

ABC company

**Income Statement OR Profit & Loss statement
for the months January to September 2009**

Total Meal Sales		
no. of meals sold x \$ sales price per meal)	\$	1,500.00
less: Total Cost of meals Sold		
No of meals sold x cost price meal)	\$	600.00
GROSS PROFIT		\$ 900.00

Cost price of each meal is the direct cost associated with producing each meal.

Operating Expenses		
Registration fee	\$	50.00
Directors fees		
(No. of directors X\$15)	\$	50.00
Exam fees		
(No. of directors sitting exam x \$25)	\$	100.00
Rent	\$	-
Electricity	\$	50.00
Telephone	\$	150.00
Salaries	\$	-
Petrol/Delivery cost	\$	100.00
Advertising	\$	60.00
Postage/stationary	\$	8.00
Plans/Reports	\$	10.00
Less: Total Operating Expenses		\$ 578.00

These are selling, general and administration expenses necessary to run the business

Operating Profit is the amount of profit earned during the normal course of operation. It is computed by subtracting operating expenses from gross profit.

Operating Profit/Net Profit before tax		\$	322.00
Less: Tax@25%			
		\$	80.50

This is a provision for the amount of tax to be paid. For a YES company it is 25%.

NET PROFIT AFTER TAX		\$ 241.50
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This is the final earnings of the business. It is computed by subtracting taxes paid from net profit before taxes.