of Assets		
Gain/(Loss) from Legal Action		
(Depreciation and Amortization)		
Other Gain		
(Other Loss)		
Total Non-Operating or Other		

Discontinued Operations		
Gain/(Loss)		

Extraordinary Items		
Gain/(Loss)		

PRE-TAX INCOME		
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Taxes		
Income Tax Expense		

NET INCOME		
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Profit and Loss Statement

Instructions

1 Company Name: _____

2 For the _____ **Profit and Loss Statement** Ended ____ and ____

3 Time Period _____

4 Revenues

Revenue from Primary Activities		
(Less Returns and Allowances)		
Total Revenue		

5 Costs

Cost of Revenue		
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6 GROSS PROFIT _____

7 Operating Expenses

General and Administrative		
Insurance		
Non Recurring		
Payroll Taxes		
Rent		
Research and Development		
Salaries and Wages		
Sales and Marketing		
Other		
Total Operating Expenses		

8 OPERATING INCOME _____

9 Non-Operating or Other

Interest Revenue		
(Interest Expense)		
Gain/(Loss) on Sale of Assets		
Gain/(Loss) from Legal Action		
(Depreciation and Amortization)		
Other Gain		
(Other Loss)		
Total Non-Operating or Other		

10 Discontinued Operations

Gain/(Loss)		
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11 Extraordinary Items

Gain/(Loss)		
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12 PRE-TAX INCOME _____

13 Taxes

Income Tax Expense		
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14 NET INCOME _____

- 1** Name of your company
- 2** This profit and loss statement covers two periods of time. An example for this line might be "For the **Two Quarters** Ended 3/31/2014 and 6/31/2014"
- 3** Enter the same periods of time and end dates as above in the two boxes provided
- 4** Revenue from primary activities includes the proceeds from your company's main source of income. If you ran a lemonade stand, for instance, your revenue would come from the sale of lemonade.
- Returns and allowances include any cash or credit refunds or rebates provided to customers and any additional reductions in the sale price of merchandise for customers.
- The total is revenue minus returns and allowances.
- 5** The cost of your company's revenue is the amount spent on things directly related to your primary activities. Our lemonade stand would include the amount spent on factors of production like lemons, sugar, and water in the costs section of its profit and loss statement. Any other expenses, even the wages of workers, will be included in another section of the statement.
- Note that companies that exclusively provide services traditionally leave the costs section blank and include their costs under operating expenses.
- 6** Gross profit is calculated by subtracting costs from total revenue.

- 7** Operating expenses include expenses unrelated to the primary activities of your company. The operating expenses of our lemonade stand might include the wages of workers, rent paid on the stand, and advertising costs. The total is the sum of each individual expense.
- 8** Operating income is calculated by subtracting total operating expenses from operating income.
- 9** Non-operating gains include income from sources unrelated to your company's primary activities. If our lemonade stand sold some of its land to a neighboring bake sale, any gains would be reported here. The total is the sum of gains minus the sum of losses (in parentheses).
- 10** Any gains or losses from significant discontinued operations (e.g., a discontinued product category) should be reported here.
- 11** Any gains or losses from extremely rare or unique occurrences (e.g., a tornado in Alaska but not a tornado in Kansas) should be reported here.
- 12** Pre-tax income is the sum of operating income plus total non-operating or other, plus or minus gains or losses (respectively) from discontinued operations and extraordinary items.
- 13** Any income tax expenses should be listed here.
- 14** Net income is calculated by subtracting tax expenses from pre-tax income. This final figure is the end result of the process of creating an income statement.