

Management Report-Oriented Profit Reconciliation

Period: Q1 2024

Description	Amount (USD)
Management Report Profit	105,000
Add: Items Recognized in Financial Statements Only	
Depreciation Adjustment	4,500
Provision for Expected Credit Losses	3,000
Subtotal	112,500
Less: Items Excluded from Financial Statements	
Management Bonus Accrual	2,000
Internal Cost Allocations	1,500
Adjusted Profit Before Tax (Financial Statements)	109,000

Important Notes

- This format helps reconcile management reporting profits with statutory financial statement figures.
- Adjustments typically include timing differences, non-cash items, and one-off charges.
- Ensure all reconciling items are documented and supported.
- Facilitates transparency between financial reporting and internal performance analysis.