

# Vertical Loss Statement

for the Year Ended 31st March 2024

Description	Amount (â,¹)	% of Total Income
<b>I. Income</b>		
Revenue from Operations	8,50,000	100.00%
Other Income	50,000	5.88%
<b>Total Income</b>	<b>9,00,000</b>	<b>105.88%</b>
<b>II. Expenses</b>		
Cost of Goods Sold	5,00,000	55.56%
Employee Benefits Expense	1,20,000	13.33%
Depreciation and Amortisation	30,000	3.33%
Other Expenses	70,000	7.78%
<b>Total Expenses</b>	<b>7,20,000</b>	<b>80.00%</b>
<b>III. Net Profit/Loss before Tax</b>	<b>1,80,000</b>	<b>20.00%</b>
Less: Tax Expense	40,000	4.44%
<b>IV. Net Profit/Loss after Tax</b>	<b>1,40,000</b>	<b>15.56%</b>

## Important Notes:

- A vertical loss statement displays each item as a percentage of total income for analytical purposes.
- Helps in comparing expense and income structures across years and with other businesses, regardless of size.
- Assists in identifying cost control areas and improving overall financial efficiency.
- Percentages may exceed 100% when including other income or non-operating revenue.
- Accuracy depends on precise classification and reporting of income and expense items.