CALCULATION OF GROSS PROFIT

A)

.PROJECTED:

Turnover		£
Plus		
Closing Stock		£
Plus		
Work in Progress at end of year		£
	Total	£

B)

Opening Stock		£
Plus		
Work in Progress start of year		£
Plus		
Variable Charges *		£
	Total	£

Gross Profit = A – B £

Variable charges are amounts that would not be incurred by the business during the period of interruption e.g

Purchases (Less discounts received)
Discounts Allowed
Carriage and Freight
Heating and lighting