

## Income Statement

(Manufacturing)

		<b>1996</b>
<b>1</b>	<b>Sales</b>	
	<i>Sales</i>	\$2,000,000
<b>2</b>	<b>Cost of sales</b>	\$850,000
	2a <i>Direct labor</i>	\$200,000
	2b <i>Materials</i>	\$500,000
	2c <i>Other costs</i>	\$150,000
<b>3</b>	<b>Gross profit</b>	\$1,150,000
<b>4</b>	<b>Expenses</b>	
	4a <i>Operating expenses</i>	\$250,000
	4b <i>Interest</i>	\$12,000
	4c <i>Depreciation</i>	\$12,500
	4d <i>Amortization</i>	\$10,000
	<b>Total expenses</b>	\$284,500
<b>5</b>	<b>Operating income</b>	\$865,500
<b>6</b>	<b>Other income and expenses</b>	\$33,000
<b>7</b>	<b>Income before tax</b>	\$898,500
	<i>Please enter a tax percentage:</i>	
<b>8</b>	<i>Taxes @ 30%</i>	\$269,550
<b>9</b>	<b>Net income</b>	\$628,950

## Calculations

<i>Direct labor</i>	2a
<i>Materials</i>	2b
+ <i>Other costs</i>	2c
<b>Cost of sales</b>	2
<b>Sales</b>	1
- <b>Cost of sales</b>	2
<b>Gross profit</b>	3
<i>Operating expenses</i>	4a
<i>Interest</i>	4b
<i>Depreciation</i>	4c
+ <i>Amortization</i>	4d
<b>Total expenses</b>	4
<b>Gross profit</b>	3
- <b>Total expenses</b>	4
<b>Operating income</b>	5
<i>Operating income</i>	5
+ <i>Other income and expenses</i>	6
<b>Income before tax</b>	7
<b>Income before tax</b>	7
- <b>Taxes</b>	8
<b>Net income</b>	9