eCourse Outline

Understanding Your Financial Statements - Your Income Statement

1. Your Income Statement
   a. Sales minus costs of goods sold / Gross Profit Margin minus operating expenses / Net Income
   b. Costs to produce products sold to customers
      i. Inventory
      ii. Ingredients
      iii. Packaging
   c. Amount paid to hourly employees
      i. Kitchen staff
      ii. Manufacturing operators
      iii. Sales clerks
   d. Costs of goods sold for a service business
   e. Gross Profit Margin
      i. Track COGS vs. sales
      ii. Optimize pricing and discounts
      iii. Cover operating expenses
   f. Operating expenses
      i. Variable expenses
      ii. Fixed expenses
   g. Gross Profit Margin minus Total Operating Expenses / Net Income from operations
   h. Other expenses
      i. Net Income from operations plus other income minus other expenses / Net Profit (loss) before taxes
      j. Taxes (federal, state)
      k. Net Profit (loss) before taxes minus Taxes (federal, state) / Net Profit (loss) after taxes
      l. Net Profit (loss) after taxes
   m. What your income statement tells you
   n. Creating an income statement
o. Summary
   i. Get the full picture
   ii. Income statement
   iii. Cash flow statement
   iv. Balance sheet