SAMPLE PROFIT & LOSS STATEMENT
OF RESIDENTIAL/COMMERCIAL RENTAL BUSINESS

NOTES

Each component of financial statement is to be valued at VEP amount.

1. Rent Received or incurred - Amount of rent received or incurred during a financial year.
2. Town/City Rates – Total amount of town rates paid or incurred during the year.
3. Repairs & Maintenance – Cost incurred in repairing the building during the year or portion of building due to damages sustained and renovation cost for renovation done to building to make it in usable condition only for the portion of the building used in producing the income.
4. Depreciation – Figure to be brought from fixed assets and deprecation register calculated in depreciation schedule for portion of building used in business. Only if building is owned and used in the business.
5. Land Rent – Amount of rent paid on land for the year.
6. Total Operating Expenses – Add all the operating expenses.
8. Interest – Total interest incurred on overdraft, loan account etc during a year.
10. Total Financial Expenses - Add all the financial expenses.
11. Total Expenses – Total operating expenses plus total financial expenses.
12. Expenses on Private Use of Property – Apportion those expenses which have not been apportioned for the private use of the property.
SAMPLE BALANCE SHEET
OF COMMERCIAL \RESIDENTAIL RENTAL BUSINESS

NOTES

Each component of financial statement is to be valued at VEP amount.

1. **Cash at Bank** - This closing bank balance of a year from the bank reconciliation or bank statement is ending balance as at 31st December.
2. **Cash on Hands** - Ending balance, as at 31 December of cash held on hand.
3. **Debtors** – Amount of money owed by individual or organization to you as at end of current financial year.
4. **Rent Due** – Amount of rent due but still unpaid by the tenant at the end of financial year.
5. **Insurance in advance** – Amount of insurance expenses paid in advance before the invoice is being received.
6. **Total Current Assets** – Total amount of all current assets.
7. **Land** – Historical cost of land owned by you or your business.
8. **Building** – Valued at construction cost owned by you or your business.
9. **Accumulated Depreciation** - Total depreciation on building from date of acquisition till year end date.
10. **Cost of building less accumulated depreciation on building** (Written down Value).
11. **Motor Vehicle** – Value of all motor vehicles owned you for personal use valued at historical cost.
12. **Accumulated Depreciation** - Total depreciation on motor vehicles from date of acquisition till year end date.
13. **Cost of motor vehicles less accumulated depreciation on motor vehicles** (Written down Value).
14. **Total Fixed Assets** – Total of written down value of all assets plus value of land.
15. **Total Assets** – Current assets plus fixed assets.
16. **Creditors** – Total amount of money owed by business to individuals (including friends and family) and organization which can be paid within 12 months period.
17. **Total Current Liabilities** - total amount of all current liabilities.
18. **Loan payable** – Amount of loan is to be paid at the end of the year either payable to financial institution or any other party (including friends and relatives).
19. **Total Long Term Liabilities** – Aggregate amount of all long term liabilities.
20. **Total Liabilities** – Total current liabilities plus total long term liabilities.
22. **Beginning Capital** – Amount of capital at the start of this financial year (closing capital of last financial year).
23. **Net Profit after income tax** – Net profit of the current year after income tax has been
subjected to it.

24. Beginning capital plus net profit after income tax.

25. **Drawings** – Total value of cash taken by owner from the business for personal use during the year.

26. **Closing Equity** – Beginning capital plus net profit after income tax minus drawings.