

Vertical Loss Statement

for the Year Ended 31st March 2024

Description	Amount (â‚¹)	% of Total Income
I. Income		
Revenue from Operations	8,50,000	100.00%
Other Income	50,000	5.88%
Total Income	9,00,000	105.88%
II. Expenses		
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%
Total Expenses	7,20,000	80.00%
III. Net Profit/Loss before Tax	1,80,000	20.00%
Less: Tax Expense	40,000	4.44%
IV. Net Profit/Loss after Tax	1,40,000	15.56%

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.