

PROFITS INSURANCE WORKSHEET

Name of Insured _____

Location of Risk _____

ALL ENTRIES TO BE ON AN ANNUAL BASIS	COLUMN 1 Actual for Year Ended: _____	COLUMN 2 Estimated Values for Year Ending: _____
A. Total annual net sales value of production from Manufacturing Operations*; and total annual net sales from Merchandising or Non-Manufacturing Operations, (Gross sales less discounts, returns, bad accounts and prepaid freight, if included in sales).....	\$ _____	\$ _____
B. Add other earnings (if any) derived from operations of the business:		
1. Cash Discounts Received.....	_____	_____
2. Commissions or Rents from Leased Departments.....	_____	_____
3. _____	_____	_____
C. Total ("A" plus "B")	\$ _____	\$ _____
D. Deduct only cost of:		
1. Raw stock from which such production is derived*	\$ _____	\$ _____
2. Supplies consisting of materials consumed directly in the conversion of such raw stock into finished stock or in supplying the service(s) sold by the Insured*	_____	_____
3. Merchandise sold, including packaging materials therefore	_____	_____
4. Service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract.....	_____	_____
5. Total Deductions.....	\$ _____	\$ _____
E. GROSS PROFITS ("C" Minus "D")	\$ _____	\$ _____

* See reverse for Explanatory Notes.

Amount of Insurance \$ _____

Estimated time to rebuild each building: _____

Estimated longest time to replace any machinery: _____

Estimated longest time to replace raw stock or merchandise: _____

Peak season period each year and percent of annual Gross Profits generated: _____

Briefly describe probable action in case of loss.

A) Causing short business suspension: _____

B) Causing serious or total destruction: _____

Insured Signature _____

Title _____ Date _____

EXPLANATORY NOTES:**1. To obtain annual net sales value of production from Manufacturing Operations, the following procedure is recommended:**

Net sales of Insured's product during the year (i.e. gross sales less discounts granted, returns, allowances, bad debts, and prepaid freight, if included in sales figures)	\$ _____
DEDUCT – Inventory of FINISHED STOCK at beginning of year, priced at sales value	\$ _____
Balance.....	\$ _____
ADD – Inventory of FINISHED STOCK on hand at end of year, priced at sales value....	\$ _____
TOTAL – Annual Net Sales Value of production during the year	\$ _____

2. To obtain cost of raw stock, merchandise sold, or supplies consisting of materials consumed, the following procedure is recommended:

Inventory at beginning of year.....	\$ _____
ADD –Net Cost of raw stock, merchandise, supplies consisting of materials purchased during the year (including cartage and transportation charges on said incoming purchases)	\$ _____
TOTAL	\$ _____
DEDUCT – Inventory at end of year	\$ _____
Amount for deductions 1, 2, and 3 of "D"	\$ _____

Note: Adjust for any inventory increase or decrease caused by price fluctuations.

Note: Under deduction 2 of "D", the words "Supplies consisting of materials" are intended to refer only to tangible or physical supplies (i.e. materials), and the deduction of intangible supplies (such as heat and power) is not permitted nor shall intangible supplies which are not "materials" be deemed to be raw stock.