

**PROFIT & LOSS STATEMENT**  
(Example)

**ABC Landscaping Company**  
1000 First Street  
Sacramento, CA 95814  
(916) 555-1234

<b>January 2006</b>		<b>February 2006</b>		<b>March 2006</b>	
Total Income	\$5,000	Total	\$2,000	Total Income	\$4,000
Expenses:		Expenses:		Expenses:	
Car	\$ 200	Car	\$ 200	Car	\$ 200
Equipment	\$1,000	Equipment	\$1,000	Equipment	\$ 300
Repair	\$ 300	Repair	\$1,100	Repair	\$ 100
Advertising	\$ 300	Advertising	\$ 300	Advertising	\$ 300
Depreciation	\$ 100	Depreciation	\$ 0	Depreciation	\$ 0
Meals & Entertain.	\$ 100	Meals & Entertain.	\$ 0	Meals & Entertain.	\$ 0
Cash Draw	<u>\$1,000</u>	Cash Draw	<u>\$1,000</u>	Cash Draw	<u>\$1,000</u>
Total Expenses	- \$3,000	Total Expenses	- \$3,600	Total Expenses	- \$1,900
Net Income:	\$2,000	Net Income:	- \$1,600	Net Income:	\$2,100

The information provided above is true and correct to the best of my knowledge.

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(Signature and date of Person Earning Income)

*Please refer to the next page to see how Healthy Families calculates your monthly income.*

## HOW THE HEALTHY FAMILIES PROGRAM CALCULATES INCOME

\* When calculating your income, the HFP does not include depreciation, meals and entertainment, and cash draws as business expenses. The HFP adds expenses for depreciation, meals and entertainment and cash draws back into your monthly income. These types of expenses are referred to as “Disallowed Expenses.” Please see the example below.

\*\* The HFP counts negative amounts as zero (\$0). Please see the February 2006 income as an example.

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Equipment	\$1,000	Equipment	\$1,000	Equipment	\$ 300
Repair	\$ 300	Repair	\$1,100	Repair	\$ 100
Advertising	\$ 300	Advertising	\$ 300	Advertising	\$ 300
Depreciation*	\$ 100	Depreciation*	\$ 0	Depreciation*	\$ 0
Meals & Entertain.*	\$ 100	Meals & Entertain.*	\$ 0	Meals & Entertain.*	\$ 0
Cash Draw*	<u>\$1,000</u>	Cash Draw*	<u>\$1,000</u>	Cash Draw*	<u>\$1,000</u>
Total Expenses	- \$3,000	Total Expenses	- \$3,600	Total Expenses	- \$1,900
Total Income	\$5,000	Total Income	\$2,000	Total Income	\$4,000
Total Expenses	- <u>\$3,000</u>	Total Expenses	- <u>\$3,600</u>	Total Expenses	- <u>\$1,900</u>
Net Income	\$2,000	Net Income	- \$1,600	Net Income	\$2,100
Disallowed Expenses*	\$1,200	Disallowed Expenses*	\$1,000	Disallowed Expenses*	\$1,000
Adjusted Net	\$3,200	Adjusted Net	- \$ 600**	Adjusted Net	\$3,100

**HFP monthly income calculations:**

Net Profits: January 2006	\$3,200
February 2006**	\$ 0
March 2006	<u>\$3,100</u>
Total Net Profit:	\$6,300
Divide by: <u>      </u> ÷ 3	
Monthly Net Profit:	\$2,100