

**ABC Company, Inc.**  
**Income Statement for the year ended December 31, 2006**

<b>Income</b>	
Sales	\$2,102,358
<b>Cost of Sales</b>	
Beginning Inventory	\$331,764
Purchases	1,469,835
Other Costs	<u>136,003</u>
Goods Available for Sale	\$1,937,592
Less: Ending Inventory	<u>(501,575)</u>
Cost of Sales	\$1,436,017
<b>Gross Profit</b>	<b>\$666,341</b>
<b>Operating Expenses</b>	
Advertising	\$4,341
Auto & Truck	8,264
Bad Debts	807
Bank Charges	<u>110</u>
Casual Labor	3,586
Commissions	41,298
Contributions	1,194
Depreciation	16,658
Dues & Subscriptions	1,925
Entertainment	10,181
Equipment Rental	6,601
Fuel	13,133
Insurance	50,788
Janitorial Service	4,299
Leasing	11,688
Legal & Accounting	1,911
Miscellaneous	41,124
Office Supplies	12,711
Rent	19,246
Repairs & Maintenance	4,533
Salaries	238,674
Shop Supplies	10,097
Taxes – General	3,643
Taxes – Payroll	19,269
Telephone	14,119

Travel	8,981
Utilities	8,165
<b>Total Operating Expenses</b>	<b>\$572,583</b>
<b>Net Operating Income</b>	<b>\$108,985</b>
<b>Other Income</b>	
Other Income (Expenses)	\$2,915
Discounts Earned	(3,385)
Discounts Allowed	(43,759)
<b>Total Other Income (Expenses)</b>	<b>\$44,529</b>
<b>Net Income</b>	<b>\$64,456</b>