

HarmonyTunes Earbuds - Income Statement	
	Year 1
<b>Total Output</b>	
<b>Selling Price Per Unit</b>	
<b>Revenue</b>	\$0
Raw Material	
Wages	
Depreciation	
<b>Cost of Goods Sold</b>	\$0
<b>Gross Profit</b>	\$0
S,G &A Expense	
Rent	
<b>Operating Expense</b>	\$0
<b>Operating Profit</b>	\$0
Interest Expense	
<b>Profit Before Tax</b>	\$0
Income Tax	
<b>Net Profit</b>	\$0
<b>Net Profit Margin</b>	

*Finance for Non-Finance Course By Navin B*

**Fill in the Income Statement using the details provided below.**

Financial Events - Year 1
1. HarmonyTunes manufactured 1000 wireless earbuds and sold each for \$20.
2. Raw materials accounted for 25% of the revenue.
3. Wages constitute 40% of the revenue.
4. The company's machinery, valued at \$5000, depreciates at 10% per annum.
5. S, G &A expense was 10% of revenue. (Selling, General and Administrative Expense)
6. Premise rent was \$500 per month.
7. The company paid interest on a \$5000 bank loan at a 10% annual interest rate.
8. The income tax rate for the company is 20%.