

Sample Multiple-Step Income Statement

ABC Company
Income Statement
For the Year Ended December 31, 2009

Sales	\$ 1,480,000
Cost of goods sold	600,000
Gross profit	<u>880,000</u>
Operating expenses:	
Selling	100,000
Administrative	220,000
Total operating expenses	<u>320,000</u>
Income from operations	<u>560,000</u>
Other revenue and (expense):	
Interest revenue	35,000
Interest expense	(15,000)
Dividend revenue	15,000
Infrequent or unusual gains	9,000
Infrequent or unusual losses	(4,000)
Total other revenue and expense	<u>40,000</u>
Income before income taxes	600,000
Income taxes	208,000
Income from continuing operations	<u>392,000</u>
Discontinue operations:	
Income from operations, less income tax of \$24,800	54,000
Loss on disposal, less income tax of \$41,000	(90,000)
Total discontinued operations	<u>(36,000)</u>
Income before extraordinary item	356,000
Extraordinary item, less income tax of \$23,000	(45,000)
Net income	<u><u>\$ 311,000</u></u>