

Income Statement Spread: Dry Supply

Income Statement for the year ended on July 15 (Rs. in 000s)						
	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Net sales	Rs.895	100.0	Rs.937	100.0	Rs.918	100.0
Cost of goods sold	<u>645</u>	<u>72.1</u>	<u>667</u>	<u>71.2</u>	<u>631</u>	<u>68.7</u>
Gross profit	250	27.9	270	28.8	287	31.3
Selling, gen. and admin. expense.	157	17.5	173	18.5	180	19.6
Officer's compensation	36	4.0	31	3.3	28	3.1
Rent expenses	15	1.7	18	1.9	20	2.2
Bad debt expense	2	0.2	1	0.1	0	0.0
Profit sharing expense	7	0.8	7	0.7	0	0.0
Depreciation expense	<u>12</u>	<u>1.3</u>	<u>12</u>	<u>1.3</u>	<u>13</u>	<u>1.4</u>
Total operating expenses	229	25.6	242	25.8	241	26.3
Operating income	21	2.3	28	3.0	46	5.0
Other income	0	0.0	0	0.0	0	0.0
Interest income	2	0.2	2	0.2	2	0.2
Rental income	3	0.3	3	0.3	3	0.3
Interest expense	<u>6</u>	<u>0.7</u>	<u>7</u>	<u>0.7</u>	<u>11</u>	<u>1.2</u>
Net profit before tax	20	2.2	26	2.8	40	4.4
Taxes	<u>11</u>	<u>1.2</u>	<u>12</u>	<u>1.3</u>	<u>17</u>	<u>1.9</u>
Net profit after tax	Rs.9	1.0	Rs.14	1.5	Rs.23	2.5

Balance Spread Sheet: Dry Supply

Balance Sheet (Rs. in 000s)						
Assets	July 15, 2015		July 15, 2016		July 15, 2017	
	Amount	%	Amount	%	Amount	%
Cash	Rs.3	1.2	Rs.12	4.6	Rs.22	8.1
Accounts receivable	114	46.9	118	45.4	117	43.3
Less: allowance for doubtful accounts	5	<u>2.1</u>	5	<u>1.9</u>	5	<u>1.9</u>
Net accounts receivable	109	44.9	113	43.5	112	41.5
Inventory	73	<u>30.0</u>	72	<u>27.7</u>	67	<u>24.8</u>
Total current assets	185	76.1	197	75.8	201	74.4
Furniture and fixtures	76	31.3	75	28.8	78	28.9
Leasehold improvements	1	0.4	1	0.4	0	0.0
Transportation equipment	53	<u>21.8</u>	70	<u>26.9</u>	85	<u>31.5</u>
Gross fixed assets	130	53.5	146	56.2	163	60.4
Less: Accum. depreciation	85	<u>35.0</u>	97	<u>37.3</u>	110	<u>40.7</u>
Net fixed assets	45	18.5	49	18.8	53	19.6
Cash-value life insurance	13	<u>5.3</u>	14	<u>5.4</u>	16	<u>5.9</u>
Total assets	Rs.243	100.0	Rs.260	100.0	Rs.270	100.0
Liabilities	July 15, 2015		July 15, 2016		July 15, 2017	
	Amount	%	Amount	%	Amount	%
Notes payable bank short-term	Rs.81	33.3	Rs.68	26.2	Rs. 59	21.8
Accounts payable—trade	42	17.3	46	17.7	31	11.5
Accrued taxes	5	2.1	6	2.3	7	2.6
Accrued bonuses	10	<u>4.1</u>	11	<u>4.2</u>	12	<u>4.4</u>
Total current liabilities	138	56.8	131	50.4	109	40.4
Subordinated debt Shareholders	48	<u>19.8</u>	58	<u>22.3</u>	67	<u>24.8</u>
Total liabilities	186	76.5	189	72.7	176	65.2
Net Worth						
Common stock	2	2	2	0.8	2	0.7
Retained earnings	55	<u>22.6</u>	69	<u>26.5</u>	92	<u>34.1</u>
Total net worth	57	<u>23.5</u>	71	<u>27.3</u>	94	<u>34.8</u>
Total liabilities and net worth	Rs.243	100.0	Rs.260	100.0	Rs.270	100.0