Profit Review Worksheet

Connect profit changes with the work behind them

Use your income statement and supporting records. Keep the accounting basis and expense categories consistent, use revenue after discounts and returns, and record each cost once. Track unpaid owner hours separately from accounting expenses. Ask your accountant about missing or unclear figures.

Business and person completing the review

Period A dates and Period B dates

Measure	Period A	Period B
Revenue		
Cost of goods or services sold		
Gross profit		
Other operating expenses		
Operating profit		
Operating margin		

Gross profit = revenue less cost of goods or services sold. Operating profit = gross profit less other operating expenses. Operating margin = operating profit divided by revenue, multiplied by 100. If revenue is zero, mark the margin as not applicable. Interest and income taxes are excluded from these operating measures.

What changed most and what operating question does it raise

Are seasonality, unusual costs or accounting changes affecting the comparison

Choose the investigation and next action

Which service or workflow needs review and what still comes back to the owner

What evidence do we need, including extra work and unpaid owner time

What will change, who is responsible, and what can they decide

What will we measure for profit, service, and owner involvement and on what date

What cash timing issues also need attention

Other issues you would like to discuss

Bring a summary of this review to a complimentary 45-minute strategy call if you would like help identifying the next step. Keep detailed financial and customer records within your normal secure systems.

Definitions: SEC guide to financial statements