# 📑**Profit & Loss Statement Template**

*A structured financial statement to track revenue, expenses, and profitability over a specific period.*

## **📌 Why Use a Profit & Loss (P&L) Statement?**

A Profit & Loss Statement (also known as an Income Statement) helps businesses:

✅ Assess financial performance – Track revenue, costs, and net income.  
✅ Identify profit margins – Understand how much money is actually being made.  
✅ Improve decision-making – Adjust expenses and pricing strategies.  
✅ Prepare for investors & loans – Show financial health for funding opportunities.

## **📑 Profit & Loss Statement Template**

### 📝 Business Information

* Business Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Industry: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Statement Period (e.g., Monthly, Quarterly, Annually): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Prepared By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## **1️⃣ Revenue (Total Sales & Income)**

List all sources of revenue, including product sales, service fees, and other income streams.

| Revenue Source | Amount (₦) |
| --- | --- |
| Product Sales | \_\_\_\_\_\_\_ |
| Service Revenue | \_\_\_\_\_\_\_ |
| Consulting Fees | \_\_\_\_\_\_\_ |
| Subscription Income | \_\_\_\_\_\_\_ |
| Investment Income | \_\_\_\_\_\_\_ |
| Other Income (e.g., royalties, rent) | \_\_\_\_\_\_\_ |
| Total Revenue | ₦\_\_\_\_\_\_ |

✍️ Your Total Revenue: ₦\_\_\_\_\_\_\_\_\_\_\_\_\_

## **2️⃣ Cost of Goods Sold (COGS)**

These are direct costs associated with producing goods or delivering services.

| Cost Category | Amount (₦) |
| --- | --- |
| Raw Materials | \_\_\_\_\_\_\_ |
| Manufacturing Costs | \_\_\_\_\_\_\_ |
| Inventory Purchases | \_\_\_\_\_\_\_ |
| Packaging & Shipping | \_\_\_\_\_\_\_ |
| Direct Labor Costs | \_\_\_\_\_\_\_ |
| Other Direct Costs | \_\_\_\_\_\_\_ |
| Total COGS | ₦\_\_\_\_\_\_ |

🔹 Gross Profit = Total Revenue – Total COGS

✍️ Your Gross Profit: ₦\_\_\_\_\_\_\_\_\_\_\_\_\_

## **3️⃣ Operating Expenses (OPEX)**

These are indirect costs associated with running the business.

| Expense Category | Amount (₦) |
| --- | --- |
| Rent / Lease | \_\_\_\_\_\_\_ |
| Salaries & Wages | \_\_\_\_\_\_\_ |
| Marketing & Advertising | \_\_\_\_\_\_\_ |
| Utilities (Electricity, Water, Internet) | \_\_\_\_\_\_\_ |
| Office Supplies | \_\_\_\_\_\_\_ |
| Insurance | \_\_\_\_\_\_\_ |
| Software & Subscriptions | \_\_\_\_\_\_\_ |
| Legal & Professional Fees | \_\_\_\_\_\_\_ |
| Travel & Transportation | \_\_\_\_\_\_\_ |
| Training & Development | \_\_\_\_\_\_\_ |
| Miscellaneous | \_\_\_\_\_\_\_ |
| Total Operating Expenses | ₦\_\_\_\_\_\_ |

🔹 Operating Profit = Gross Profit – Total Operating Expenses

✍️ Your Operating Profit: ₦\_\_\_\_\_\_\_\_\_\_\_\_\_

## **4️⃣ Other Expenses & Income**

This section includes one-time expenses, interest, taxes, or other gains/losses.

| Category | Amount (₦) |
| --- | --- |
| Interest Payments | \_\_\_\_\_\_\_ |
| Depreciation & Amortization | \_\_\_\_\_\_\_ |
| Taxes | \_\_\_\_\_\_\_ |
| One-Time Expenses | \_\_\_\_\_\_\_ |
| Other Gains/Losses | \_\_\_\_\_\_\_ |
| Total Other Expenses & Income | ₦\_\_\_\_\_\_ |

🔹 Net Profit/Loss = Operating Profit – Total Other Expenses & Income

✍️ Your Net Profit/Loss: ₦\_\_\_\_\_\_\_\_\_\_\_\_\_

## 5️⃣ Profitability Metrics & Analysis

These help evaluate your business performance.

| **Metric** | **Formula** | **Result** |
| --- | --- | --- |
| Gross Profit Margin | (Gross Profit / Total Revenue) × 100 | \_\_\_\_\_\_% |
| Operating Profit Margin | (Operating Profit / Total Revenue) × 100 | \_\_\_\_\_\_% |
| Net Profit Margin | (Net Profit / Total Revenue) × 100 | \_\_\_\_\_\_% |

✔ Positive Net Profit – Your business is making money.  
 ❌ Negative Net Profit – Adjust expenses or improve revenue generation.

✍️ Your Next Steps:

## **🔍 Final Thoughts**

Pro Tip:  
 ✔ Keep track of your P&L monthly or quarterly to spot trends early.  
 ✔ Use accounting software or a Google Sheets template for easy updates.  
 ✔ Adjust pricing, expenses, or investments based on profitability trends.