

P and L Statement

Gross price \Rightarrow \$30
(2)

Pre-invoice
deductions
(discount)

Net Invoice Sales \Rightarrow \$28

post-invoice deductions
(Promotional offers,
Placemat fees,
Performance Rebates)

Net Sales (Revenue) \Rightarrow 25
(3)

(20)

Cost of
Goods Sold
(COGS)
Budget

Gross Margin (Profit) = 5
GM / NS % = 20% (5/25)