

Sample Products Co.
Income Statement
For the Five Months Ended May 31, 2015

Sales		\$100,000
Cost of goods sold		<u>75,000</u>
Gross Profit		<u>25,000</u>
Operating expenses		
Selling expenses		
Advertising expense	2,000	
Commissions expense	<u>5,000</u>	7,000
Administrative expenses		
Office supplies expense	3,500	
Office equipment expense	<u>2,500</u>	<u>6,000</u>
Total operating expenses		<u>13,000</u>
Operating income		<u>12,000</u>
Non-Operating or other		
Interest revenues		5,000
Gain on sale of investments		3,000
Interest expense		(500)
Loss from lawsuit		<u>(1,500)</u>
Total non-operating		6,000
Income before disc op and extraordinary item		<u>\$ 18,000</u>
Discontinued operations		(4,000)
Extraordinary item		<u>7,000</u>
Net Income		<u><u>\$ 21,000</u></u>