

**Norman's PROFIT and LOSS**

**SALES**

Cash Sales  
Credit Sales  
**TOTAL INCOME**

**EXPENDITURE**

Cost of Sales

Cash Purchases

**TOTAL COST OF SALES**

**GROSS PROFIT** (Income less cost of sales)

**Overheads**

Electricity  
Stationery  
Advertising  
Telephone  
Business insurance  
Travel Costs  
Capital Allowances

**TOTAL EXPENDITURE**

**NET PROFIT**