

**Kudler Fine Foods
Income Statement
For the Year Ended December 31, 2003**

Revenue:		
Gross Sales		\$10,804,000
Less: Sales Returns and Allowances		<u>\$7,800</u>
Net Sales		\$10,796,200
Cost of Goods Sold:		
Beginning Inventory	\$467,890	
Add:		
Purchases	\$3,752,891	
Freight-in	\$165,010	
Direct Labor	\$3,769,591	
Indirect Expenses	<u>\$748,539</u>	
	\$8,903,921	
Less: Ending Inventory		<u>\$429,090</u>
Cost of Goods Sold		<u>\$8,474,831</u>
Gross Profit (Loss)		\$2,321,369
Expenses:		
Advertising	\$263,000	
Amortization	\$2,700	
Bad Debts	\$2,300	
Bank Charges	\$19,258	
Charitable Contributions	\$5,000	
Bonuses	\$65,000	
Systems & Network Contract	\$82,000	
Credit Card Fees	\$125	
HR Payroll Outsource	\$8,500	
Depreciation	\$27,750	
Dues and Subscriptions	\$29,403	
Insurance	\$65,000	
Custodial Contract	\$48,000	
Interest	\$63,768	
Maintenance Contract	\$36,000	
Miscellaneous	\$1,100	
Office Expenses	\$8,300	
Operating Supplies	\$5,500	
Software Licenses	\$8,200	
Permits and Licenses	\$3,500	
Postage	\$46,000	
Professional Fees	\$32,157	
Office Lease	\$63,000	
Repairs	\$850	
Telephone	\$16,500	
Travel	\$4,500	
Utilities	\$7,900	
Vehicle Expenses	\$11,458	
Wages	<u>\$725,650</u>	
Total Expenses		<u>\$1,652,419</u>
Net Operating Income		\$668,950
Other Income:		
Gain (Loss) on Sale of Assets	\$0	
Interest Income	<u>\$7,845</u>	
Total Other Income		<u>\$7,845</u>
Net Income (Loss)		\$676,795