

Multi-Step Income Statement (Small Business)

Revenue

Sales Revenue

Less: Sales Returns & Allowances

Net Sales

Cost of Goods Sold

Beginning Inventory

Add: Purchases

Less: Ending Inventory

Cost of Goods Sold

Gross Profit

Operating Expenses

Salaries Expense

Rent Expense

Utilities Expense

Depreciation Expense

Other Operating Expenses

Total Operating Expenses

Operating Income

Other Income & Expenses

Interest Income

Less: Interest Expense

Other Non-Operating Income/Expense

Net Other Income/Expense

Income Before Tax

Less: Income Tax Expense

Net Income