

The Income Statement

Revenues and Expenses

The Income Statement

- ▶ The purpose of the Income Statement is to show the if the business is profitable or not

The Income Statement – Heading

Dorchester Lawn Care ← Who

The name must be the proper legal name of the business. Abbreviations are not allowed.

The Income Statement – Heading

Dorchester Lawn Care

Income Statement ← What

The Income Statement – Heading

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3 ← When

An Income Statement covers a period of time. The most common are a month, a quarter (3 months), and a year.

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues ← Record the column heading – Revenues

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

Commercial
Residential } Record the types of revenue.

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

Commercial
Residential

\$ 4 350
2 650



Record the amounts

The Income Statement


Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | |
|---------------|-------------|
| Commercial | 4 350 |
| Residential | 2 650 |
| Total Revenue | <hr/> 7 000 |



Rule and total the revenues and include heading.

The Income Statement

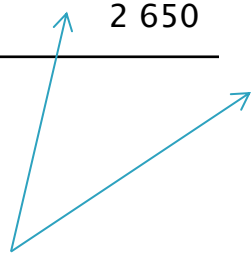
Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | |
|---------------|----------------|
| Commercial | \$ 4 350 |
| Residential | 2 650 |
| Total Revenue | <hr/> \$ 7 000 |



Record \$ signs at start of columns.

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | | |
|---------------|----------|----------|
| Commercial | \$ 4 350 | |
| Residential | 2 650 | |
| Total Revenue | <hr/> | \$ 7 000 |

Expenses

Record Expenses heading.

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | | |
|---------------|----------|----------|
| Commercial | \$ 4 350 | |
| Residential | 2 650 | |
| Total Revenue | <hr/> | \$ 7 000 |

Expenses

| | | |
|-------------|------|-------------------|
| Advertising | 300 | } Record Expenses |
| Fuel | 250 | |
| Insurance | 1450 | |
| Rental | 500 | |
| Wage | 3300 | |

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | | |
|---------------|----------|----------|
| Commercial | \$ 4 350 | |
| Residential | 2 650 | |
| | <hr/> | |
| Total Revenue | | \$ 7 000 |

Expenses

| | | |
|----------------|-------|-------|
| Advertising | 300 | |
| Fuel | 250 | |
| Insurance | 1450 | |
| Rental | 500 | |
| Wage | 3300 | |
| | <hr/> | |
| Total Expenses | | 5 500 |



Rule and total expenses and record the heading.

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | | |
|---------------|----------|----------|
| Commercial | \$ 4 350 | |
| Residential | 2 650 | |
| Total Revenue | <hr/> | \$ 7 000 |

Expenses

| | | |
|----------------|-------|-------|
| Advertising | 300 | |
| Fuel | 250 | |
| Insurance | 1450 | |
| Rental | 500 | |
| Wage | 3300 | |
| Total Expenses | <hr/> | 5 500 |

Net Income ← 1 500

Calculate the net income and include heading.

The Income Statement

Dorchester Lawn Care

Income Statement

for the year ended June 30, 20X3

Revenues

| | | |
|---------------|----------|----------|
| Commercial | \$ 4 350 | |
| Residential | 2 650 | |
| Total Revenue | <hr/> | \$ 7 000 |

Expenses

| | | |
|----------------|-------|-------|
| Advertising | 300 | |
| Fuel | 250 | |
| Insurance | 1450 | |
| Rental | 500 | |
| Wage | 3300 | |
| Total Expenses | <hr/> | 5 500 |

Net Income

\$ 1 500

Double underline to indicate a grand total and include the \$ sign.