

Flipside Finance

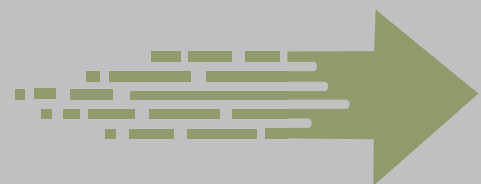


DIY Pnl Handbook

A Step-by-Step Guide



RETAIL - GROCERY EDITION



AISLE-BY-AISLE

Revenue Streams



SUBLETTING SPACE

From **2021 - 2023**, they have **jumped** by double-digit percentages.



Their customers might become your customers too, boosting sales.

Renting your store spaces or shelves to other businesses or vendors.

WHAT

WHY



E-Commerce

By **2030**, it will constitute **more than 25%** of the total grocery retail sales.



Selling goods or services online.

You get access to larger audience.

WHAT

WHY



In-Store Sales

Grocery store sales in the **US** account for **92.1%** of total sales.



You have opportunities for in-person customer engagement.

Selling products directly to customers within store locations.

WHAT

WHY



Additional Services

As of today, more than **5 of every 10** grocery sales are fulfilled via **delivery**.

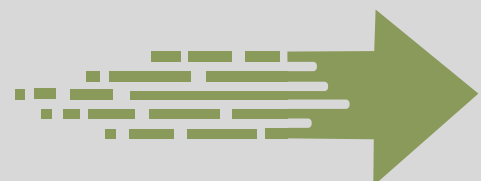


Offering supplementary services beyond product sales like delivery service.

Value-added services increase the basket size of your customers.

WHAT

WHY



INSIDE THE PROFIT PUZZLE

Cost Of Goods Sold (COGS)

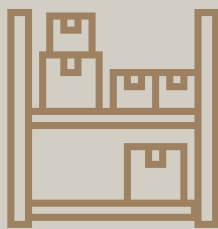
Inventory Purchases



The goods and products you buy to **stock** your shelves.

Maintaining product **availability** prevents **stock-outs** and helps **retain** customers.

Storage & Warehousing



Costs for **keeping inventory** stored, like rent for warehouses, refrigeration, and shelf upkeep.

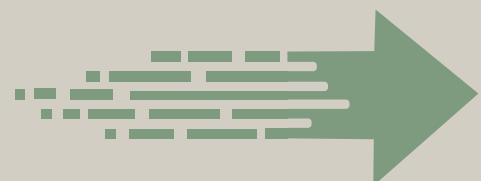
Proper storage maximizes available **space** and minimizes **waste**.

Shipping & Transportation



The cost of **moving inventory** from suppliers to your store, especially when you are buying in bulk from **bazaars**.

Efficient transportation ensures products reach your store **promptly**.



COUNTING YOUR CASH?

Where's it going

Here's How

Total
Revenue



COGS



Gross
Profit/Loss

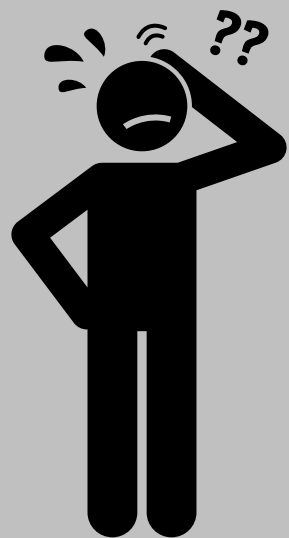
Why it Matters?



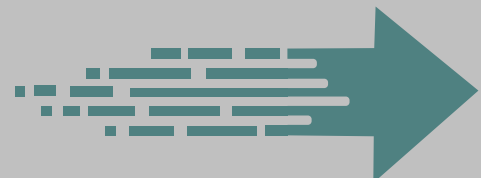
Lenders often use gross profit to evaluate loan applications.

You can refine your **pricing strategies** based on GP assessment.

