

Financial Statement Comparison: Income Statements, Balance Sheets

For: Service – Merchandising – Manufacturing Companies

Service Company			Merchandising Company			Manufacturing Company		
Income Statement			Income Statement			Income Statement		
Month Ended December 31, 20XX			Month Ended December 31, 20XX			Month Ended December 31, 20XX		
Revenues:			Revenues:			Revenues:		
Service Revenue		\$5,100	Sales Revenue		\$5,100	Sales Revenue		\$5,100
Expenses:			Cost of Goods Sold:			Cost of Goods Sold:		
Salaries Expense	\$1,800		Begin Merchandise Inventory	\$2,000		Begin Finished Goods Inventory	\$2,000	
Rent Expense	1,500		Purchases & Freight In	1,200		Cost of Goods Manufactured	1,200	
Utilities Expense	500		Cost of Goods available for sale	3,200		Cost of Goods available for sale	3,200	
Total Expenses		3,800	Ending Merchandise Inventory	(2,000)		Ending Finished Goods Inventory	(2,000)	
Operating Income		<u>\$1,300</u>	Cost of Goods Sold		<u>1,200</u>	Cost of Goods Sold		<u>1,200</u>
			Gross Profit		<u>3,900</u>	Gross Profit		<u>3,900</u>
			Selling and Administrative Expenses		<u>2,600</u>	Selling and Administrative Expenses		<u>2,600</u>
			Operating Income		<u>\$1,300</u>	Operating Income		<u>\$1,300</u>

Service Company			Merchandising Company			Manufacturing Company		
Balance Sheet (Partial)			Balance Sheet (Partial)			Balance Sheet (Partial)		
December 31, 20XX			December 31, 20XX			December 31, 20XX		
Assets			Assets			Assets		
Cash	\$ 5,200		Cash	\$ 5,200		Cash	\$ 5,200	
Accounts Receivable	2,200		Accounts Receivable	2,200		Accounts Receivable	2,200	
Equipment	48,000		Merchandise Inventory	2,000		Raw Materials Inventory	1,700	
			Equipment	48,000		Work-In-Process Inventory	900	
						Finished Goods Inventory	2000	
						Equipment	48,000	
Total Assets		\$55,400	Total Assets		\$57,400	Total Assets		\$60,000