

Profit and Loss (12 Months)

Enter your Company Name here

Fiscal Year Begins

Jan-25

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	YEARLY
Revenue (Sales)													
Category 1													0
Category 2													0
Category 3													0
Category 4													0
Category 5													0
Category 6													0
Category 7													0
Total Revenue (Sales)	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of Sales													
Category 1													0
Category 2													0
Category 3													0
Category 4													0
Category 5													0
Category 6													0
Category 7													0
Total Cost of Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Profit	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenses													
Salary expenses													0
Payroll expenses													0
Outside services													0
Supplies (office and operating)													0
Repairs and maintenance													0
Advertising													0
Car, delivery and travel													0
Accounting and legal													0
Rent & Related Costs													0
Telephone													0
Utilities													0
Insurance													0
Taxes (real estate, etc.)													0
Interest													0
Depreciation													0
Other expenses (specify)													0
Other expenses (specify)													0
Other expenses (specify)													0
Misc. (unspecified)													0
Sub-total Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve for Contingencies	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit Before Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Federal Income Taxes													
State Income Taxes													
Local Income Taxes													
Net Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes on Preparation

You may want to print this information to use as reference later. To delete these instructions, click the border of this text box and then press the DELETE key.

You should change "category 1, category 2", etc. labels to the actual names of your sales categories. Enter sales for each category for each month. The spreadsheet will add up total annual sales.

COST OF GOODS SOLD (also called Cost of Sales or COGS): COGS are those expenses directly related to producing or buying your products or services. For example, purchases of inventory or raw materials, as well as the wages (and payroll taxes) of employees directly involved in producing your products/services, are included in COGS. These expenses usually go up and down along with the volume of production or sales. Study your records to determine COGS for each sales category. Control of COGS is the key to profitability for most businesses, so approach this part of your forecast with great care. For each category of product/service, analyze the elements of COGS: how much for labor, for materials, for packing, for shipping, for sales commissions, etc.? Compare the Cost of Goods Sold and Gross Profit of your various sales categories. Which are most profitable, and which are least - and why? Underestimating COGS can lead to under pricing, which can destroy your ability to earn a profit. Research carefully and be realistic. Enter the COGS for each category of sales for each month. In the "%" columns, the spreadsheet will show the COGS as a % of sales dollars for that category.

GROSS PROFIT: Gross Profit is Total Sales minus Total COGS.

OPERATING EXPENSES (also called Overhead): These are necessary expenses which, however, are not directly related to making or buying your products/services. Rent, utilities, telephone, interest, and the salaries (and payroll taxes) of office and management employees are examples. Change the names of the Expense categories to suit your type of business and your accounting system. You may need to combine some categories, however, to stay within the 20 line limit of the spreadsheet. Most operating expenses remain reasonably fixed regardless of changes in sales volume. Some, like sales commissions, may vary with sales. Some, like utilities, may vary with the time of year. Your projections should reflect these fluctuations. The only rule is that the projections should simulate your financial reality as nearly as possible.

NET PROFIT: The spreadsheet will subtract Total Operating Expenses from Gross Profit to calculate Net Profit.

INDUSTRY AVERAGES: Industry average data is commonly available from industry associations, major manufacturers who are suppliers to your industry, and local colleges, Chambers of Commerce, and public libraries. One common source is the book Statement Studies published annually by Robert Morris Associates. It can be found in major libraries, and your banker almost surely has a copy. It is unlikely that your expenses will be exactly in line with industry averages, but they can be helpful in areas in which expenses may be out of line.