PROJECT UNDERDOGS FOUNDER LIBRARY · MONEY BASICS · M-17

PROFIT AND LOSS AND BALANCE SHEET TEMPLATES

Fillable financial statements with the totals built in, for two periods side by side.

TYPE: WORKSHEET REVIEWED: NOVEMBER 2026 TIME: 30 MINUTES LEVEL: BEGINNER

AT A GLANCE

- Two **fillable statements**: a **profit and loss statement** (page 2) and a **balance sheet** (page 3).
- Each has two columns, so you can compare **this period with last period**.
- Totals, margins and a **balance check** calculate automatically. If the balance sheet doesn't balance, the check shows the difference.

TIP

If you use bookkeeping software, it can produce these reports for you. Use this template if you keep books in a spreadsheet, when you're just starting, or to practice reading statements. Calculations work in **Adobe Acrobat Reader** (free) and most desktop PDF apps.

Profit and loss statement: how to fill it in

1. **Name the periods**, for example "Jan–Dec 2026" and "Jan–Dec 2025."
2. **Revenue:** all sales in the period, before any costs.
3. **Cost of goods sold:** direct costs of making each sale, like materials and the workers who do each job.
4. **Operating expenses:** the costs of running the business, like rent, marketing and insurance.
5. **Other expenses:** interest on loans and any other costs outside your main work.
6. The worksheet calculates **gross profit, gross margin, operating profit and profit before taxes**.

Balance sheet: how to fill it in

1. **Date each column**, usually the last day of a month or year.
2. **Assets:** cash, money customers owe you, inventory, and equipment or vehicles the business owns.
3. **Liabilities:** what the business owes, such as supplier bills, card balances, taxes owed and loans.
4. **Owner's equity:** money owners put in, plus profits kept in the business, minus owner draws.
5. Check the **difference** line at the bottom. It should be **$0**. If it isn't, something is missing or entered twice.

Example check

> EXAMPLE
>
> Using Rosa's numbers from **M-04 Reading a Profit and Loss Statement** and **M-05 Reading a Balance Sheet**: revenue $96,000, cost of goods sold $45,600, operating expenses $15,000 and interest $600 give a **gross margin of 52.5%** and **profit before taxes of $34,800**. On her balance sheet, assets of $37,500 equal liabilities of $15,500 plus equity of $22,000, so the difference line shows **$0**.

Where to go next

- **M-04 Reading a Profit and Loss Statement**
- **M-05 Reading a Balance Sheet**
- **M-14 Monthly Money Checklist**

IMPORTANT

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PROFIT AND LOSS STATEMENT

Money in, money out, and what's left over a period of time.

	This period	Last period
Period		
REVENUE		
Product sales		
Service sales		
Other revenue		
Total revenue		
COST OF GOODS SOLD		
Materials and supplies		
Direct labor (workers who do each job)		
Other direct costs		
Total cost of goods sold		
Gross profit		
Gross margin (%)		
OPERATING EXPENSES		
Rent and utilities		
Payroll (not direct labor)		
Marketing and advertising		
Insurance		
Software, phone and internet		
Vehicle and travel		
Professional fees (legal, accounting)		
Other operating expense		
Other operating expense		
Total operating expenses		
Operating profit		
OTHER EXPENSES		
Interest on loans		
Other expenses (enter income as a negative)		
Profit before taxes		
Profit margin (%)		

BALANCE SHEET

What the business owns, what it owes, and what's left for the owners, on one date.

	This period	Last period
Date		
CURRENT ASSETS		
Cash in bank accounts		
Accounts receivable (customers owe you)		
Inventory		
Other current assets		
Total current assets		
LONG-TERM ASSETS		
Equipment		
Vehicles		
Other long-term assets		
Total assets		
CURRENT LIABILITIES		
Accounts payable (you owe suppliers)		
Credit card balances		
Taxes owed		
Loan payments due within 12 months		
Total current liabilities		
LONG-TERM LIABILITIES		
Loans (balance after the next 12 months)		
Other long-term liabilities		
Total liabilities		
OWNER'S EQUITY		
Money owners put in		
Profits kept in the business (all years)		
Owner draws taken out (enter as a positive number)		
Total owner's equity		
Total liabilities and equity		
Difference (should be $0)		
Current assets / current liabilities		

Above 1.0 on the last line means current assets cover the bills due within a year (see M-05).