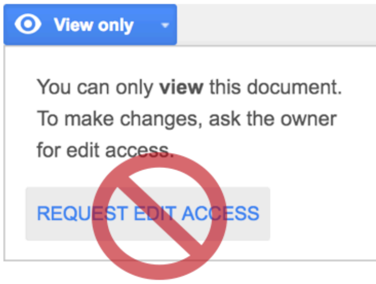

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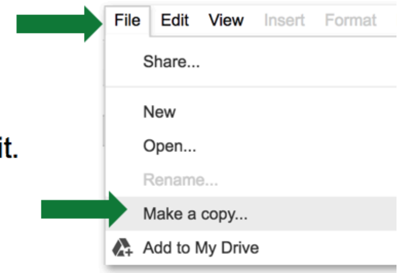

PROFIT AND LOSS CHECKLIST TEMPLATE

Template begins on page 2.

PRIORITY MENU		
HIGH	MEDIUM	LOW

	P&L PREPARATION CHECKLIST	NOTES	TASK PRIORITY	DUE DATE
X	Gather Financial Documents	Credit card statement, bank account statement, receipts, and invoices.	MEDIUM	X/X/XX
X	Total All Sales & Income	Pre-tax amounts.	LOW	X/X/XX
X	Separate Cost of Goods Sold from Operating Expenses	Organize operating expenses into categories and itemize. Repeat with COGS if necessary.	HIGH	X/X/XX
	Itemize Taxes, Interest, Depreciation & Amortization	Omit depreciation & amortization if not available	MEDIUM	X/X/XX
	Calculate Gross Revenue & Create Line Item(s)	Total sales (and additional income if applicable) pre-tax.	MEDIUM	X/X/XX
	Total COGS & Create Line Item	Make sure these are not operating expenses.	MEDIUM	X/X/XX
X	Calculate Gross Profit & Create Line Item	Gross Profit = Gross Revenue - COGS	HIGH	X/X/XX
	Itemize Operating Expenses & ITDA	Clearly list non-operating expenses (interest, taxes, depreciation, or amortization) below all operating expenses.	HIGH	X/X/XX
X	Total Expenses & Create Line Item	Operating expenses + non-operating expenses	LOW	X/X/XX
	Optional: Calculate Operating Profit as a Separate Line Item	Operating Profit = Gross Revenue – Operating Expenses	HIGH	X/X/XX
	Calculate Net Profit	Net Profit = Gross Revenue - Expenses	LOW	X/X/XX
	VERTICAL ANALYSIS CHECKLIST	**NOTES**	**TASK PRIORITY**	**DUE DATE**
X	Identify Accounting Method	Cash or Accrual Basis	HIGH	X/X/XX
X	Calculate Gross Profit Margin	Gross Profit / Gross Revenue x 100	HIGH	X/X/XX
	Calculate Operating Profit Margin	Operating Profit / Gross Revenue x 100	MEDIUM	X/X/XX
	Calculate Net Profit Margin	Net Profit / Gross Revenue x 100	LOW	X/X/XX
	Analyze Profit Margins	What went well this period to replicate for next? What changes do you hypothesize before comparing statements in context?	LOW	X/X/XX
	Analyze Profit Margins in Context	Return to a vertical analysis after a horizontal analysis to discover which changes will increase profit margins.	LOW	X/X/XX

HORIZONTAL ANALYSIS CHECKLIST		NOTES	TASK PRIORITY	DUE DATE
	Create Net Profit Margin Graph	Use a line graph.	HIGH	X/X/XX
	Optional: Map Operating Profit & Gross Profit onto Map	Either on the same graph or a new graph.	LOW	X/X/XX
	Analyze Trends	Capture quarterly and annually. Summarize in writing.	MEDIUM	X/X/XX
	Return to the Vertical Analysis	Review line items on the statement to make informed decisions based on trends.	HIGH	X/X/XX
X	Create Financial Forecast	Project trends into the future.	MEDIUM	X/X/XX
X	Measure Strategic Direction	Use data to measure the effectiveness of past strategic decisions.	MEDIUM	X/X/XX
ADDITIONAL TASKS		**NOTES**	**TASK PRIORITY**	**DUE DATE**
				X/X/XX
				X/X/XX
				X/X/XX

DISCLAIMER