

Profit And Loss A/c

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Income

Income is the money that an individual or organisation receives in return for their services or goods.

Revenue From operations

The amount of money a company earns from selling its product or services.

Other income.

Gain on sale of assets, interest income, dividend income, rent income insurance claim etc.

Expenses

Expenses refers to any cost that contributes to a company's overall cost of doing business that is any costs incurred as a result of a company's attempt or successfully revenue production.

Cost of material consumed

The cost of raw materials and other materials used in manufacturing goods and is the first expense listed on Profit and Loss.

Purchases of Stock-in-trade

Purchase of Stock-in-trade for all the purchase of finished goods that the company buys towards conducting the business.

change in inventory of finished goods, stock in trade work in progress

change in inventory of finished goods work in progress (WIP) and stock-in-trade are the differences between the total of opening and closing inventories. opening and closing inventories include all raw materials WIP and finished goods of inventory.

Employee benefit expenses

Employee benefits expenses are the costs a company incurs to benefit its employees in addition to their basic salary.

Finance costs

It is the costs interest and other charges involved in the borrowing of money to build or purchase assets.

Depreciation and amortization expenses

The term depreciate means to diminish in value over time while the term amortize means to gradually write off a cost over a period.

Other expenses

total expenses:-

A company's total expenses refer to the sum of its costs spent toward running the business.

Profit before Exceptional item and tax (A-E)

Profit before shows the Profit from Joint and exceptional items. represents the Profit earned by a business from its core operations.

Exceptional items:

An item in the Profit and loss account (or Statement) derived from within the ordinary activities of the company which is not expected to occur regularly.

Profit before tax.

Profit before tax (PBT) is a financial metric that measures a company's profitability before deducting taxes.

Tax expenses.

Tax expenses are calculated by multiplying the tax rate of the individuals or business by the income received or generated before tax.

current tax

The current tax in a profit and loss account refers to the amount of income tax that a company is expected to pay on its taxable profit for the current accounting period. This figure is calculated based on the company's taxable income, taking into account applicable tax rates and regulations.

Deferred tax

Deferred tax refers to the tax liability or asset that is delayed or postponed to a future tax ~~usage and expenditure~~ period.

Total tax expenses

total tax expenses represents the total amount of taxes incurred by a business for a specific period.
net Profit for the year.

net Profit, also known as ~~net income~~ net earnings or the bottom line, is the ~~remaining~~ amount of money a business earns after all its expenses are deducted from its total revenues over a specific period.

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