You can negotiate better terms with suppliers based on this information

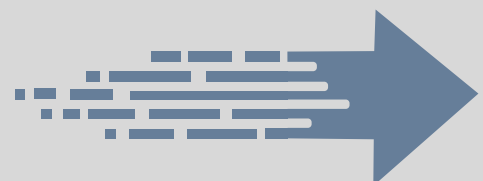
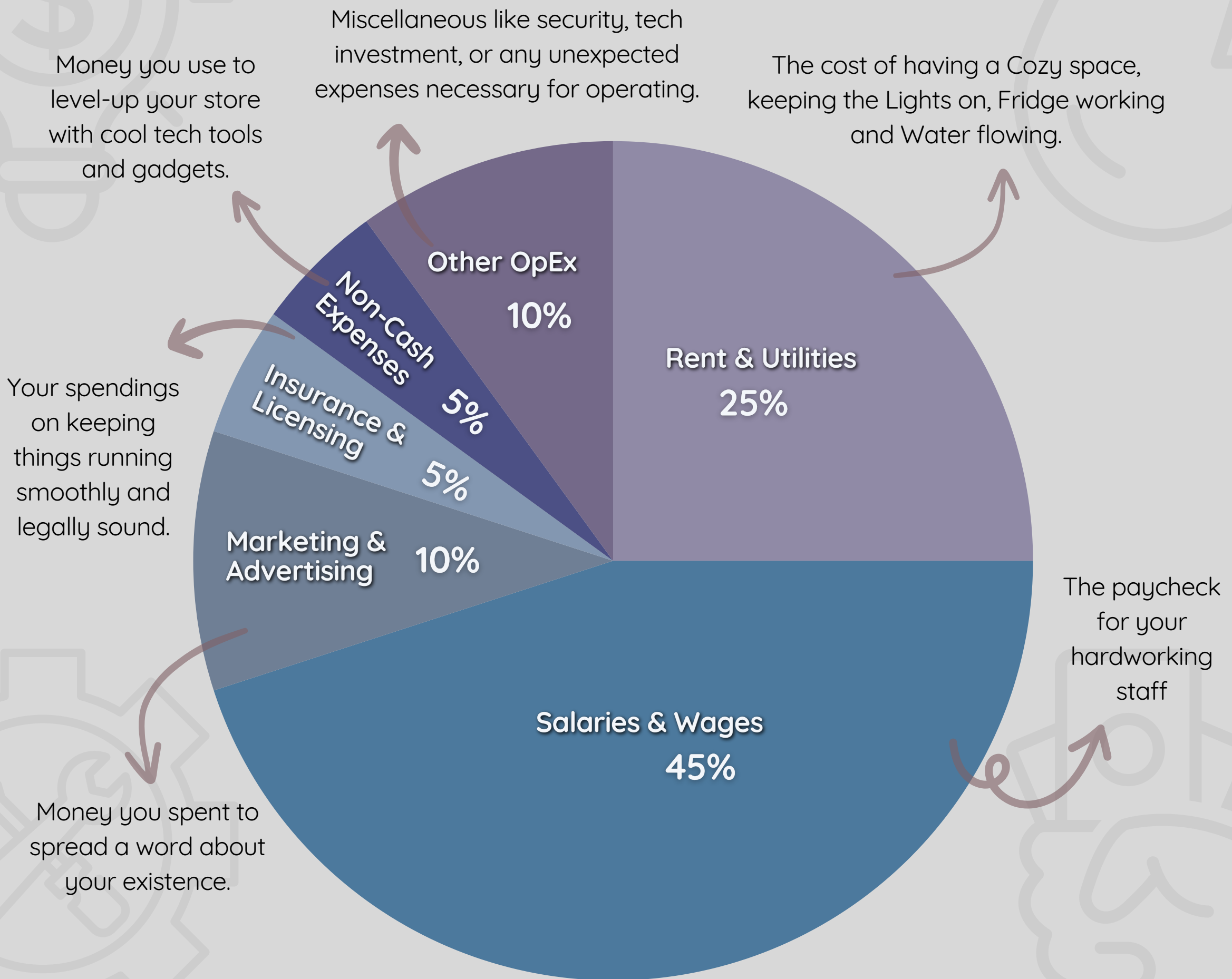


- GP does not account for overheads like admin costs, marketing expenses, rent and utilities.
- Ignoring them may underestimate the actual expenses required to operate.
- Overheads affect pricing strategies, resource allocation, and investment choices.



KEEPING THE LIGHTS ON

Operating Expenses (OpEx)



WHAT'S THE TAKE HOME?

Gain or Drain

Here's How

$$\text{Total Revenue} - \text{COGS} - \text{OpEx} = \text{Profit/Loss Before Tax}$$

Why it Matters?



It will help you **assess** the health and sustainability of your business.

If you track your totals regularly, you make better **future decisions**.

$$\text{Profit/Loss Before Tax} - \text{Tax} = \text{Net Profit/Loss}$$

You must understand the **tax implications** related to net profit.

Keep the wisdom flowing

FOLLOW US!!

Don't keep this all to yourself

REPOST!!!

