

Income Statement Structure

BGS Technologies
Income Statement
Year Ended March 31, 2018

Sales	\$ 1,000,000
Cost of goods sold	<u>550,000</u>
Gross profit	450,000
Research and development expense	100,000
Selling, general and admin. expenses	<u>150,000</u>
Operating income	200,000
Other income (expense):	
Special item - Lawsuit settlement	(125,000)
Special item – Loss from flood	(25,000)
Interest income	50,000
Interest expense	<u>(25,000)</u>
Income from continuing operations before taxes	75,000
Income tax provision	<u>18,750</u>
Income from continuing operations	56,250
Gain from discontinued operations (net of tax)	<u>110,250</u>
Net Income	\$ <u>166,500</u>