

Top-Light Corporation
Income Statement
For Year Ended December 31, 20--

		% of Net Sales
Operating Revenue:		
Sales	\$ 557,900.50	
Less: Sales Discount	\$ 1,371.30	
Sales Returns and Allowances	<u>\$ 3,279.39</u> <u>\$ 4,650.69</u>	
Net Sales	\$ 553,249.81	100.00%
Cost of Merchandise Sold:		
Merchandise Inventory, January 1, 20--	\$ 90,260.72	
Purchases	\$ 260,036.25	
Less: Purchases Discount	\$ 2,218.16	
Purchases Returns and Allowances	<u>\$ 3,119.45</u> <u>\$ 5,337.61</u>	
Net Purchases	<u>\$ 254,698.64</u>	
Total Cost of Mdse. Available for Sale	\$ 344,959.36	
Less Mdse. Inventory, December 31, 20--	<u>\$ 88,142.54</u>	
Cost of Merchandise Sold	<u>\$ 256,816.82</u>	46.4%
Gross Profit	<u>\$ 296,432.99</u>	53.6%
Operating Expenses:		
Advertising Expense	\$ 18,411.32	
Credit Card Fee Expense	\$ 5,692.71	
Depreciation Expense- Office Equipment	\$ 5,460.00	
Depreciation Expense- Store Equipment	\$ 8,440.00	
Insurance Expense	\$ 12,000.00	
Miscellaneous Expense	\$ 4,159.31	
Payroll Taxes Expense	\$ 14,019.64	
Rent Expense	\$ 8,400.00	
Salary Expense	\$ 155,773.80	
Supplies Expense- Office	\$ 2,481.72	
Supplies Expense- Store	\$ 3,645.81	
Uncollectible Accounts Expense	\$ 1,494.12	
Utilities Expense	<u>\$ 4,995.14</u>	
Total Operating Expenses	<u>\$ 244,973.57</u>	44.3%
Income from Operations	\$ 51,459.42	9.3%
Other Revenue:		
Interest Income	<u>\$ 170.07</u>	0.0%
Net Income before Federal Income Tax	\$ 51,629.49	9.3%
Less Federal Income Tax Expense	<u>\$ 7,907.37</u>	1.4%
Net Income after Federal Income Tax	<u>\$ 43,722.12</u>	7.9%